

The Impact of Well-being Oriented HRM Practices on Adaptive Performance and Internal Reputation: The Mediating Role of Emotional Culture

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Abstract:

This study is aimed at investigating the association among wellbeing oriented HRM, adaptive performance and internal reputation with mediating effect of emotional culture. Scholars have studied human resource management as an antecedent of organizational performance and reputation, but the impact of HRM practices that are purely related to wellbeing is rarely explored. Therefore, to fill this research gap, we demonstrate wellbeing oriented HRM incorporation combined with emotional culture based on social exchange theory. Data were collected from 655 employees of health care sector of Pakistan and AJK. All hypothesized relationships were tested using structural equation modeling in AMOS. Finding revealed that wellbeing HRM positively effect internal reputation and adaptive performance, also the emotional culture mediated effect of emotional culture was found significant. This contributes to the literature on wellbeing oriented HRM, adaptive performance and internal reputation. This study is one of the first to unpack the relationship between wellbeing oriented HRM practices, emotional culture, performance, and reputation. The incorporation of wellbeing oriented HRM practices, complemented by emotional culture, boosts employee adaptive performance, and builds positive internal reputation of the organizations. Organizations should invest in wellbeing enhancing practices to achieve organization-wide goals more consistently.

Keywords: Wellbeing oriented HRM, adaptive performance, emotional culture, internal reputation.

Introduction

People are crucial to the success of any organization. For more than 20 years, numerous HRM-related themes have received particular attention in the scholarly literature. One of the main objectives of the firm should be retaining of employees by assuring their well-being. It has been demonstrated that employee well-being is positively correlated with several organizational outcomes. Applying wellbeing-oriented practices might be the most efficient way to attain employee wellbeing (Sallas-Vallina et al., 2019). The importance of adaptive performance is also emphasized in scientific literature, and adaptive performance is associated positively with HRM practices (Battistelli, Montani & Odoardi, 2013; Nasurdin, Ahmad, & Tan, 2015; Singh & Das, 2013).

Currently, most of the scholars associated performance with high performance work systems

which subsequently leads to employee happiness. But changes at workplace and in society are progressively endangering employee well-being (Guest, 2017). Therefore, there is a dire need to focus on HRM practices that cater the well-being aspects of employees (Huettermann & Bruch, 2019). Studies (such as Huettermann & Bruch, 2019; Yang et al., 2019) caters the concept of wellbeing related to employees as a wide-ranging concept that implies to many features. Grant & colleagues (2007) three-dimensional model have been widely depicted in research related to HRM (Van et al., 2012). Furthermore, the extensive body literature catered the concept of well-being and HRM in the view of HPWP and organization performance (Yue et al., 2020). The mutual gains or optimistic perspective depicts negative impact of wellbeing on employee performance (Peccei et al., 2019; Wood & Ogbonnaya, 2020). For Ogbonnaya and Messersmith (2018), high performance work practices (HPWP) intensify the commitment of employees to the organization but increases the job demands and stress. These themes focused only on contextual performance or task performance and missed the most important aspect. When employees have reached a particular degree of competence in the tasks that have been delegated to them, they make an effort to modify their attitudes and behaviours so that they are more in line with the varied requirements of their job positions (Huang et al., 2014).

Reputation is also considered as another important aspect of organization success. Reputation usually involves a stakeholder examining a company's activities, establishing a vision of what the company stands for, making a judgement about the company, and identifying the stakeholder's connection with the company (Walker 2010; Walsh & Beatty 2007). Employees occasionally fill the informal position of organizational ambassadors or organizational adversaries by searching out and sharing favourable or unfavourable organizational information with other internal and external audiences (Miotto et al., 2020). Their perception regarding organization is built by focusing on the practices that are favorable to their health and happiness. A latest systematic framework comprises of five set of HRM practices that contribute to higher level wellbeing of employee is proposed by Guest, (2017). These practices are providing engaging work, investing in employees, giving voice and organizational support to individuals, creating positive social and physical environment.

According to Pakistan Economic Survey 2021, Pakistan spent 1.2% of its GDP on healthcare, however the country is still behind its neighbouring countries on important health measures. One of the primary reasons of inefficient health sector is inadequate government spending (Sayani and Feroz 2017). While adequate resources must be made available, they must also be allocated, used, and managed in an efficient and effective manner (Meghani, Sehar and Punjani 2014). As per PEC 2021, the Government of Pakistan has prioritised the improvement in access and delivery of healthcare services. Improving management competencies, particularly human resource management, is prioritized to overcome current bad managing practices, such as lack of strategic planning, inefficient resource allocation and coordination, and limited use of modern HRM techniques (Sayani &Feroz 2017). Although other themes of HRM have been studied in the context Pakistani health care sector, our study introduced the wellbeing related theme in this context.

We push forward with the current theme of wellbeing and HRM centered research that focused on attitudes, behaviours, and performance of individuals (Ahtisham-ul-Haq *et al.*, 2021; Wahab *et al.*, 2020) and responded the call for further understandings of the scenarios in which organization might promote various aspects of WBHRM (Salas-Vallina, 2020; Guest, 2017; Hauff 2020). There is a scarcity of research in this domain. First, studies related to HRM domain had caters only the aspects of wellbeing in relation with HRM and organizational performance (Guest, 2017; Salas-Vallina, Pozo & Fernandez-Guerrero, 2020;2021) and neglected the explanation of causal relationship between human resource management and other outcomes such as internal reputation, and adaptive performance. Second, literature on HRM encourages further explanation of the processes through which bundles of WBHRM practises effect employee outcomes (De Reuver *et al.*, 2019; Sallas-Vallina, 2020). Based on above dilemmas, emotional culture has been demonstrated as an effective motivational mechanism that mediates the relationship of wellbeing oriented HRM practices with IR and AP. It seems justified for various reasons. To begin with, the main goal of organization is to enhance their employees' wellbeing

(Beer et al., 2015) which in turn influences job and organizational performance (Peccei et al., 2019), work engagement, lower absence, organizational commitment, lower labor turnover and OCB (Wright and Huang, 2012). Thus, organizational effectiveness and competitiveness can be achieved by focusing on wellbeing oriented HRM practices. Furthermore, this study investigates the question of why emotional culture matters and how to cultivate a positive emotional culture using wellbeing oriented HRM practises as there is a lack of empirical research in this arena (Yue et al., 2020), despite the importance of emotional culture in shaping everyday organisational life across a range of settings (emergency services, health care, high tech, finance).

Therefore, the core argument of the study states that HRM research needs to concentrate on well-being because “the interest of workers is frequently neglected, and they are too often viewed as a mean to an end rather than an end in themselves” (Guest, 2017; Sallas-Vallina et al., 2020). Furthermore, focusing on wellbeing of employees can be fruitful for organizations as employees will build favourable perception of organization and perform better in the long term and present favourable image if they feel positive emotional culture. This study highlights the fact that WBHRM practices in the presence of positive emotional culture builds the positive reputation of organization in employees' eyes. and increase their adaptive performance.

Literature Review

Well-Being Oriented Human Resource Management

Wellbeing oriented management refers to “a set of HRM practices that are focused on employees’ wellbeing and have an impact on individuals’ feelings and attitudes, thus cultivating employees’ resources” (Sallas-Vallina, 2019). Guest (2017) identifies five sets of wellbeing oriented human resource management practice (WBHRM) from three parallel streams of literature i-e Walton’s (1974) quality of working life studies, Warr’s (1987) vitamin model and Bakker and Demerouti’s (2007) job demands-resources model. There are two distinguishing features of these practices. Firstly, they are different from practices that are antecedent to the performance (e.g., antidiscrimination measures, employee safety, employment security). Secondly, they exhibit “traditional HRM domain” essence which is training and development(T&D) domain as well as employment relations domain (Posthumus et al., 2013).

First set of HRM practices are comprised of employee’s developmental practices. It focusses on practices related to employees’ training for career and provision of career opportunities to them. These set of practices, provide a roadmap to an appealing career, stimulates self-efficacy, reduce stress caused by difference in job demands as well as resources. While second set of WBHRM practices centres around self-sufficiency, work, semi-autonomous work groups and feedback mechanism. Positive psychological states that higher well-being of employees can be established by incorporating these set of practices (Salas-vallina, Pozo & Fernandez-Guerrero, 2019). Also, with provision of supportive interpersonal relations, these practices accomplish the need for relatedness that in turn enhance relational wellbeing of employees (Strauss and Parker, 2014). Third set of WBHRM practices relates to the happy social and physical environment. HRM practices such as employee safety, inclusion of equal opportunities, workplace violence avoidance and discrimination. Inclusion of these practices in an organization enhance job security and psychological safety, and ensure the provision of justice (e.g., De Witte et al., 2016; Cooper et al., 2019). Fourth set of WBHRM practices relates to employee voice. It includes the practices that helps in creation of an environment where employees feel prioritized, and his voice is listened (Oldham and Hackman, 2010). Representative participation mechanisms and provision of formal opportunities to employees where they can express their views on the working of their organization (Masterson et al., 2000). Fifth set of HRM of practices aims at the establishment of a social environment where managerial behaviours were of supported nature. Emotional expression of concern, recognition, work and time flexibility or praise etc., from the supervisor are some aspects of these practices (Perrew et al., 2014).

Internal Reputation

“The estimation in which a person or thing is held by the community, or the public generally is referred as internal reputation”(Macquarie, 1991). An organization's reputation is based on both internal and external perceptions. Corporate reputation varies by stakeholder group (Arikan et al. 2016), and it might have varied effects on different stakeholders (Ali, 2015). While internal reputation is based on the perception of internal stakeholders. The say or perception of workers regarding the financial as well as physical aspect of organization are the main components of internal reputation (Motta, 2019). The internal reputation for an organization is the esteem in which it is held by its employees, significantly influenced by the culture within the organization (Hewitt, 2003). A good reputation can provide a business a competitive edge in luring customers, hiring top staff, and inspiring trust in investors (Kim et al., 2019).

Adaptive Performance

Jundt, Shoss, and Huang (2014) defined individual adaptive performance as “behaviour aimed to maximize task performance when job-related tasks are influenced by changes”. Adaptive performance is a broad notion that encompasses learning new abilities, procedures, and technologies as well as exhibiting adaptability in physical, social and cultural worlds. Hence, to survive and stay competitive, many firms need to constantly adapt (Baard, Rench, & Kozlowski, 2014). Employees must therefore efficiently accomplish their regular daily job responsibilities in addition to adapting to changes in the work system (Tabiu, Pangil & Othaman, 2019).

Theory

In view of social exchange theory, organization are considered as transactional forum (Randall et al., 1999). Organization act as an exchange partner and employee form their perceptions about organization based on favourable or unfavourable transactions. Thus, based on social exchange theory we suggested that organization acts as an initiator and focus on wellbeing of employees. In response, employees will express positive emotions that in turn improve their adaptive performance and build their perception towards the organization. The proposed relationships in the theoretical framework are further explained in the next section.

Well-Being Oriented Human Resource Management and Internal Reputation

The key drivers of employee's experiences and perceptions are the organizational conditions and practices, comprised of recruiting and selection, compensation, performance-management, organizational culture, leadership management style (Lee, 2019). Employees often act as organizational ambassadors by searching out and sharing favourable perceptions regarding their organization with other external and internal audiences or by suppressing the unfavourable perceptions against their organization (Kim, 2018). Employees can also act as organizational adversaries by presenting unfavourable perceptions to the audiences, which exacerbates issues and undesirable circumstances (Heide & Simonsson, 2014). Boundary bridging activities by such employees for instance, the interpersonal exchange of information across organizational boundaries, are especially affected by their perceptions of the company (Keller, Szilagyi Jr, & Holland, 1976). For instance, practices for employee training can aid in establishing a positive business reputation (Clardy, 2016). Jones (1996) found 10 HRM practices that build the internal reputation of an organization. These practices includes, personal characteristics, nature of work, innovative climate, job satisfaction, organizational satisfaction, managerial style, compensation, working conditions, promotional opportunities and teamwork relationships.

In conclusion, several research streams suggests that human recourse man agent's positive effects on workers may not be mutually valuable (Godard, 2010). But HRM practices that are primarily focused on wellbeing may ensure positive behaviours and outcomes such as expressing positive views for organization. Thus, our first hypothesis is as follows:

Well-Being Oriented HRM and Adaptive Performance

Employee performance was conceptualized on two dimension i-e task performance and contextual performance. “Employee behaviours that are within job description referred as task performance” (Borman & Motowidlo, 1993) while “the behaviours that are outside job description refers to contextual performance” (Taibu et al, 2019). Due to these modifications in the organization's work processes, the concept of employee performance was developed to incorporate a new component called adaptive performance (Chen, Thomas, & Wallace, 2005). Numerous studies have investigated the predictors of AP, but none have considered the impact of WBHRM practices. One of the common HR bundles that improves employee KSA's to exhibit positive behaviours is training employees within an organization (Nasurdin, Ahmad, & Tan, 2015). Training can support adaptive performance because it not only equips workers with the information and skills needed for occupations outside of their present ones but also increases their capacity for flexibility in hard times (Han and Williams, 2008). Furthermore, training programs that focus on increasing employee adaptability help individuals to get the necessary information, experience, and abilities that directly support adaptable performance in the workplace (Chen et al. 2005). For instance, if an employee encounters circumstances that necessitate some organizational adaptations, it will help him/her to function in a position that calls for a similar change in the future (Sahin and Gürbüz, 2014). Employees display a higher level of adaptability in the workplace when they are given with high degree of job autonomy (Battistelli, Montani, & Odoardi, 2013). This is because they believe their organization fosters an environment that supports the implementation of strategies which are inclined towards change. Low level of job autonomy reduces adaptability and creativity (Sonnenstag *et al.*, 2008) while high levels of job autonomy increase adaptability (Parker *et al.*, 2006).

Organizations use career planning to develop employees KSA's required to perform their jobs more effectively and enhance their careers that in turn fulfil the organizational needs (Ismail et al., 2013). Under this scenario, we anticipate that the employee will be better equipped to adjust to novel circumstances inside the firm thanks to the acquired skills, experiences, and information. Additionally, having positive career planning outcomes such prospects for merit-based promotion inside the company boosts employee engagement and confidence to use adaptive behaviours (Fey *et al.*, 2000). Career planning boosts job satisfaction and employees' dedication (Adekola, 2011), enabling them to engage in adaptable performance and match their career related goals with the organizational goals (Singh and Das, 2013). In complex and dynamic task contexts, scholars have proposed that team member coordination is a crucial component influencing the effectiveness of the team. Furthermore, teams with stronger positive learning climates demonstrated higher levels of adoptive performance. Therefore, we hypothesize that:

H2: WOHRM practices have a positive effect on AP

Well-Being Oriented Human Resource Management and Emotional Culture

Emotional culture has a different impact on organizational behaviour as compared to cognitive culture (Hartmann et al., 2022; Men and Robinson, 2018). This study will specifically examine the mediating role of emotional culture comprised of love and joy. The culture of companionate love is less researched in organizational literature. It is a predictor of great organizational performance (Joyce, 2003), pleasure provide competitive advantage, attracts top talent and lead to higher performance competitive advantage (Barsade & O'Neill, 2016). Employees who work in an environment where companionate love is valued, demonstrate empathy for others and form bonds with other employees (Men & Yue, 2019). The culture of joy, second discrete emotion of this study, is an important predictor of higher performance (Joyce, 2003). Culture of joy stimulates higher team performance (Rhee, 2006), and can act as tool to attain competitive edge (Barsade and O'Neill, 2016). An emotional culture of companionate love and emotional culture of joy work in tandem to reduce risk taking behaviours among employees (O'Neill

and Rothbard, 2014). It also attracts the top talent (Barsade and O'Neill, 2016). Thus, we suggested that:

H3: WHR has positive effect on emotional culture

The Mediating Role of Emotional Culture in the Relationship between Well-Being Oriented HRM and Internal Reputation

An emotional culture of joy is described by joyful experiences and sensation of pleasantness (Boyle, 1986; Scherer, 1997). This may imply that an emotional culture of joy can depict employees' greater willingness to engage in extra-role conduct across all disciplines (Coyle-Shapiro & Shore, 2007). Adults associated their joyful experiences with task success and achievement (Gordon, 1990). Previous studies linked joy with the achievement of high-value goals (Scherer, 1997), fairness and high morality (Scherer, 1997), emotional expectation and anticipation (Gordon, 1990). These associations indicate that joy culture creates a workplace where individuals are highly motivated (Bono and Judge, 2003). An emotional culture of companionate love is comprised of compassion, affection, tenderness and care (Barsade and O'Neill, 2014; Sternberg, 1986). This culture increases job satisfaction, cooperation, and teamwork (Barsade and O'Neill, 2014; Motowidlo, and Van Scotter, 1994). Previous studies depict that emotional culture of companionate love is beneficial for employees in many ways. This culture influences the satisfaction with care facilities, quality of life and willingness to engage in interaction in health care setting (Barsade, 2002; Barsade and O'Neill, 2014). The study of fire fighter units showed the same results (O'Neill and Rothbard, 2017). Mutually, cultures of love and culture of joy stimulates human needs related to attachment and affiliation (Baumeister and Leary, 1995; McClelland, 1958). While attachment and affiliation build the positive perceptions of employee regarding their organization. Thus:

H4: Emotional culture plays a mediating role between WOHRM practices and internal reputation

The Mediating Role of Emotional Culture in the Relationship between Well-Being Oriented HRM and Adaptive Performance

Hailey, (2005) found that "literature abounds with models purporting to explain how HRM practices have an impact on employee behaviour and hence affect bottom-line firm performance" over a decade ago. The notion that more HRM equals greater performance (Huselid, 1995; Adler, 2022), resulting in the more is better presumption (Kaufman, 2015), was tested in seminal research. However, currently this study uncovers "the implicit assumption that the HRM practices themselves do not directly lead to or cause organizational performance" (Ghosh, 2022) but the emotional culture of joy and compassionate love influence this relation. Therefore, we can propose that:

H5: Emotional culture plays a mediating role between WHR practices and adaptive performance

Methodology

Participants and Data Collection

A mono-method quantitative methodology with positivist philosophy was adopted in this study. Data were collected from doctors and nurses working in the hospitals through personally administrated questionnaire. Total of 14 hospitals were selected through convenience sampling, out of which 6 hospitals were selected from AJK and 8 were from Rawalpindi and Islamabad. Required sample size was 705 (47*15). However, the method of oversampling was employed to get the desired response rate of 60%. We distributed 1000, questionnaires to achieve the required sample size. Out of the total questionnaire, we collected back 655. The response rate was 65%.

Ethical consideration

During the process of collecting the data for this study, it was a priority to ensure that each and every participant had an in-depth comprehension of the research's aims, as well as the questions that were asked. Before any of the research participants' data was collected, we made sure to get their permission beforehand. Keeping the data of the respondent secret, we assured the protection of the respondents'

identity as well as the confidentiality of the study participants.

Measures

Wellbeing Oriented HRM

Wellbeing Oriented HR was measured using 27 items (Salas-Vallina et al., 2019). The α was 0.91 and CR value was 0.93.

Adaptive Performance

The adoptive performance was measured using 8 items (Pradhan & Jena, 2017). The Cronbach alpha (α) reliability was 0.75 and reliability was 0.93.

Internal reputation

Internal reputation was measured using 4 items (Kim et al., 2016). The alpha (α) reliability value was 0.93 and CR value was also 0.93.

Emotional Culture

Emotional Culture was measured using 8 items scale (Allen et al., 1988; Barsade & O'Neill, 2014). The Cronbach alpha (α) value was 0.7 and CR was 0.93.

All the measures of the study were incorporated into 7-point Likert questionnaire (Colman et al., 1997; Lewis, 1993).

Results

Demographic Characteristic of Respondents

The subjects of the study had the following demographic features (see Table 1).

Table 1

Demographics (n=655)

Variable		Frequency	Percent
Gender	Female	377	57.6
	Male	278	42.4
	Total	655	100.0
Education	Intermediate/Diploma	53	8.1
	Bachelors	494	75.4
	Masters	104	15.9
	MS/M. Phil	4	.6
	Total	655	100.0
Age	Below 25	55	8.4
	25-35	262	40.0
	36-45	226	34.5
	46-55	112	17.1
	Total	655	100.0
Experience	1-2 years	119	18.2
	2 – 5 years	211	32.2
	Above 5 years	325	49.6
	Total	655	100.0

Source: primary data

Descriptive Statistics

Mean, standard deviation and correlation of the constructs are provided in Table 2. Adaptive

performance has the maximum mean score of 5.78 and SD of 0.302, predicting a higher level of adaptive performance among employees of Pakistani healthcare sector. Consistent with H1, H2 and H3, wellbeing oriented HRM is positively related to internal reputation ($r=.249$, $p<.01$), adaptive performance ($r=.212$, $p<.05$), and emotional culture ($r=.212$, $p<.01$).

Table 2
Mean, Standard Deviations and Correlations (n=655)

Construct	Mean	Standard Deviation	Correlations			
			1	2	3	4
1. Well-being Oriented HRM	5.1502	.53029	1			
2. Adaptive Performance	5.7856	.30226	.405**	1		
3. Internal Reputation	5.1751	.55893	.249**	.244*	1	*
4. Emotional Culture	5.4613	.37938	.212**	.228*	.157*	1

Significance level: p -value<0.05

Measurement Model

We adopted the methodology of structural equation modelling utilizing AMOS (Byrne, 2010). The measurement model was assessed via a confirmatory factor analysis (CFA). We tested the measurement model fitness, reliability, and validity. Results of CFA (Hair et al., 2010) revealed that the model demonstrated an excellent level of fitness ($CMIN/DF = 1.963$, $RMR = 0.032$, $RMSEA = 0.038$, $CFI = 0.96$ and $GFI = 0.919$). The results are shown in Figure 1.

Reliability analysis (as shown in Table 3) revealed that all the measures demonstrated satisfactory internal reliability ($\alpha>0.7$) and composite reliability ($CR>0.6$). Moreover, the items demonstrated factor loadings greater than 0.7. However, items with low factor loadings were deleted to improve the model.

Next, we tested the model for convergent validity (Hair et al, 2014) and discriminant validity (Farnell & Larker, 1981). All the scales demonstrated AVE above 0.5 as shown in Table 4. Though, there were some issues of discriminant validity, however, the higher value of CR and AVE demonstrate that the measures of the study were valid and reliable (Hair et al., 2014). So, we move to the next step of testing the hypotheses.

Table 3
Results of Reliability Analysis

No	Construct	Factor Loadings Range	Cronbach's alpha	CR
1.	Well-being Oriented HRM	.72 - .81	.91	.938
2.	Adaptive Performance	.80 - .84	.75	.936
3.	Internal Reputation	.84 - .91	.93	.938
4.	Emotional Culture	.77 - .83	.70	.936

Source: Primary data

Table 4
Results of Validity Analysis

	CR	AVE	MSV	MaxR(H)	1	2	3	4	5	6	7	8
1. IR	0.938	0.793	0.084	0.946	0.890							
2. EC	0.869	0.624	0.063	0.871	0.166***	0.790						
3. W3	0.811	0.588	0.929	0.811	0.232***	0.239***	0.767					
4. W5	0.890	0.618	0.929	0.890	0.219***	0.203***	0.964***	0.786				
5. W1	0.838	0.632	0.737	0.839	0.279***	0.195***	0.757***	0.760***	0.795			
6. W2	0.847	0.580	0.740	0.848	0.289***	0.237***	0.853***	0.860***	0.858***	0.762		
7. W4	0.864	0.613	0.812	0.864	0.231***	0.218***	0.862***	0.901***	0.751***	0.852***	0.783	
8. AP	0.936	0.678	0.202	0.937	0.261***	0.250***	0.358***	0.397***	0.450***	0.433***	0.384***	0.824

Significance level: p<0.05

LEGENDS: 1. IR: Internal Reputation; EC: Emotional Culture; W1: Employment Security; W2: Training and Development; W3: Job Quality; W4: Information Sharing; W5: Use of Teams.

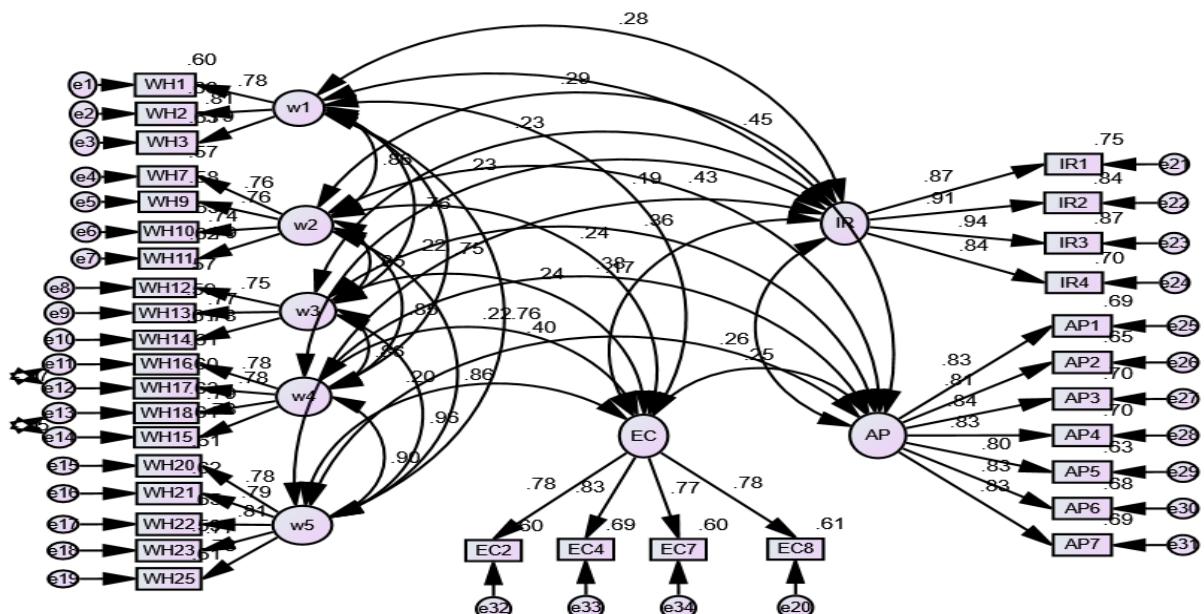


Figure 1. Confirmatory Factor Analysis

Common Method Bias

To assess the issue of common method bias, we tested our proposed 5-factor model with alternate models. The comparison (see Table 5) revealed that overall, our proposed 4-factor model was better fit than the alternate models.

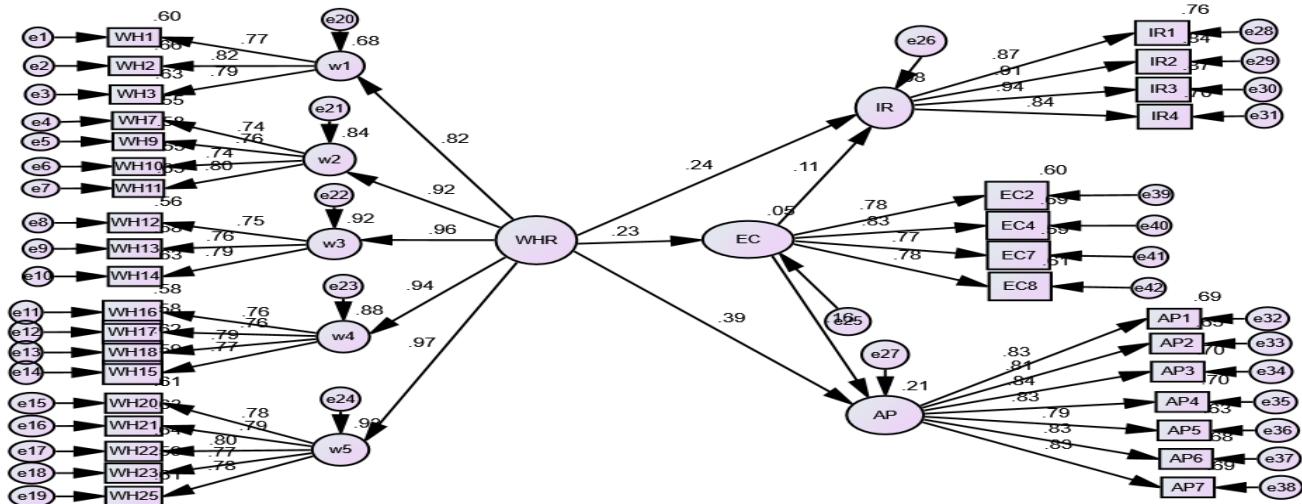
Table 5*Common Method Variance*

Model	CMIN/DF	P-value	RMR	RMSEA	CFI	GFI
4 factor model	1.963	0.000	0.032	0.038	0.96	0.919
3 factor model	2.369	0.000	0.030	0.046	0.965	0.92
2 factor model	2.674	0.000	0.032	0.052	0.965	0.927

Note: w1, w2, w3, w4, w5 being the dimensions of WHR were considered as one factor. Significance level: p<0.05.

Structural Model (Hypothesis Testing)

We tested 5 direct and 2 indirect (mediating) effects using structural equation modeling in AMOS. Findings revealed a significant direct effect of WHR on adaptive performance ($\beta=.574$, CR=8.970). Thus, hypothesis H1 was supported. The direct effect of WHR on internal reputation was significant positive ($\beta=.420$, CR=5.533, $p= .000$). Thus, hypothesis H2 was also supported. The direct effect of WHR on emotional culture was found significant and positive ($\beta=.305$, CR=5.290, $p= .000$). Thus, hypothesis H3 was also supported.

**Figure 2.** Structural Equation Model**Table 6***Direct Effects*

Parameter	Estimate	S.E.	C.R.	P	Decision
H1: WHR→ IR	.420	.076	5.533	***	Supported
H2: WHR→AP	.574	.064	8.970	***	Supported
H3: WHR→EC	.305	.058	5.290	***	Supported

Significance level: P<0.05

Indirect Effects (Mediating Effects)

We tested two indirect effects using a bootstrapping procedure (5000 sample and 95 confidence level). The results of mediation analysis (see Table 6) revealed that the indirect effect of WHR on IR via EC was significant ($\beta=.47$, LLCI=.10, ULCI=.099, $P=.005$). Therefore, H6 was supported. The indirect effect of WHR on AP through EC was significant ($\beta=.55$, LLCI=.29, ULCI=.102, $P=.002$). Thus, H7 was supported.

Table 7*Indirect Effects (Mediating Effects)*

Parameter	Estimate	LLC	ULC	P	Decision
H4: WHR→EC→IR	.047	.010	.099	.005	supported
H5: WHR→EC→AP	.055	.029	.102	.002	supported

Discussion

This study aimed to examine the link among well-being oriented HRM, internal reputation and adaptive performance. It is an attempt to extend the work in line with the contention of Guest (2017) and Salas-Vallina (2020) on the possibilities of having positive effect of WHR on performance and reputation. The findings indicated confirmation of the proposed relationships. Specifically, we found that well-being-oriented HRM practices had significant positive effect on internal reputation. This finding of the study are in-line with previous findings (Sallas-Vallina, Pozo & Fernandez-Guerrero, 2019). Similarly, we found significant positive association between WBHRM and adaptive performance, corroborating earlier findings (Cooper, Wang, Bratham & Cooke, 2019). Also, we found that emotional culture mediated the association of WBHRM and internal reputation which is consistent with the findings of Men & Robinson, (2018). Finally, it was revealed that emotional culture mediates the relationship of wellbeing oriented HRM practices and adaptive performance. These findings are in line with previous literature (Yue *et al.*, 2020).

Theoretical Implications

This study adds to the existing literature on several fronts. First, this study provide empirical support for the underlying mechanism through which wellbeing oriented HRM practices supports adaptive performance and internal reputation. In similar vein, slight evidence exists that emotional culture is flourished through not only training programs but also focusing on wellbeing aspects of employees (Men and Yue, 2019). Investigating the link between wellbeing oriented HRM practices and employee adaptive performance through emotional culture advances our understanding of significant new mediators in the HRM-performance relationship. This is in line with Bartram *et al.* (2014) and Cooper *et al.* (2019) who argued that HRM practices affect employees' knowledge, skills, and abilities and attitudes not only through individual but also through social mechanisms. Furthermore, it enriches the contemporary HRM literature and HRD literature by introducing wellbeing aspect in the relation. Past HRM related studies had little focus on wellbeing aspect of employee (Cooper *et al.*, 2019; Guest, 2017; Salas Vallina *et al.*, 2020). Therefore, this study attempted to fill an important void and contributed to add to the existing body of knowledge. Scholars may develop better theoretical models in WHR domain. Thirdly, it advanced the organizational culture literature by introducing emotional aspects culture as a mediator between wellbeing HRM and performance as well as between WHR and internal reputation.

Practical Implications

We found that wellbeing oriented HRM enhance employee adaptive performance. First, organizations should promote employee well-being through WBHRM practices. Organizations should implement number of wellbeing-oriented HR practices that, collectively, boost employee adaptive performance through emotional culture of joy and compassionate love. By establishing participative decision-making procedures; encouraging information sharing; providing training and coaching fostering two-way communication and a bond among management and employees, the well-being of employees could be improved. This, in turn, would boost the employee adaptive performance. It also offers practical insights

to policymakers of healthcare sector. It is recommended that the decision makers should focus on wellbeing related practices to boost up employee performance and build a positive internal reputation of organization, which is more likely to improve the quality of hospital service and patient care.

Limitation and Future Research Direction

The subjects of the study were doctors and nurse working in the hospital of AJK, Rawalpindi, and Islamabad. Future studies could capture the views of HR in other sectors. Furthermore, WBHRM is investigated through a bundle of practices. Future research can investigate each dimension in isolation that may have a different effect on the performance.

Conclusion

Based on our study findings, it is concluded that WBHRM exerted significant influence on internal reputation and employee adaptive performance. Although previous studies mainly relate the WBHRM with happiness at work (Sallas-Vallina et al., 2020), job performance (Cooper et al., 2019) and innovative work behaviors (Sallas-Vallina et al., 2019). Our study had empirically extended organizational culture domain by considering the emotional aspects of individual related to the culture in relation with HRM domain.

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