

MEASURING HUMAN RESOURCE MANAGEMENT PRACTICES AND RESPONSIBLE TOURISM ENTERPRISE PERFORMANCE IN KERALA: SCALE DEVELOPMENT

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Abstract

Purpose: This research has two objectives: firstly, it develops a reliable and valid scale for measuring human resource management practices (HRM) influence responsible tourism enterprise performance (RTEP) in the state of Kerala. Secondly, efforts were made to refine this research instrument.

Design/ Methodology/ Approach: A total of 30 responsible tourism enterprises filled the questionnaire through which 18 HRM practices and five organizational performance measures and some demographic variables were measured. In this research confirmatory factor analysis (CFA) was conducted for all the research variables and correlation was employed to test the association of demographic variables (as Control variables) with independent and dependent variables of the research. In this research the scale for measuring HRM practices and responsible tourism performance was developed and refined.

Findings: The scales adapted from previous well-known researches to measure Human resource management practices and responsible tourism enterprise performance. The scales included HRM practices such as recruitment and selection, performance appraisal, training and development and Career and benefits.

Research Limitations for Implications: This research may suffer from single respondent bias as one respondent from a responsible tourism enterprise was allowed to give their responses and they provide information on HRM practices and perceived measures of responsible tourism enterprise performance. The study has small sample size as it is intended to develop a scale on the basis of pilot testing, the results of this study cannot be generalized to all responsible tourism enterprises.

Practical Implications: The study advocate that responsible tourism Enterprise should achieve higher performance levels by adopting human resource management practices indicated in the study.

Originality/ Value: This research make an honest attempt to comprehensively review the literature in the area of Human Resource Management practices and organizational performance and open the way for conducting empirical researches by developing and refining a research

instrument for human resource management practices and responsible tourism enterprise performance.

Keywords: Human Resource Management, HRM practices, responsible tourism Enterprise performance, structural equation modeling (SEM), scale development and refinement, Kerala Tourism.

Paper Type; Research Paper

Introduction

Since 1980s the concept human resource management has emerged on two basic paths i.e. investigating the relationship between the practices of human resource management and the measures of performance. It was assumed that there is a direct relationship between individual HRM practices and organizational performance (Schuler & Jackson 1999). The second path of research was based on indirect relationship between HRM practices and organizational performance. The universal or internal fit philosophy posed the best practice bundle of Human Resource Practices, advocating that business strategies and HRM practices are independent in the assessment of business performance.

On the other hand external fit philosophy emphasizes on a closer fit between business strategies and HRM practices and concluded that business strategies are often followed by HRM Practices in the assessment of business performance. This configurational prospective of internal and external fit between business strategy and HRM strategy emphasizes on the importance of research variables in the context of business performance assessment.

Although there are many studies advocated that HRM practices leads to performance however such single dimensional relationship is unsatisfactory, therefore there is general consensus among researchers that HRM practices do not lead directly to business performance rather they influence firms resources such as human capital and employee behaviors that ultimately leads to performance.

There are many studies performed in this area of research as many of the researchers have focused on manufacturing sector such as Arthur (1994) focused on steel mills, Macduffie (1995) focuses on auto industry and Budhwar (2006,2007) focused on industrial sector. The review of literature also suggest that many of the researches in this area were conducted in USA and UK. Recently, fewer insights have been initiated in other parts of the world specially in the emerging market such as India.

Nevertheless, it is well accepted that organisational performance was influenced by HRM positively however there is a greater need for empirical support in this domain and in different contexts. Moreover, it was also noted that there has been a tendency for the service sector to be ignored in HRM research this lack of research in this area can be attributed to the fact that service sector is a heterogeneous sector comprising diverse businesses such as transport operation, financial companies, hospitality sector etc.

Thus it was concluded that heterogeneity is a major bottleneck for the researcher making any attempt to investigate service sector as a whole. In contrast Cappelli and Neumark (2021) argue about the advantages of examining HRM in a single industry.

Considering the above statements it seems unlikely that HRM practices will work differently in different context, therefore more research is needed in the area of service sector in different contexts. In order to fill this research gap and to examine these research variable in Non-US/ European context and in Non- manufacturing sectors. This research examines the influence of HRM practices on organizational performance within Responsible Tourism Enterprises in Kerala.

Responsible Tourism Missions

The Responsible Tourism Industry is growing rapidly in the state of Kerala under the aegis of Responsible Tourism Mission. It employs over one lakh people and generates a healthy amount of state revenues. Although there is a visible evidence of growth of these Responsible Tourism Enterprises, the dominant business model remains small, independent family firms. However if we talk about Indian context as a whole, the Indian Tourism Industry is confronted by many challenges imposed by the rapidly transforming external environment posed specially by the pandemic (Covid 19). Therefore in order to make success the industry of responsible tourism requires a professional approach in the area HRM practices. Such approach would prove to be crucial for solving staffing problem which the industry is currently facing. Major difficulties were reported in attracting and retaining employees with tightening labor market and ever increasing staff turnover.

The structure of this paper is given as under: the next section explores the literature in the area of HRM practices and performance in the context of responsible tourism enterprises and the hypothesis were frame to be tested. The third section discusses research methodology. Results were presented in the fourth section and the research concludes with practical implications presented in the last section.

Hospitality Industry

The hospitality industry totally depends upon the manpower employees and regarded as a labor intensive industry. Therefore the success and failure of these business enterprises is greatly influenced by social and technical skills of its human resources. The genuinity, hard work, commitment and attitude play an important role as far as the performance of responsible tourism Enterprises is concerned (Gabriel, 1988, p. 7; Anastassova and Purcell, 1995, p. 172). It is also very well documented in the literature that in a labour intensive industry, proper utilization of human resources is a source of sustainable competitive advantage (Schneider and Bowen, 1993; Mohinder, 2004).

Therefore, by blending Human Resource Management with organizational needs, right manpower can be recruited, trained, motivated and retain to give in sustainable competitive edge (Cheng and Brown, 1998). This notion is also advocated by Berger and Ghei, (1995). It is stated that the

success of hospitality sector is greatly influenced by quality of Manpower and its effective management. However, the domain of Human Resource Management is facing constant criticism in the hospitality sector as human resource management audit recognised as a cost centre and its importance is undermined.

This can be attributed to the fact that the investment on human resources is measurable and outcomes of this investment are difficult to measure in terms of money. These outcomes were usually measured with invisible factors such as employee satisfaction, customer satisfaction rate off complaints employee turnover etc. (Cho et al., 2006, p. 263). On the contrary there are some benefits were existed about investment of hospitality industry on its human resources (Alleyne et al., 2006). There are many studies which emphasizes on significance of human resources to hospitality industry.

However, Haynes and Fryer, (2000) and some other prominent researches advocated that managing human resources in hospitality organizations is not a top priority (Croney, 1988; Price, 1994; Lucas, 1996; Kelliher and Johnson, 1997; Haynes and Fryer, 2000). As McGunnigle and Jameson (2000, p. 403) recognizes that currently there is little shift towards HRM in UK hospitality industry. Similarly, Kelliher and Johnson (1997, p. 330) also recognizes paucity of evidence towards implementation of strategic approach to management of human resources in hospitality sector.

Anastassova and Purcell (1995), Watson and D'Annunzio-Green (1996), and Buick and Muthu (1997) implies the inclusion of best HRM practices and advocated that includes performance appraisal, training and development, rewards and compensation and more consultative management style. The organizations with more than 30 people follow good personnel practices (Price 1994). However, practices and processes in these organizations remain informal. Especially in the area of recruitment selection and development of staff (Worsfold, 1999). Many researches in the area also found that the hospitality industry suffers from high rate of turnover (e.g. Woods, 1992; Kennedy and Berger, 1994; Cheng and Brown, 1998).

When this problem was looked into, it was found that factors like induction, discrimination at the workplace, labour market conditions, lack of proper training and guidance, management style, organizational commitment, organization culture and job satisfaction are some of the factors affecting employee turnover (Woods, 1992; Kennedy and Berger, 1994; Cheng and Brown, 1998). Harrington and Akehurst (1996) and Gilbert and Guerrier (1997) advocated a role of service quality in respect of overall organizational performance and emphasizes that there is a positive correlation between service quality and business performance in UK hospitality industry and many other authors such as Hoque (2000a, b) supports this view. However, the role of strategy in this relationship cannot be ignored as it was found that the relationship between HRM practices and organizational performance depends upon the strategies enterprise is following.

The Indian hospitality industry is no different as it is consisting of small Enterprises. Especially in the state of Kerala under responsible tourism mission there are many small Enterprises which are providing Hospitality Services to a large chunk of tourist every year. They employee a large chunk

of human resources and informally put into place some HRM practices to enhance their organization performance. However it is reported that a number of researchers in this area have neglected the issue of Human Resource Management in the context of responsible tourism Enterprises as they are busy with researching the big Enterprises which creates a bias which can be corrected by conducting this research. However, the importance of small responsible tourism enterprises cannot be neglected, as they also contribute to the wealth of nation (Price, 1994, p. 44).

Due to this research bias, very few studies have attempted to examine the impact of human resource management practices on organizational performance. The performance measures such as turnover rates, labour productivity and profitability should be the area of concerns which are neglected in the recent literature (Cho et al., 2006). The studies conducted in this area of Responsible tourism enterprises and focuses on domestic or multinational hospitality chains originated in the west:

Table 01: Showing Researches in Different Parts Of The World

| S.No | Country | Researches |
|------|-------------|---|
| 1 | US | (Conrade et al., 1994; Ingram, 1996; Ingram and Baum,1997; Woods, 1992; Chung and Kalnins, 2001), |
| | New Zealand | (Lucas et al., 2004), |
| | Barbados | (Alleyne et al., 2006), (Haynes and Fryer, 2000), |
| 2 | Australia | (Timo, 1999; Cheng and Brown, 1998; Timo and Davidson, 2002; Knox, 2002; Nankervis, 2003; Jago and Deery, 2004; Davidson et al., 2006), |
| 3 | UK | (Worsfold, 1999; Price, 1994; Watson, 1996; Harrington and Akehurst, 1996; Lucas, 1996; Kelliher and Johnson,1997; Hoque, 1999a, 2000a; McGunnigle and Jameson, 2000; Maxwell et al., 2000; Watson et al., 2007), |
| 4 | Singapore | (Cheng and Brown, 1998), Bulgaria (Anastassova and Purcell, 1995), |
| 5 | India | (Singh, 2003). |
| 6 | Ireland | (Nolan, 2002; Garavan et al., 2002) |

Studies listed suffer from researching a single HRM practice with respect to any single measure of organizational performance. Therefore this study develops the scale and refines the measures of HRM practices and Organizational performance.

Research methodology

Sample

The Research questionnaire was administered on 405 responsible tourism enterprises located in the state of Kerala between January 2022 to February 2023. Responsible tourism enterprises chosen for the study comprises of small to big organizations operating in the hospitality sector and approved by responsible tourism mission, Kerala state. This study is designed as a pilot study to test the research questionnaire in the area of HRM practices and overall organization performance

so that the questionnaire originally developed can be refined on the basis of the results obtained in this study. The questionnaire was developed on the measures of HRM practices and organizational performance from existing Human Resource Management literature in the area.

Scale Development Process

In order to prepare a research instrument, the research variables intended to be researched were identified from the research and compiled in the research instrument. The phases followed in the development of research instrument as given under:

Phase 1: Result Variables Identification from the Literature

At this stage comprehensive literature review was conducted and research variables were identified. The research variables strictly adapted from reputed researches. At this stage, the research variables and associated items to measure those variables were finalized.

Phase 2: Initial Development of the Research Instrument

A rough draft based on the research variables items identified from the literature was initially developed in order to cover the content of the subject matter.

Phase 3: Implementing the Suggestions Of Academic Patients And Practitioners To Ensure Face Validity

At this stage, face validity of the research instrument was ensured. Face validity refers when a “research instrument is going to measure what it is intended to measure” (Ahmad & Schroeder, 2003). In the process of ensuring face validity the items suggested by academicians and practitioners were incorporated in the initially developed questionnaire. At this stage some minor modifications were also incorporated. The researcher in the area also reviewed the questionnaire and was asked that what constructs can be measured by using these items and their remarks were also incorporated. This backward interpretation technique was followed to ensure that the instrument should appear logical.

Phase 4: Ensuring Content Validity through Pilot Testing

In order to ensure content validity the final questionnaire was pilot tested on 30 responsible tourism enterprises. The content validity refers to the tendency of the research instrument to measure a specific intended domain of the content of the research (Trochim, 2009). The content validity can also be ensured if all the efforts were made to properly define the intended purpose of the research instrument through comprehensive analysis of the latest literature and incorporating the suggestions of experts and researches in the area (Bohrnstedt, 1983; Shin et al., 2000). The measurement error cannot be fully eliminated from any research but can be reduced in various ways, pilot study is one of the means to reduce the measurement error in order to get a refined research instrument. It is also documented that if the measurement error is eliminated or reduced it helps in ensuring the reliability of a study scale (Frey et al., 2000).

In the process of pilot study the finalized questionnaire was administered on the senior HR managers and they were told to provide comments apart from their responses on the research instrument. They were also asked to critically examine the questionnaire. The process took a month and all the feedbacks were obtained from senior HR managers at this stage. The suggestions were incorporated.

Phase 5: Questionnaire Final Structuring

All the input obtained from researchers and practitioners were Incorporated and the drafting of the questionnaire was completed at this stage, efforts were made to find the appearance of the questionnaire. In this area the efforts were made to make a questionnaire simple and easy to understand and effort were made to draft all the items in a minimum possible space so that the questionnaire does not look lengthy. The research instrument finally obtained containing the following research construct and items.

Independent Variables: HRM Practices - 18-item scale

Dependent Variable: Organizational performance - 5-item scale each

Control Variables: Organizational profile dimensions:

- Sector (manufacturing/service)
- Ownership (public/private sector)
- Size/ number of employees (small/medium/large).

The senior HR managers were also asked about their designation, experience in present position and in total. The research questionnaire utilize 5 point likert scale from strongly agree (5) to strongly disagree (1).

The approach of Likert's scale has been used in most of the the Human Resource Management Studies (e.g. Ahmad & Schroeder, 2003; Coggburn, 2005; Khandekar & Sharma, 2005; Khilji & Wang, 2007; Gomez, 1988), provided the research component should be measured through this approach (Arthur & Boyles, 2007).

The total of 32 HR managers responded from 75 managers were contacted, two questionnaires were found to be incomplete and were discarded from the final analysis taking the tally to 30 complete questionnaires. At the stage of pilot study 20-30 responses was sufficient in order to refine the research instrument (Ahmad, 2018, Azmi 2016).

Table 02: Profile of Respondents and Responding Responsible Tourism enterprises

| Demographic variables | Frequency | Percent |
|-------------------------|-----------|---------|
| Designation | | |
| Manager | 17 | 57.0 |
| proprietor | 10 | 10.0 |
| Care taker | 3 | 33.0 |
| Total | 30 | 100.0 |
| Experience | | |
| 0-5 years | 18 | 68.0 |
| >5 years | 12 | 32.0 |
| Total | 30 | 100.0 |
| Total Experience | | |
| 0-10 years | 17 | 47.0 |
| >10 years | 13 | 53.0 |
| Total | 30 | 100.0 |

HRM Practices

Study utilised a Likert-type scale to score 18 existing HRM practices. Tsui et al. (1997) and Fey et al. (1998) used techniques to classify the HRM Practices (2000). In this work, however, we used a three-step process to create an HRM Practices scale (Katou and Budhwar, 2006).

First, we empirically confirmed a theoretical grouping of HRM practices. Second, we assessed Cronbach's alphas to see how closely the relevant elements were related. Third, the average score for each factor was calculated is assessed.

The results of exploratory principal component factor analysis with Varimax rotation on the 18 individual HRM practice items and OP items categorize into six groups are presented in Table 03. Six factors were found to explain between 78.6 and 83.2 percent of the overall variation in HRM practice items.

Table 03: Showing EFA for all study scales

| Component | Initial Eigen values | | | Extraction Sums of Squared Loadings | | |
|--|----------------------|---------------|--------------|-------------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 15.653 | 28.988 | 28.988 | 15.653 | 28.988 | 38.988 |
| 2 | 5.845 | 10.823 | 39.811 | 5.845 | 10.823 | 49.811 |
| 3 | 4.190 | 7.760 | 47.571 | 4.190 | 7.760 | 57.571 |
| 4 | 3.352 | 6.207 | 53.778 | 3.352 | 6.207 | 63.778 |
| 5 | 2.657 | 4.921 | 58.699 | 2.657 | 4.921 | 78.699 |
| 6 | 2.453 | 4.542 | 63.241 | 2.453 | 4.542 | 83.241 |
| Extraction Method: Principal Component Analysis. | | | | | | |

The first factor is "recruitment and selection" (RS), which includes harmonized and term conditions, a single status for all employees, an internal promotion norm, employment test criteria, a merit element in selection, and multi-skilling and experience. The second aspect is "Performance Appraisal(PA), which includes Appraisal systems, awards , criterion for promotion etc." Training & Development (TD)" is the third factor consists of criteria for need-based training and development, formal system induction, learning organization, and formal training and development. Finally, the fourth factor, "compensation and Benefits,"(CB) includes keeping employees informed about market conditions and corporate success, including merit-based pay, official appraisals for all employees, non-monetary incentives, and social appreciation and recognition.

All items meet the eigenvalue (more than 1.00), cut-off points (factor loading less than 0.40), and cross-loading (less than 0.10) requirements (see Youndt et al., 1996; Huselid et al., 1997; Ngo et al., 1998 for further information). The Cronbach's alphas for the six factors range from 0.77 to 0.90, which is higher than the usually accepted standard of 0.70. (see Nunnally, 1978 Huselid, 1995; Delaney and Huselid, 1996; Youndt et al., 1996; Huselid et al., 1997; Ngo et al., 1998) found

that the six components generated from our data corresponded to the conceptually derived HRM Practices.

Organizational Performance (OP)

We employed a variety of organizational performance indicators (sales growth, productivity, profitability, goal achievement, and good service) that were measured using a perceived rating of the organization's performance on a Likert-type scale.

Control Variables

Because large organizations are more likely than small ones to have well- developed HRM practices (Huselid, 1995; Youndt et al., 1996), size is utilised to capture size and scale impacts. The argument has been made that the larger the enterprise, the better the performance (Pine and Phillips, 2005; Claver- Cortes et al., 2007). Other academics, on the other hand, claim that there is no link between enterprise size and performance (Brown and Dev, 1999).

Non-Response and Response Bias Evaluation

Non-response bias and response bias are two types of bias that might limit survey results (Paulhus, 1991). In this work, efforts were taken to account for any errors due to both types of biases.

Bias resulting from non-response

Any potential inaccuracy or bias resulting from the inability of respondents in the sample to reply properly is known as non-response bias. Lambert and Hanington (1990) propose a straightforward way to assessing non-response bias by comparing early and late respondents, which is employed in this study to rule out the possibility of non-response bias. Late respondents and non- respondents have been shown to be descriptively similar (Armstrong & Overton 1977).

Early and late respondents have different responses to survey variables (Lambert & Hanington, 1990). An independent samples t-test was used to look for any non-response bias. Respondents were separated into two groups based on the first call and follow-up calls. Respondents were divided into two groups based on whether they responded to the initial call or the two follow-up calls that were made later. Early respondents (40.7 percent) were those who responded to the initial queries, whereas late responders were those who responded to the follow-up requests (59.3 percent). There was no significant difference between the two groups, according to the findings. As a result, it is safe to conclude that there is no non-response bias in this study.

Table 04: Showing measures of response and non response bias

| CONSTRUCT | TIMING | N | Mean | Std. Deviation | Std. Error Mean |
|-----------|----------------|----|-------|----------------|-----------------|
| RS | EARLY RESPONSE | 35 | 12.49 | 4.361 | .737 |
| | LATE RESPONSE | 55 | 13.51 | 4.434 | .598 |
| TD | EARLY RESPONSE | 35 | 21.31 | 4.689 | .793 |
| | LATE RESPONSE | 55 | 23.69 | 6.073 | .819 |
| PA | EARLY RESPONSE | 35 | 14.57 | 4.539 | .767 |
| | LATE RESPONSE | 55 | 15.85 | 4.436 | .598 |

| | | | | | |
|-----------|----------------|----|-------|-------|------|
| CB | EARLY RESPONSE | 35 | 14.46 | 4.514 | .763 |
| | LATE RESPONSE | 55 | 15.36 | 4.257 | .574 |
| OP | EARLY RESPONSE | 35 | 16.26 | 5.288 | .894 |
| | LATE RESPONSE | 55 | 15.80 | 5.205 | .702 |

Table 05: Tests of differences in groups

| Levene's Test for Equality of Variances | | | t-test for Equality of Means | | | | |
|---|------|------|------------------------------|----|-----------------|-----------------|-----------------------|
| | F | Sig. | T | Df | Sig. (2-tailed) | Mean Difference | Std. Error Difference |
| RS Equal variances assumed | .268 | .606 | -1.074 | 88 | .286 | -1.023 | .953 |
| TD Equal variances assumed | .997 | .321 | -1.970 | 88 | .052 | -2.377 | 1.206 |
| PA Equal variances assumed | .136 | .713 | -1.326 | 88 | .188 | -1.283 | .968 |
| CB Equal variances assumed | .025 | .874 | -.962 | 88 | .339 | -.906 | .942 |
| OP Equal variances assumed | .039 | .843 | .404 | 88 | .687 | .457 | 1.132 |

Unidimensionality Assessment: CFA

To establish unidimensionality, the major strategy for scale refinement or purification is to use Confirmatory Factor Analysis (CFA) (Mentzer et al., 1999). As a result, CFA with LISREL 8.80 was used to evaluate the scales' unidimensionality.

To do CFA, you must first create a measurement model that consists of a collection of scales, each defined by a weighted linear combination of the elements. The dimensionality of the pieces that make up each construct is then investigated. A measuring model with one factor was established for this purpose, and items were prescribed to load on their defined latent variables. Due to its conceptual characteristics, recent HR researchers have increasingly favored this technique to the traditional EFA approach (Tackeuchi et al., 2003; Gowen III et al., 2003).

Fig 01: Showing CFA of all Study scales

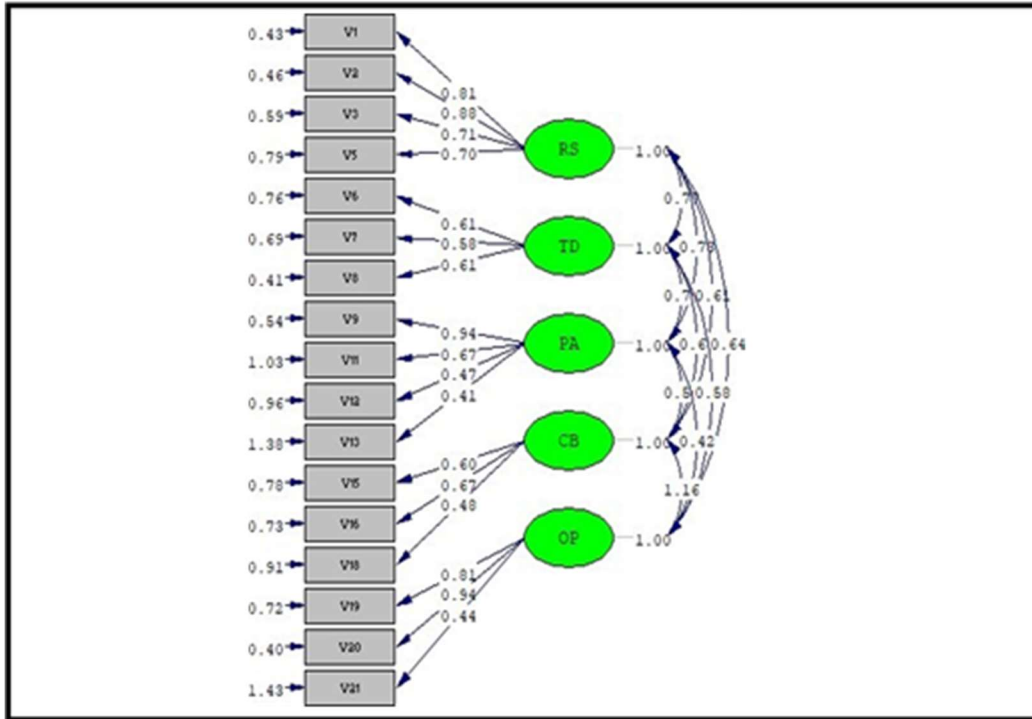


Table 06: Showing fit indices for all study scales

| Scale | Scale Version* | GFI | NFI | NNFI | CFI |
|-----------|----------------|------|------|------|------|
| RS | Original | 0.68 | 0.53 | 0.50 | 0.58 |
| | Refined | 0.90 | 0.80 | 0.70 | 0.80 |
| TD | Original | 0.95 | 0.96 | 0.90 | 0.97 |
| PA | Original | 0.85 | 0.80 | 0.78 | 0.81 |
| | Refined | 0.90 | 0.94 | 0.84 | 0.93 |
| CB | Original | 0.88 | 0.90 | 0.80 | 0.90 |
| | Refined | 0.90 | 0.91 | 0.89 | 0.91 |
| OP | Original | 0.78 | 0.80 | 0.78 | 0.87 |
| | Refined | 0.80 | 0.85 | 0.80 | 0.90 |

Reliability Evaluation

The techniques for evaluating the properties of a good measurement scale are reliability and validity, which entail measuring precision and applicability (Malhotra & Dash 2011; Cooper and Schindler, 2001). The elimination of measurement errors is the primary goal of validity and reliability analysis. To put it another way, the goal is to create a measurement that accurately reflects the true value of the variables being measured (Churchill & Iacobucci, 2002).

Cronbach's Coefficient Alpha is the most often used metric, which is based on the idea that if all of the items are selected from the domain of a single construct, answers to the items that make up the measurement model should be highly linked (Hatcher, 1994). When Cronbach's = 0, the genuine score is not calculated and just the error component is calculated. There is no error component when alpha equals 1.0 because all items measure only the genuine score. A Cronbach's

alpha of 0.7 is commonly used as a cut-off for a good scale, although several academics insist on a cut-off of .8 (Nunnally 1978, Nunnally & Berstein, 1994; Werts et al., 1974). All structures were subjected to a reliability test.

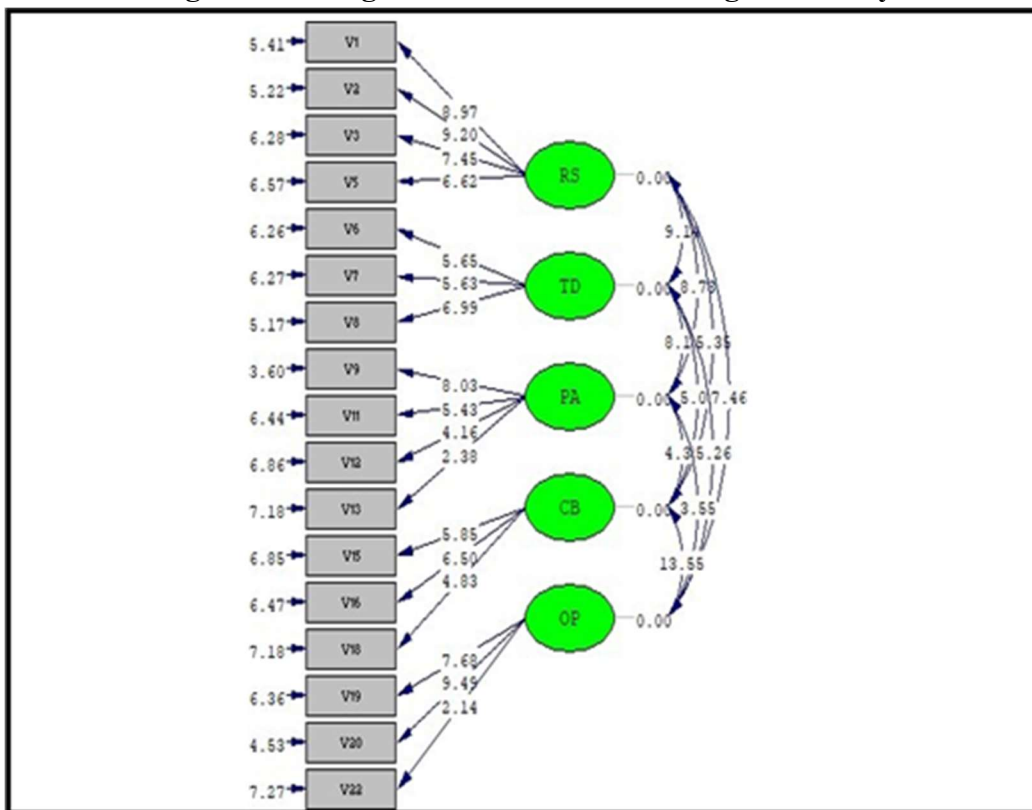
Table 07: Scale Reliability of the Study Scales

| CONSTRUCT | CRONBACH ALPHA |
|-----------|----------------|
| RS | .77 |
| TD | .84 |
| PA | .88 |
| CB | .85 |
| OP | .79 |

Validity Evaluation

The extent to which differences in observed scale scores represent genuine differences among objects of the feature being assessed is known as the scale's validity (Malhotra & Dash 2011). If the scale is measuring the notion it was designed to measure, it is valid (Bagozzi, 1981). The question of what construct or attribute the scale is measuring is addressed by construct validity (Cronbach).

Fig 02: Showing t-values to ensure convergent validity



The fact that items on a scale correlate favourably with each other is checked for convergent validity (Campbell & Fiske, 1959). Convergent validity is defined as when measures of the same

construct converge or are highly associated (Kaplan & Sacuzzo, 1993). The scale's convergent validity indicates that it represents only one dimension or factor. It is measured through t-values, the t value acceptable range is not below 1.96. All the scales were found to be valid.

Conclusion

All research metrics, including HRM Practices and performance were projected into a single, all-encompassing measurement model. The measurement model for independent and dependent variables was assessed using LISREL 8.8. It is advised to run separate models for all independent and dependent variables if, for whatever reason, the comprehensive model does not converge. In this study, all scales were made unidimensional, and a thorough model that included all independent and dependent variables converged with fit indices. The reliability and validity of all study scales was assessed and were in acceptable ranges. The scales were developed and refined as intended as given under:

| Construct | Item | Statement | Path Values |
|-----------|------|---|-------------|
| RS | V1 | Right person in the right job is practiced | 0.81 |
| | V2 | Candidate orientation programme was conducted at the time of selection. | 0.80 |
| | V3 | Selection of a candidate in our organization is strictly based on his/her merit. | 0.71 |
| | V4 | Central recruitment portal is practiced | X |
| | V5 | Recruitment is done on green values | 0.70 |
| TD | V6 | The training needs of employees strictly based on performance appraisal. | 0.61 |
| | V7 | Training in our organization includes skills and knowledge of broader goals of the organization | 0.58 |
| | V8 | Training programs organized are always relevant to the changing needs of our jobs/business. | 0.61 |
| PA | V9 | Organization appraises the performance of its employees at regular intervals. | 0.94 |
| | V10 | Performance appraisal aims at improving employee performance | X |
| | V11 | Performance appraisal has been fair and objective. | 0.67 |
| | V12 | Performance goals are set at realistic levels. | 0.47 |
| | V13 | Adequate growth opportunities are available in our organization for those who perform well. | 0.41 |
| CB | V14 | Paid adequately for the work we do. | X |
| | V15 | Pay increments offered by our organization are satisfactory. | 0.60 |
| | V16 | Organization makes all payments on time. | 0.67 |
| | V17 | We are satisfied with the benefits we receive. | |

| | | | |
|----|-----|---|------|
| | V18 | The benefits we receive in our organization are according to industry standards | 0.48 |
| OP | V19 | Development of comprehensive HRPs is one of the source to gain a competitive edge | 0.81 |
| | V20 | The sales trend is consistent with industry standards. . | 0.94 |
| | V21 | Good performers get promoted on the basis of financial performance | 0.44 |
| | V22 | Our organization appreciates goal achievement | X |
| | V23 | Organizations always register profits in financial years. | X |

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