The Relationship between Human Resource Practices and Employee Attitudes in a Travel Agency

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Abstract

This paper presents the case of a large travel agency and relationships between HR practices and employee attitudes (EA) in that specific organisation. A number of studies have shown that effective human resource (HR) practices correlate with positive employee attitudes (EA). The attitudes of interest in this study were job satisfaction, organisational commitment, work engagement as well as intention to quit. Positive EA are desirable as these are considered to constitute antecedents to organisational performance. As HR practices are under the control of managers, EA and organisational performance can be optimised should managers engage in implementing effective HR practices. Arguments for the use of universalistic, contingency and configurational perspectives in the implementation of HR practices are found in academic literature. However, literature generally does not indicate which perspective is applicable to a specific organisation. To optimise the validity of the results the relationship between HR practices and EA in the selected travel agency is contrasted with that of nine other organisations. Although the overall results suggest a confirmation of the universalistic perspective, where all HR practices generally relate to the desirable EA outcomes, the configuration of HR practices which relate to desirable EA outcomes in the travel agency was unique. This supports a configurational perspective in the particular organisation. The HR practice of training and development was found to be the most important predictor of EA in this travel agency. The generalisation of these results should however be done with caution, as the results are based on only one sample. Managers of travel agencies are therefore urged to investigate the possibility of the implementation or sustainment of training and development initiatives as this HR practice seems to have the most profound influence on EA in such organisations.

Keywords: Tourism, travel agency, human resources management, employee attitudes

INTRODUCTION

Textbooks on human resource management (The Aston Centre for Human Resources, 2008; Boselie, 2010; Noe, Hollenbeck, Gergart & Wright, 2008) openly allude to the implicit link between human resource (HR) practices and desirable outcomes, such as organisational performance. Countless articles (Guest 1997; Huselid 1995; Lee, Lee & Lum 2008; Petrescu & Simmons 2008; Ramall 2003; Steyn 2012) suggest and also empirically demonstrate this link. HR practices that may be related to desirable outcomes are numerous. When the content of textbooks (Bernardin 2010; Cascio 2010; Gómenz-Mejia, Balkin & Cardy 2007; Noe et al 2008) were scrutinised, six broad practices emerged: (1) acquiring human resource capacity; (2) manpower planning and recruiting employees; (3) assessment and development; (4) compensation; (5) labour-management accommodation and (6) employee health management. The practices do not differ fundamentally from...

The outcomes associated with HR practices can be classified into three broad categories (Boxall, Purcell & Wright 2007; Guest 1997). These are employee attitudes (Chew & Chan 2008; Fiorita, Bozeman, Young & Meurs 2007), behavioural outcomes (Purcell, Kinnie, Hutchinson, Rayton & Swart 2003; Ramlall 2003; Zerbe, Dobni & Harel 1998) and organisational (financial) outcomes (Appelbaum, Bailey, Berg & Kalleberg 2000; Guest 1997; Huselid 1995). In this study the emphasis will be on employee attitudes. The attitudes of interest in this study were job satisfaction, organisational commitment, work engagement as well as intention to quit.

The empirical evidence with regard to the link between HR and desirable outcomes is usually based on the correlation between HR practices and outcomes, but seldom explains the reasons for the connection. Theories on this link are universalistic, contingency based and configurational (Aryee & Budhwar 2008; Delery & Doty 1996):

- The universalistic perspective is based on the pioneering work of Pfeffer (1994; 1995; 1998). Pfeffer found that organisational performance depends on common HR practices, and that this is true regardless of the industry or strategy pursued. Once an organisation is able to engage fully in these practices, enhanced performance will follow.

- The contingency perspective on HR practices suggests that the practices should fit the external context in which they are applied (Guest 1997). HR practices should be informed by strategy (Aryee & Budhwar 2008; Porter 1985) and these practices solicit behaviour that corresponds to an organisation’s specific goals (Jackson, Schuler & Rivero 1989).

- The configurational perspective reflects the notion that distinctive bundles or patterns of HR practices will result in superior organisational performance, given that the less distinctive practices are provided at a reasonable minimum level (Delery & Doty 1996; Guest 1997). Guest (1997:271) refers to “patterns of HR practices that are horizontally integrated”.

The aim of this research was to identify which (if any) HR practices relate to EA in a travel agency and to comment on the uniqueness (if indeed so) of this relationship.

RESEARCH STRATEGY

Participants

The participants in this study were employees from South African organisations which were willing to participate in the research, making this an opportunity sample of organisations (Rosnow & Rosenthal 2008). The organisations involved were the travel agency employees (Organisation 1, N=90), sales personnel from a fast moving consumer goods group (Organisation 2, N=70), call centre personnel (Organisation 3, N=30), HR employees at a telecommunications company (Organisation 4, N=126), local government employees (Organisation 5, N=97), technical personnel in an engineering environment (Organisation 6, N=123), financial sector staff (Organisation 7, N=92), accounting firm personnel (Organisation 8, N=45), recruitment agency staff (Organisation 9, N=30), and staff employed by an owner-managed small business (Organisation 10, N=47). The travel agency constituted 12 % of the total sample.

Demographic variables
In total, 750 employees volunteered to participate in the research, of which 376 were male and 374 female. The racial composition was as follows: 319 Black African, 88 Coloured, 102 Indian, and 241 White. The average age of the respondents was 35.12 years (SD=9.27), and the average tenure was 6.36 years (SD=6.48). In the travel agency there were 10 males and 80 females, with 1 Black African, 41 Coloured people, 2 Indians and 46 Whites. The average age of the respondents in the travel agency was 33.0 years (SD=8.69), with the average tenure being 4.68 years (SD=4.49).

Measuring instruments

Five instruments were used in the course of this study: the Human Resource Practices Scale (HRPS) (Nyawose 2009), the General Satisfaction items of the Job Diagnostic Survey (JDS) (Hackman & Oldham 1975), the Organisational Commitment Scale (OC) (Allen & Meyer 1990), the Utrecht Work Engagement Scale–9 (EE) (Schaufeli & Bakker 2003), as well as Section VIII of the Workplace Scale (ITQS) (Firth, Mellor, Moore & Loquet 2004).

The Human Resource Practices Scale (Nyawose 2009) was used to measure the perceived effectiveness of the HR practices. The questionnaire consisted of 27 items, covering nine HR practices, with three questions per practice / element. Only five HR practices were assessed in this study, namely training and development (TD), compensation and rewards (CR), performance management (PM), staffing (S), and diversity management (DM). Nyawose (2009) reports internal consistencies varying from .74 to .93 for these scales, and significant correlations (in the expected direction), with outcomes such as occupational commitment and turnover intentions.

The General Satisfaction items of the Job Diagnostic Survey (JDS) (Hackman & Oldham 1975) represent “an overall measure of the degree to which the employee is satisfied and happy with the job” (Hackman & Oldham 1975:162). This part of the survey consists of five items. Hackman and Oldham (1975) report an internal consistency value of .76 and, with regard to validity, report “adequate” discriminant validity. They also point out that the theory-specific relationships among the scales are in the predicted direction. This points to construct validity.

The Organisational Commitment Scale (OC) (Allen & Meyer 1990) was used to assess organisational commitment. The scale consists of 24 questions. Allen and Meyer (1990) report an internal consistency of .86, .82 and .73 for the three subscales of the scale. Furthermore, Allen and Meyer (1990:13) further reported evidence of construct validity, and also comment that the “relationship between commitment measures ... and the antecedent variables … was, for the most part, consistent with prediction”. This is an indication of convergent and discriminant validity.

The Utrecht Work Engagement Scale–9 (EE) (Schaufeli & Bakker 2003) is a summative assessment of vigour, dedication and absorption. The questionnaire consists of nine items. Schaufeli and Bakker (2003:33) reported that the “Cronbach’s α of all nine items varies from .85 to .94 (median=.91) across the nine national samples. The α-value for the total data base is .90”. With regard to validity, Schaufeli, Bakker and Salanova (2006) claim that the suggested three-factor structure of engagement is confirmed (cross samples from different countries) and that the construct is related to other constructs in the expected manner. This suggests construct validity.

Section VIII of the Workplace Scale (ITQS) (Firth et al 2004) measures employee intentions to quit their present jobs. The questionnaire consists of two items. On reliability they report an α-value of .75. As far as construct validity is concerned, Firth et al (2004) were able to demonstrate that intention to quit correlated, in the expected manner, with related constructs.
Procedure

The same strategy was followed to identify participants in each of the 10 organisations. Firstly a list of all possible candidates (per organisation) was drawn up and numbered. Candidates were then selected from the list (per organisation) using random numbers generated on the internet. The only exclusion criterion used was educational qualifications. It was a requirement that all respondents had to have at least a grade 12 qualification to ensure that they had no difficulty completing the questionnaires. Only individuals who understood and who were willing and able to agree to the standard American Psychological Association (APA) conditions of the informed consent form were included in the groups that were assessed. Participants were requested to complete the questionnaires and a concerted effort was made to ensure their anonymity. This was achieved through ensuring that there were no personal identifiers on the answer sheets. Once the data was collected it was forwarded to the principal investigator for coding and statistical analysis.

Statistical analyses

All calculations were done by means of the Statistical Package for the Social Sciences (SPSS version 21). The reliability of the questionnaires was calculated and was presented as Cronbach’s coefficient alpha (α). For the different variables means were computed (per organisation) and differences between means were explored using a one-way analysis of variance. This provided a general overview of the data. Bivariate correlations were calculated to determine whether HR practices (individually) correlated with (specific) organisational outcomes. This analysis was followed by linear regression analyses, which were done to calculate how HR practices (combined) relate to organisational outcomes. The significance of the standardised beta values in the regression analysis was used as an indicator of the unique contribution of HR practices to EA.

EMPIRICAL RESULTS

Reliability and validity

The reliability of the measures, expressed as Cronbach’s alpha coefficients, was as follows: α(CR)=.87, α(S)=.74, α(PM)=.81, α(DM)=.75, α(TD)=.88, α(JDS)=.76, α(OC)=.82, α(EE)=.91, α(ITQS)=.84, with N=750. For the travel agency all the Cronbach’s alpha coefficients were above .70, with the lowest being .75 for OC. All the observed coefficients were higher than the .60 margin set by Hair, Black, Babin, Anderson and Tatham (2006). Due to the regular use and reported validity of the JDS, OC, EE, and ITQS, and because of general acceptance of these measures as assessment instruments of separate constructs, the only additional validity information reported in this study related to the less familiar Human Resource Practices Questionnaire (HRPQ). A principal components analysis was performed (after verifying the suitability of the data) and a simple five factor solution, consistent with previous literature, was found. This suggests that the respective HR practices of the Nyawose (2009) assessment can be separated from one another.

Descriptive statistics

Table 1 shows the mean scores of all the measures per organisation. An one-way analysis of variance revealed that the mean scores of the organisations differed significantly on all variables, indicating between-company variance on the different variables. All F-values were significant at the .01 per cent level, and the values were 9.81 (CR), 5.70 (S), 3.85 (PM), 8.16 (DM), 7.77 (TD), 7.57 (JDS), 9.42 (OC), 6.61 (EE) and 7.18 (ITQS). In Table 1 the two highest scores (in bold) and the two lowest scores (underlined) per measure are highlighted.
Table 1
Mean scores for variable per organisation

<table>
<thead>
<tr>
<th>Organisation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR</td>
<td>3.44</td>
<td>3.06</td>
<td>2.62</td>
<td>2.88</td>
<td>2.83</td>
<td>3.29</td>
<td>3.52</td>
<td>2.28</td>
<td>2.92</td>
<td>2.98</td>
<td>3.07</td>
</tr>
<tr>
<td>S</td>
<td>3.70</td>
<td>3.22</td>
<td>3.14</td>
<td>3.01</td>
<td>3.28</td>
<td>3.24</td>
<td>3.63</td>
<td>3.44</td>
<td>3.02</td>
<td>3.33</td>
<td>3.31</td>
</tr>
<tr>
<td>PM</td>
<td>3.60</td>
<td>3.38</td>
<td>3.43</td>
<td>3.34</td>
<td>3.07</td>
<td>3.46</td>
<td>3.64</td>
<td>3.39</td>
<td>3.01</td>
<td>3.36</td>
<td>3.39</td>
</tr>
<tr>
<td>DM</td>
<td>3.42</td>
<td>3.19</td>
<td>2.88</td>
<td>3.08</td>
<td>2.97</td>
<td>3.54</td>
<td>3.71</td>
<td>3.06</td>
<td>3.14</td>
<td>3.35</td>
<td>3.28</td>
</tr>
<tr>
<td>TD</td>
<td>4.07</td>
<td>3.75</td>
<td>3.33</td>
<td>3.81</td>
<td>3.48</td>
<td>4.08</td>
<td>4.20</td>
<td>3.61</td>
<td>3.19</td>
<td>3.42</td>
<td>3.80</td>
</tr>
<tr>
<td>JDS</td>
<td>4.96</td>
<td>4.46</td>
<td>4.15</td>
<td>4.34</td>
<td>4.48</td>
<td>5.00</td>
<td>4.95</td>
<td>3.97</td>
<td>4.09</td>
<td>4.85</td>
<td>4.62</td>
</tr>
<tr>
<td>OC</td>
<td>4.51</td>
<td>4.47</td>
<td>4.35</td>
<td>4.08</td>
<td>4.35</td>
<td>4.22</td>
<td>4.45</td>
<td>3.93</td>
<td>4.35</td>
<td>4.77</td>
<td>4.33</td>
</tr>
<tr>
<td>EE</td>
<td>4.00</td>
<td>4.14</td>
<td>3.45</td>
<td>3.78</td>
<td>3.86</td>
<td>4.10</td>
<td>4.23</td>
<td>3.33</td>
<td>3.19</td>
<td>4.61</td>
<td>3.95</td>
</tr>
<tr>
<td>ITQS</td>
<td>2.16</td>
<td>2.70</td>
<td>3.00</td>
<td>2.95</td>
<td>2.70</td>
<td>2.32</td>
<td>2.29</td>
<td>3.32</td>
<td>2.93</td>
<td>2.20</td>
<td>2.59</td>
</tr>
</tbody>
</table>

*CR=Compensation and rewards; S=Staffing; PM=Performance management; DM=Diversity management; TD=Training and development; JDS=Job satisfaction; OC=Organisational commitment; EE=Employee engagement; ITQS=Intention to quit

Note that intention to quit is normally seen as negative, thus low scores are positively interpreted.

From Table 1 it can be seen that organisations that scored high on the independent variables also scored high on the dependent variables (see Organisation 1 – the travel agency), and organisations that scored low on the independent variables also scored low on the dependent variables (see Organisation 9). Furthermore, from Table 1 it can be observed that the scores of the travel agency are relatively high, compared to the other companies. Only organisation 7, comprising of financial sector staff, has similar scores to that of the travel agency. The reported descriptive results in Table 1 serve as an introduction to the inferential statistics which will follow.

**Correlations between HR practices and employee attitudes**

In Table 2 the correlation between HR practices and job satisfaction scores is reported.

Table 2
Correlation between HR practice scores and JDS

<table>
<thead>
<tr>
<th>Organisation</th>
<th>1</th>
<th>2</th>
<th>3</th>
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<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR</td>
<td>.38**</td>
<td>.45**</td>
<td>.51**</td>
<td>.52**</td>
<td>.49**</td>
<td>.31**</td>
<td>.24*</td>
<td>.61**</td>
<td>.52**</td>
<td>.34*</td>
<td>.47**</td>
</tr>
<tr>
<td>S</td>
<td>.33**</td>
<td>.19</td>
<td>.41*</td>
<td>.33**</td>
<td>.39**</td>
<td>.16</td>
<td>.22*</td>
<td>.37*</td>
<td>.59**</td>
<td>.15</td>
<td>.32**</td>
</tr>
<tr>
<td>PM</td>
<td>.58**</td>
<td>.41**</td>
<td>.39*</td>
<td>.36**</td>
<td>.41**</td>
<td>.33**</td>
<td>.23*</td>
<td>.49**</td>
<td>.50**</td>
<td>.31*</td>
<td>.42**</td>
</tr>
<tr>
<td>DM</td>
<td>.20*</td>
<td>.36**</td>
<td>.42*</td>
<td>.36**</td>
<td>.42**</td>
<td>.27**</td>
<td>.21*</td>
<td>.46**</td>
<td>.36</td>
<td>.15</td>
<td>.36**</td>
</tr>
<tr>
<td>TD</td>
<td>.72**</td>
<td>.08</td>
<td>.55**</td>
<td>.43**</td>
<td>.42**</td>
<td>.41**</td>
<td>.31**</td>
<td>.34*</td>
<td>.46**</td>
<td>.13</td>
<td>.44**</td>
</tr>
</tbody>
</table>

*a CR=Compensation and rewards; S=Staffing; PM=Performance management; DM=Diversity management; TD=Training and development

*p < .05; ** p < .01

It can be concluded from Table 2 that in Organisation 5 all HR practices correlated significantly with job satisfaction, suggesting support for a universalistic perspective. This is also the case with the travel agency (Organisation 1). We can, however, see that the correlation with DM is marginally statistically significant and not practically significant. This pattern of regular correlations is not evident across all the organisations. For example in Organisation 10, only CR and PM correlated with JDS, suggesting that the universalistic approach is not applicable across organisations.

Similar results, where all HR practices correlated with employee attitudes (compared with only some practices in other organisations), were found when the
relationship with OC and EE was considered. All the HR practice scores for the total group correlated significantly with both OC and EE. In the case of the travel agency, the correlation between HR practices and organisational commitment was mostly significant (.327** (CR), .102NS(S), .301**(PM), .289**(DM) and .415** (TD)), as was the case with employee engagement (.292** (CR), .232*(S), .459**(PM), .198NS(DM) and .691**(TD)) 0 and intention to quit (-.338** (CR), -.239*(S), -.480** (PM) and -.684**(TD)). From the aforementioned and Table 2 it is evident that high levels of TD coincided with positive EA's, and that TD was the HR practice which shared the most variance with these attitudes.

### Regression analyses

To determine if certain patterns of HR practices predict attitudes, linear regression analyses were performed, with HR practices as the independent variable and organisational outcomes as the dependent variable. The results of this analysis are shown in Table 3.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>JDS</th>
<th>OC</th>
<th>EE</th>
<th>ITQS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.555</td>
<td>.283</td>
<td>.508</td>
<td>.523</td>
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<td>.201</td>
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<td>.105</td>
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<td>7</td>
<td>.145</td>
<td>.134</td>
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<td>.102</td>
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<td>8</td>
<td>.480</td>
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<td>.389</td>
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<td>9</td>
<td>.479</td>
<td>.273</td>
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<td>.124</td>
</tr>
<tr>
<td>10</td>
<td>.144</td>
<td>.185</td>
<td>.181</td>
<td>.104</td>
</tr>
</tbody>
</table>

a CR=Compensation and rewards; S=Staffing; PM=Performance management; DM=Diversity management; TD=Training and development; JDS=Job satisfaction; OC=Organisational commitment; EE=Employee engagement; ITQS=Intention to quit
b $R^2$ reflects the model summary, with CR, S, PM, DM, and TD as dependent variables; $p$ tests the null hypothesis that $R^2=0$; and $\beta^2$ lists the independent variables that contribute significantly to the model.

In an ideal world, according to the universalistic model, HR practices across organisations would consistently contribute towards outcomes. However, when considering the regression models for JDS in Table 3, where HR practices do not significantly explain the variance in JDS in some organisations (see Organisation 3 and 10); this represents counter evidence to the idea of a universalistic model. The same can be observed in the case of Organisations 9 and 10 with regard to OC, Organisations 7, 9 and 10 as far as EE is concerned and lastly when considering Organisations 3, 7, 9 and 10 pertaining to ITQS. In these cases HR practices did not predict the outcomes significantly. This suggests that the universalistic model of HR may not be valid in all cases. Important to note with regard to Table 3 is that TD contributes uniquely and significantly to all EA in the travel agency, as reflected in the consistent significant $\beta^2$-s.
A configurational model would signify that the same pattern of HR practices affect EA across organisations. From Table 4, however, it can be observed that this does not occur in the instances of JSS, OC, EE or ITQS. The results do not seem to support the configurational model.

SUMMARY AND CONCLUSIONS

The aim of the research was to identify which (if any) HR practices relate to EA in the context of a travel agency and to comment on the uniqueness (if relevant) of this relationship. The objective was achieved. In total 90 employees of a large travel agency completed the questionnaires. The reliability of all the measures was acceptable (Cronbach alpha above .75), as well as the test of validity with regard to the HR measure applied. The employees from the travel agency scored high on HR practices as well as on EA. Companies that scored low on HR practices also seemed to score low on positive EA. The aforementioned intuitive link between HR practices and EA was confirmed by the calculated correlation coefficients. In almost all organisations HR practices and EA correlated, and this was also the case when the data from all 10 organisations was pooled. Important to note that, in the case of the travel agency, TD seemed to be the HR practice that correlated most significantly with EA. This correlation was practically significant. TD played the same role when regression analyses were performed. It was also the HR practice which consistently made a unique and significant contribution to all the EA. The consistent presence of TD as a predictor of EA should urge managers to invest in such activities as it seems imperative in creating positive EA (and by proxy organisational performance) in the case of this travel agency.

None of the results provided evidence to support any of the presented theories on the link between HR and desirable outcomes. The correlation table provided some evidence in favour of the universalistic perspective, indicating that, in the case of organisations in general, a broad spectrum of effective HR practices correlated with employee attitudes. This is particularly evident when the data from all the organisations was combined (pooled). The evidence obtained from the regression analysis, however, does not support the universalistic perspective as clearly as the data from the correlation tables does. The inconsistent nature of these results makes the blanket acceptance of the universalistic perspective irresponsible.

Evidence supporting the configuration perspective was not found in this study, as no particular patterns could be identified in beta values in Table 3, making this hypothesis unlikely. If we had assumed that all organisations were exposed to the same context, resulting in them striving to overcome the same challenges, patterns may also have emerged in the regression analysis. This was not the case. No evidence on the contingency model of HR could therefore be found. It would have been interesting to test these hypotheses had the study included more than one travel agency. Future researchers are encouraged to engage in such research. Furthermore, it would be advisable for future researchers to involve more organisations in their investigations, and to obtain more extensive information regarding the environment in which they operate, as this may influence the need for the delivery of HR practices and the consequences of delivering them. More information on topics such as the amount of formalisation of systems, the size of the organisation, the size of the HR department, as well as the type of business environment, could have contributed meaningfully to the analysis and discussion.

From the aforementioned it is clear that the final word on the perspectives of which HR practices to implement has not yet been written, and that there is still a need to research this topic in more depth.
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