Discretionary HR practices and happiness at work (HAW): a sequential mediation model of perceived organizational support and meaning of work

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Abstract
Purpose – This paper aims to explore the mechanisms by which employees’ happiness at work (HAW) can be promoted. Drawing on the social exchange theory (SET), this study examined the relationships among discretionary human resource (HR) practices, perceived organizational support (POS), meaning of work (MOW) and HAW.

Design/methodology/approach – A three-path mediation model was developed to test the proposed relationships. The data were collected from Pakistani business professionals (n = 361), and hypotheses were tested using the PROCESS macro for SPSS.

Findings – The results suggest that POS mediates the relationship between discretionary HR practices and HAW. Also, MOW mediated the relationship between discretionary HR practices and HAW. Hence, both POS and MOW were found to be independent mediators. Further, the data provided support for the serial mediation of POS and MOW in the relationship between discretionary HR practices and HAW.

Practical implications – This research provides insights to organizations and their management on how discretionary HR practices can enhance employees’ POS, MOW and HAW.

Originality/value – The findings show that discretionary HR practices are associated with employees’ HAW. In addition, two mediators (POS and MOW) were found to serially mediate the aforesaid relationships. These findings are novel, as no prior research has used this nascent methodological approach to deepen our understanding by examining the associations between discretionary HR practices, POS, MOW and employees’ HAW.

Keywords Discretionary human resource practices, Perceived organizational support, Meaning of work, Happiness at work

Paper type Research paper

Introduction
Happiness is a highly valued life goal (Diener, 2000) and an essential element of “every typology of ‘basic’ human emotions” (Fisher, 2010, p. 384). Happy individuals are more productive and energized and stay longer with their organization than unhappy individuals.
(Pryce-Jones and Lindsay, 2014). Given the beneficial outcomes of happiness, it has recently attracted the attention of management researchers and practitioners (Salas-Vallina and Alegre, 2021). In particular, this study is interested in employees' happiness at work (HAW) (Salas-Vallina and Fernandez, 2017). HAW is a higher-order construct that comprises three essential components (Fisher, 2010). The first component, job satisfaction, reflects employees’ perceptions and appraisal of working conditions, such as personal development, organizational growth opportunities and competitive remuneration (Ekmeckioglu and Nabawanuka, 2023). Engagement is related to employees’ state of mind in which they are emotionally, cognitively and physically involved in work (Schaufeli et al., 2002). Finally, affective commitment describes employees’ emotional links and identification with the organization (Meyer et al., 2002).

HAW is a broader attitudinal concept that is viewed to overcome the ‘compatibility principle’ — has more predictive power over individual concepts (i.e., commitment, engagement, or job satisfaction) in maximizing performance outcomes (Salas-Vallina and Fernandez, 2017; Salas-Vallina et al., 2020). Despite the salience of the concept, there is, however, a dearth of empirical research that has identified the factors affecting HAW (Salas-Vallina and Fernandez, 2017). One of the potential antecedents to HAW may be related to organizations’ human resource management (HRM) strategy that focuses on enhancing employees’ skills, rewarding their efforts and promoting their participation in decision-making (Salas-Vallina et al., 2020).

Previously, strategic HRM literature has highlighted the utility of human resource (HR) systems to influence organizational-level outcomes (Becker and Huselid, 2006) while neglecting its influence on individual-level outcomes, i.e., employees’ quality of lives at work and well-being (Salas-Vallina and Fernandez, 2017). This is because existing HRM scholarships have mainly focused on high-performance HRM systems (Hamid, 2017) and high-involvement HRM systems, which are driven by organizational-level beneficial outcomes (Luu, 2020). However, organizational behavior researchers (e.g., Kundi et al., 2023; Qamar et al., 2023) have called for research on the effects of HRM systems on employees’ positive work attitudes and behaviors. Therefore, in the present study, we aim to unveil the ‘black box’ in the HRM—performance link (Becker and Huselid, 2006) by employing a sequential mediation approach. In doing so and drawing on social exchange theory (SET) (Blau, 1964), our study develops and examines the interrelationships of discretionary HR practices, perceived organizational support (POS), meaning of work (MOW) and HAW (as shown in Figure 1).

This research hopes to make meaningful contributions. First, consistent with the notion of ‘bundles’ (MacDuffie, 1995), Gavino et al. (2012) called for more research to investigate the effects of ‘bundle’ of discretionary HR practices. Hence, unlike most previous research that focused on generic HR practices to highlight the role of HRM in general (Luu, 2018, 2020),
this study investigates the employees’ perceptions of discretionary HR practices in enhancing POS, MOW and HAW. Previous research showed that discretionary HR practices influence employee outcomes via POS (Gavino et al., 2012). However, the role of an organization’s HRM strategy in creating MOW remains under-explored (Bailey et al., 2017). This research accepts Canboy et al. (2021) proposal for future research to account for the effects of organizational support (e.g., reflected in their HR practices) that can be conducive to employees finding meaning in their work. In addition, a literature search revealed a lack of research on the relationships between discretionary HR practices and HAW. Given the favorable outcomes of HAW that encompass a broad range of attitudes (Fisher, 2010), this research responded to the scholarly calls (Salas-Vallina and Fernandez, 2017) to identify and explore the antecedents to HAW (Salas-Vallina et al., 2018), therefore investigate the role of discretionary HR practices in leveraging employees’ happiness.

Second, this study investigates POS and MOW as two underlying mechanisms linking discretionary HR practices to HAW to extend the current knowledge on discretionary HR practices. More specifically, this study gauges POS and MOW as two mediators that link discretionary HR practices to HAW in a serial manner and contribute to a more nuanced understanding of these linkages. The analysis of these relationships will enable us to determine whether discretionary HR practices increase the level of employees’ happiness indirectly and affect their happy feelings about the characteristics of the job and organization as a whole in a sequential manner. Furthermore, the current research expands the existing happiness literature by investigating the relationship between two antecedents (POS and MOW) and employees’ multidimensional attitudinal outcome, i.e., HAW.

Third, this study intends to contribute to the understanding of MOW, its potential antecedents and consequences (Bailey et al., 2017; Rosso et al., 2010). Although there is a wide range of theoretical insights available on MOW, however, the demonstrated relationships are yet to be explored empirically (Rosso et al., 2010; Wang and Xu, 2019) that would contribute to our understanding of “where and how people find their work meaningful” (Bailey and Madden, 2016, p. 53). Hence, ferreting out the sources through which employees find meaning in their work and its resulting positive outcomes would help fill the gap in HRM and meaningful work scholarship (Bailey et al., 2017, 2019).

Hypotheses development

Discretionary HR practices and HAW

HAW refers to a positive state of work, which includes job satisfaction, engagement and affective organizational commitment (Fisher, 2010). It is a three-dimensional construct that offers a more comprehensive measure to assess a person’s level of happiness by incorporating hedonic (pleasure, enjoyment and comfort) and eudaimonic (satisfaction or fulfillment derived from work that is meaningful and fosters personal growth) feelings (Salas-Vallina et al., 2020). The essential components of HAW (job satisfaction, engagement and affective commitment) cover the three key foci (characteristics of a job, work itself and organization, respectively) at the individual level that reinforce each other and produce important implications for individuals and organizations alike (Fisher, 2010; Salas-Vallina and Alegre, 2021).

Although prior research has shown that participation in decision-making, high-performance work systems and high-involvement work systems influence employee HAW (Qamar et al., 2023; Salas-Vallina and Fernandez, 2017; Salas-Vallina et al., 2020), we do not know whether and how discretionary HR practices influence employee HAW. Hence, the current study extends the research on HRM—performance framework and attempts to open the ‘black box’ (Becker and Huselid, 2006) by investigating the process by which an organization’s investment in employees through discretionary HR practices influences their HAW.
Discretionary HR practices are HR practices that imply an organization’s investment in employees (Gavino et al., 2012). The nature of discretionary HR practices is not compliance-focused and administrative (i.e., transactional HR practices) because these practices are non-obligatory, non-mandatory and not regulated by external institutions (Gavino et al., 2012; Shore and Shore, 1995). For example, organizations are not required to build formal selective staffing practices, offer developmental and promotional opportunities, improve training quality, or facilitate employee involvement (Gavino et al., 2012). According to Gavino et al. (2012) an HR practice that meets at least three of the following criteria is considered a discretionary investment in employees: (1) focuses on acquiring and enhancing human resources, (2) enhancing values and competencies of employees, (3) empower employees and (4) encourage employees to identify with the goals of the organization.

Based on SET (Blau, 1964), this study proposes that discretionary HR practices enhance employees’ HAW. The fundamental principle of SET is reciprocity (Gouldner, 1960), which conceptualizes that the quality of an exchange relationship is determined by the extent to which the resources are exchanged between the parties. That is, when the donor contributes towards improving the quality of an exchange relationship, the recipient will feel obliged to reciprocate positively. Consistent with this theoretical assumption, when employees perceive that their organization values their contributions and cares for their well-being, they, in turn, will reciprocate with positive emotions and attitudes (Fisher, 2010). Likewise, Organ (1977) proposed that when individuals are happy with the organization’s treatment, they are more likely to reciprocate with positive contributions. Hence, the following hypothesis is proposed:

**H1.** Discretionary HR practices positively relate to HAW.

**The mediating roles of POS and MOW**

POS refers to employees’ perception of how much an organization values their contributions and cares about their well-being (Eisenberger et al., 1986). Prior research (e.g., Gavino et al., 2021; Rhoades and Eisenberger, 2002) has demonstrated that POS leads to positive attitudinal and behavioral outcomes, including affective commitment, job satisfaction and engagement. In this study, it is posited that POS will mediate the relationship between discretionary HR practices and HAW.

According to SET’s reciprocity norms (Blau, 1964; Gouldner, 1960), when recipients perceive that the donor provides them support and care for their well-being, it would, in turn, increase the recipients’ liking for the donor. Further, the donor’s contribution to enhancing the quality of the exchange relationship produces a felt obligation that influences recipients’ belief to care for the organization’s objectives and well-being (Eisenberger et al., 2001). Following this tenet, an organization’s discretionary HRM strategy can signal to employees that their organization’s environment is supportive, which affects employees’ perceptions of exchange relationships (Gavino et al., 2012). Moreover, such discretionary HR practices can be instrumental in shaping a quality relationship between employees and the organization (Ekmeckio glu and Nabawanuka, 2023). The social exchange engendered by discretionary HR practices may first leverage employees’ perceptions of POS (Gavino et al., 2012), which may lead to their HAW. Previously, different typologies of HRM systems have been shown to influence employees’ outcomes via POS (e.g., Vatankhah et al., 2017).

Based on above findings, it is expected that when employees view that their organization is supportive, value their contributions and care for their well-being (higher perceptions of POS) (Shore and Shore, 1995), which is demonstrated by the organizations through their discretionary HR investment in employees (Gavino et al., 2012), in turn, they will be happier (feeling happy about job, characteristics of the job and the organization, i.e., HAW) (Salas-Vallina and Fernandez, 2017). Hence, it is posited that:
H2. POS mediates the relationship between discretionary HR practices and employees’ HAW.

MOW is described as the extent to which a work role has purpose, value and significance for an individual and fits with their beliefs and behaviors (May et al., 2004; Spreitzer, 1995). In an organization’s context, MOW is viewed as a salient concept (Lin et al., 2020) because employees are motivated to contribute more to their work when they perceive it to be meaningful (Akgunduz et al., 2020; Jung and Yoon, 2016). Also, employees’ experiences of MOW engender positive emotions (Guerci et al., 2019) that “broaden people’s momentary thought-action repertoires and build their enduring personal resources, ranging from physical and intellectual resources to social and psychological resources” (Fredrickson, 2001, p. 2018).

Previously empirical research showed that individual’s perceptions of MOW are related to various employee and organizational outcomes including job satisfaction, engagement and affective commitment (see a review by Bailey et al., 2019) that are the essential components of HAW (Salas-Vallina and Fernandez, 2017). Given the positive outcomes, Jung and Yoon (2016) argue that organizations must develop internal motives (i.e., MOW) for their human resources. Likewise, Rosso et al. (2010) and Bailey et al. (2017) assert that organizations play a critical role in influencing employees’ MOW. One of the mechanisms through which organizations may affect employees’ experiences of MOW is by maintaining a high-quality exchange relationship determined by the support the organization provides to its employees (Cropanzano et al., 2017). In general, an organization’s support is reflected in its HRM strategy, which is regarded as more closely related to MOW (Bailey et al., 2017; Harpaz and Meschoulam, 2010). For instance, Lin et al. (2020) stated that development-oriented HR practices that enhance employees’ skills and competencies are instrumental in helping employees find meaning in their work.

Although in the previous research, MOW has been shown to mediate the relationship between sustainable HRM practices and (a) job satisfaction and (b) turnover intentions among HR managers and professionals in six European countries (Guerci et al., 2019) and developmental and maintenance-oriented HR practices and employees’ well-being in a Chinese high-tech company (Lin et al., 2020). More specifically, this study predicts that investment-oriented practices (i.e., discretionary HR practices) will increase employees’ broader attitudinal outcomes (here: HAW), through MOW (employees’ belief that their work is valuable and significant) serving as an underlying mechanism — the relationship which remains unexplored.

Discretionary HR practices focus on empowering employees (Gavino et al., 2012). When employees are empowered, they experience MOW (Spreitzer, 1995), which leads to their happiness (Luu, 2020; Rosso et al., 2010). Under the umbrella of SET, employees attach more value to discretionary resources provided by their employer (Shore and Shore, 1995) and resources (i.e., discretionary HR practices) that fortify social exchange (Luu, 2018) positively influence meaningful work — a critical psychological process (Cropanzano et al., 2017; Wang and Xu, 2019) which in turn, will enhance their life quality at work (i.e., HAW) (Salas-Vallina and Fernandez, 2017). Hence, it is proposed that:

H3. MOW mediates the relationship between discretionary HR practices and HAW.

Moreover, this study proposes that POS and MOW will sequentially mediate the relationship between discretionary HR practices and HAW. Organizations’ investment in employees through discretionary HR practices that build their competencies and abilities, acknowledge their contributions and offer promotional opportunities can influence employees’ perception that their organization cares for their well-being (Gavino et al., 2012). Moreover, Akgunduz et al. (2020) showed that rewarding employees’
performance increases their MOW. Also, when employees realize that their employer cares for their opinions (e.g., involves them in decision-making), they are likely to perceive significance in their work — which instigates a sense of purpose — and therefore work for them becomes meaningful, which increases their level of happiness (Rosso et al., 2010). Moreover, discretionary HR practices and employees’ perceptions of organizational support can create a work environment where employees feel appreciated for their efforts (Gavino et al., 2021), view more value, significance and meaning in work (Akgunduz et al., 2020), as a result, they are more likely to feel happier (Rosso et al., 2010).

Taken together, the above arguments, it is assumed that MOW will influence employees’ HAW and since discretionary HR practices and POS trigger meaningful work, thus it is hypothesized that:

**H4.** POS and MOW serially mediate the relationship between discretionary HR practices and HAW.

**Method**

**Sample**

The survey was created using Google Forms and administered online through a professional social media platform, during the months of February and March 2023. Employees working in Pakistan were approached via LinkedIn because it has been suggested as one of the more effective networking sites to recruit participants (Baltar and Brunet, 2012; Muduli and Trivedi, 2020). Individuals were randomly invited to participate in the survey to minimize the potential risk of sample selection bias. More specifically, we opted for a “virtual network” sampling technique, which helps researchers to randomly select individuals from virtual networking sites (Muduli and Trivedi, 2020). This technique includes “random elements (the random selection of the virtual groups, the contact to every member inside them, etc.)” (Baltar and Brunet, 2012, p. 69). The survey link contained information about the purpose of the study, the confidentiality of responses and the voluntary nature of the research. Moreover, the participants were told that there were no right or wrong answers to the questions.

In total, we received 361 complete responses. There were no missing values since all questions were mandatory to answer. Of the 361, 85% were male, 69.2% were younger than 35 and 58.2% had 3 years or less tenure. Moreover, 68.4% had at least a master’s degree.

**Measures**

All items were taken from well-established scales (see Appendix) and assessed on a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). We assessed discretionary HR practices using a six-item scale proposed by De Clercq et al. (2021; \( \alpha = 0.947 \)). POS was assessed using a four-item scale developed by Alfes et al. (2019; \( \alpha = 0.934 \)). MOW was assessed using a three-item scale proposed by Lin et al. (2020; \( \alpha = 0.963 \)). HAW was assessed with Salas-Vallina et al.’s (2017; \( \alpha = 0.961 \)) nine-item scale, which comprised three dimensions: affective organizational commitment, job engagement and job satisfaction, each dimension was measured with three items. Respondents’ gender, age, education and organizational tenure were taken as covariates.

**Results**

Table 1 displays the descriptive statistics. According to Ishaq et al. (2022), selection bias could lead to range restriction. However, our results (Table 1) revealed that the concern about self-selection and range restriction is limited given the observed variability in our data. Furthermore, multicollinearity was assessed, considering that some variables exhibited correlations exceeding 0.70. As depicted in Table 1, the variance inflation factor (VIF) scores were below 10 (Hair et al., 2006), indicating the absence of multicollinearity issues.
Power analysis

One way to determine a sample size is by multiplying the highest number of arrows, moving toward the dependent variable by 10 (Barclay et al., 1995). In our study, the highest number of arrows pointing to the HAW was seven (including control variables), resulting in a required sample size of 70. Kundi and Shahid (2023) adopted this same approach. To further evaluate the adequacy of our sample size, a post hoc power analysis was conducted (Cohen, 1988) in GPower software with a $p$-value of 0.05, seven predictors and effect size ($f^2$) of 3.18. The results revealed that our sample size of 361 individuals provided substantial statistical power (i.e., power $\geq 0.8$). Hence, the probability of Type-I and Type-II errors was low.

Confirmatory factor analysis (CFA)

CFA was conducted to assess the fit of the measurement model in AMOS 24.0. The results of CFA revealed that factor loadings ranged between 0.76 and 0.97 (see Appendix). Moreover, the proposed four-factor model achieved a good fit ($\chi^2 = 466.16$, df = 203, comparative fit index (CFI) = 0.97, Tucker-Lewis Index (TLI) = 0.97, standardized root mean square residual (SRMR) = 0.02 and root mean square error approximation (RMSEA) = 0.06) and was better than the three-factor model ($\chi^2 = 1445.67$, df = 206, CFI = 0.86, TLI = 0.85, SRMR = 0.05 and RMSEA = 0.13), two-factor model ($\chi^2 = 1732.17$, df = 208, CFI = 0.83, TLI = 0.81, SRMR = 0.06 and RMSEA = 0.14) and one-factor model where all items loaded onto one factor ($\chi^2 = 2174.50$, df = 209, CFI = 0.78, TLI = 0.76, SRMR = 0.07 and RMSEA = 0.16), establishing discriminant validity.

To establish convergent validity, average variance extracted (AVE) scores were calculated and found to be higher than the recommended cutoff score of 0.5 (Fornell and Larcker, 1981; see Appendix). We compared the constructs AVE with their average shared variance (ASV) scores to further establish discriminant validity. We found that AVE scores were higher than the ASV. In addition, heterotrait-monotrait ratios were below the cutoff criteria of 0.85 (Henseler et al., 2015), further supporting discriminant validity.

Common method bias (CMB)

Procedural and statistical remedies were adopted to mitigate CMB (Podsakoff et al., 2003). Procedurally, we ensured confidentiality and anonymity and emphasized that participation in the survey was voluntary but highly encouraged. Statistically, we first tested a latent
common method factor model wherein we created a latent factor defined as a method factor, which was associated with all measurement items (indicators) sharing a common method or source. These items are loaded onto the method factor. The difference in chi-square ($\chi^2$) between the theoretical and latent factor models was 1.216 with 1 df ($p = 0.27$), indicating that adding a latent common factor does not significantly improve model fit. The common variance attributed to the method factor was only 14.15%, significantly below the commonly recognized 50% threshold for CMB.

**Hypotheses testing**

Hypotheses were tested using PROCESS macro (Model 6) in SPSS software with 5,000 bootstrapped samples. As shown in Figure 2, discretionary HR practices were positively associated with HAW ($\beta = 0.34, p < 0.01$; Hypothesis 1 supported), POS ($\beta = 0.76 = , p < 0.01$) and MOW ($\beta = 0.38 = , p < 0.01$). POS ($\beta = 0.37, p < 0.01$) and MOW ($\beta = 0.21, p < 0.01$) were positively related to HAW. Moreover, the findings showed that POS ($\beta = 0.284, 95\% CI = 0.1972, 0.3783$) and MOW ($\beta = 0.083, 95\% CI = 0.0458, 0.1318$) mediated the relationship between discretionary HR practices and HAW. Hence, Hypotheses 2 and 3 were supported. Lastly, serial mediation of POS and MOW in the relationship between discretionary HR practices and employees’ HAW was positive and significant ($\beta = 0.046, 95\% CI = 0.0184, 0.0798$), supporting Hypothesis 4.

**Discussion**

The findings of this study demonstrate that discretionary HR practices positively relate to employee HAW, and the relationship can be explained using POS and MOW. POS and MOW are serial mediators in explaining how discretionary HR practices influence employee HAW. First, we found a positive relationship between discretionary HR practices and HAW. In other words, when employees perceive that their organization places great importance on hiring the right individuals, provides training and growth opportunities, engages them in decision-making and offers performance-based pay, they are more likely to experience higher levels of HAW. Previous research (e.g., Ekmekcioglu and Nabawanuka, 2023; Kundi et al., 2023) found positive consequences of discretionary HR practices on employee attitudes. Specifically, involving employees in decision-making and rewarding their performance has been associated with increased HAW (Salas-Vallina et al., 2020; Salas-Vallina and Fernandez, 2017). This finding aligns with SET, which suggests that “employees who value benefits received from their organization, such as pay, fringe benefits or working conditions, will reciprocate with more positive work attitudes” (Haar, 2016, p. 1944).

Second, we found a positive mediating role of POS in discretionary HR practices—HAW association. More specifically, we found that discretionary HR practices foster employees’ perceptions that their organization cares about them, leading to higher POS (Eisenberger et al., 2020) and subsequent HAW (Akgunduz et al., 2023). These findings align with previous research that found a positive association between discretionary HR practices and POS (Gavino et al., 2012) and a positive association between POS and HAW (Akgunduz et al., 2023). Our study’s findings extend prior findings by explaining how discretionary HR practices influence employees’ HAW via POS. Furthermore, we found that MOW mediated the relationship between discretionary HR practices and HAW. The finding suggests that discretionary HR practices foster employee MOW, leading to greater HAW. This finding aligns with previous research that has highlighted the mediating role of MOW in the relationship between various HRM systems and employees’ outcomes (e.g., Guerci et al., 2019; Lin et al., 2020).

Finally, we found a serial mediation of POS and MOW in the discretionary HR practices—HAW association. This finding suggests that discretionary HR practices signal to employees that their organization cares and values them. Such feelings of being cared for and valued
Figure 2. Direct and indirect effects of discretionary HR practices on perceived organizational support, meaning of work, and happiness at work.

Mediating Effects

<table>
<thead>
<tr>
<th>Effect</th>
<th>Indirect effects</th>
<th>SE</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discretionary HR practices → Perceived Organizational Support → Happiness at Work</td>
<td>0.2848</td>
<td>0.0464</td>
<td>0.1972</td>
<td>0.3783</td>
</tr>
<tr>
<td>Discretionary HR practices → Meaning of Work → Happiness at Work</td>
<td>0.0837</td>
<td>0.0225</td>
<td>0.0458</td>
<td>0.1318</td>
</tr>
<tr>
<td>Discretionary HR practices → Perceived Organizational Support → Meaning of Work → Happiness at Work</td>
<td>0.0468</td>
<td>0.0158</td>
<td>0.0184</td>
<td>0.0798</td>
</tr>
</tbody>
</table>

Education → Meaning of Work: $0.2280***$ ($t = 3.492$)
Tenure → Meaning of Work: $0.1168^*$ ($t = 2.014$)
Tenure → Happiness at work: $0.0950^*$ ($t = 2.581$)

Note(s): Indirect effects are assessed via bootstrapping 95% confidence interval. Gender, age, education, and organizational tenure are controlled. Abbreviations: SE = standard error, LLCI = lower limit confidence interval, ULCI = upper limit confidence interval.

***Significant at 0.001 level. **Significant at 0.01 level. *Significant at 0.05 level

Source(s): Authors’ work
foster positive employee attitudes regarding higher POS (Gavino et al., 2012). As a result, employees experience greater MOW (Canboy et al., 2021), ultimately fostering their HAW (Charles-Leija et al., 2023). This is consistent with the tenets of SET, which states that benefits received from the organization are reciprocated with more positive employee work attitudes (Haar, 2016). In summary, the results demonstrate that discretionary HR practices create an emotional bond between the employee and the organization, allowing employees to feel supported, experience meaningfulness in their work and achieve happiness.

Theoretical implications

The present research contributes to the literature in many ways. First, the ‘black box’ problem in HRM scholarship is still relevant (Gavino et al., 2021), however, previous research geared towards unveiling the ‘black box’ in the relationship between HRM—performance outcomes (Purcell, 2003) has emphasized on the role of general HRM strategy (Luu, 2018). The present study, in response to the call made by Gavino et al. (2012) extends the strategic HRM literature by identifying and examining the role of a ‘bundle’ of six employee-centered and investment-oriented HR practices, i.e., discretionary HR practices (see De Clercq et al., 2021). This endeavor also contributes to understanding which HR practices, in combination, are most appropriate and effective in meeting the organizational objectives. Discretionary HR practices were opted for in the current research because these practices are more driven by employee-level outcomes than the practices (e.g., high-involvement or high-performance HR systems) that focus on organizational-level outcomes (Luu, 2020). This is because it is not HR practices per se but the employees’ perceptions of HR practices (i.e., the organization’s strategy to invest in employees) that affect their attitudes and behaviors (Bowen and Ostroff, 2004).

Second, this study contributes to the POS literature by extending knowledge of its outcomes. Consistent with previous research (Gavino et al., 2012) the findings revealed that POS is an outcome of discretionary HR practices. Further, results illustrated that POS positively and significantly relates to HAW, a broader person-level attitudinal outcome. More specifically, POS is an effective underlying mechanism by which discretionary HR practices affect employees’ happy feelings towards the job, job characteristics and the organization as a whole (i.e., HAW). These results imply that, from employees’ perspective, discretionary HR practices are viewed as resources provided by the organization, affecting their perceptions of POS and, in turn, their positive attitudes. These findings align with the previous research, which demonstrated that POS mediated the effects of discretionary HR practices on employee outcomes (Gavino et al., 2012).

Third, in response to several calls (Bailey et al., 2017; Rosso et al., 2010), this study makes another key contribution to the MOW literature by identifying and empirically examining its antecedents and outcomes. The results as shown in Figure 2 indicate that discretionary HR practices positively relate to MOW. In addition, extending this line of research, the present study further validates that MOW is positively and significantly related to HAW. The results indicate that MOW is part of the process by which discretionary HR practices relate to employees’ HAW. These findings suggest that an organization’s discretionary investment in employees, such as focusing on their development through discretionary training programs, enhances their work meaning, which in turn, increases HAW. These findings echo previous research that demonstrated the mediating role of MOW in the relationship between different typologies of HRM systems and employees’ work-related outcomes (cf. Guerci et al., 2019; Lin et al., 2020).

Fourth, this study incorporated POS and MOW to determine their chain-mediating role in the relationship between discretionary HR practices and HAW. The findings indicate that POS and MOW serially mediate the relationship between discretionary HR practices and...
HAW. Since the direct effect of discretionary HR practices on HAW is significant (see Figure 2), it is a partial serial mediation effect. Moreover, these findings contribute to our understanding of “where the meaning of work comes from” (here: discretionary HR practices) and “how it is that work becomes meaningful” (here: POS) for employees (Rosso et al., 2010, p. 93) that influences their attitudes, i.e., HAW. In line with SET (Blau, 1964), these findings uphold the premise of the norms of reciprocity between the organization and employees (Gouldner, 1960). Moreover, the organization’s HR strategy influences employees’ perceptions of POS, which reflects a long-term investment. Under these conditions, employees find value and significance in their work (MOW) and display positive emotions and attitudinal outcomes (HAW).

Fifth, and related, accepting the proposal by Salas-Vallina et al. (2018), this research contributes to the HAW literature by identifying its antecedents. More specifically, it aids in our understanding of which HRM practices enhance employees’ HAW (Salas-Vallina et al., 2018) in a sequential mediation model of POS and MOW. Finally, most research on study variables is conducted in the Western context. Hence, in response to scholarly calls (e.g., Luu, 2021; Rosso et al., 2010), this study collected data from employees working in a non-Western country, Pakistan. By doing so, this research hopes to contribute to the generalizability of the few empirical findings. These findings are unique, as a literature search revealed that no prior study has empirically established the associations, as shown in Figure 1.

Practical implications
This research is an important source of knowledge for organizations and their management. Organizations are typically more focused on how they can save costs, which results from compliance-focused HR practices (Gavino et al., 2021). The present study showed that an organization’s investment in employees through discretionary HR practices can yield several favorable employee-level outcomes that benefit the organization. Further, it presents critical insights for managers to understand what factors influence employees’ perceptions of POS and their experiences of meaningful work, and consequently, they feel happier towards their job, the characteristics of the job and the organization as a whole (i.e., HAW). The findings suggest that to maintain a high-quality relationship with employees, organizations should implement discretionary HR practices, which demonstrate investment and provide ample resources beyond legal requirements (Gavino et al., 2012), essentially because these practices have been shown to positively influence employees’ broad range of attitudes (here: HAW). Hence, discretionary HR practices that focus on building employees’ knowledge, skills and abilities through training programs, providing opportunities to grow within the organization through succession planning, discretionary performance appraisal, linking pay to performance and involving them in decision-making are critical as these relate positively with employees’ positive work-related attitudes. Moreover, selective staffing practice could be beneficial for organizations, as it can assist in acquiring individuals who demonstrate specific beliefs and favorable attitudes. As such, organizations can focus on attracting and hiring individuals who attach importance to the work role, appreciate the work roles they have had and exhibit dedication towards work.

The results also demonstrated that MOW enhances employees’ HAW. It was found that discretionary HR practices relate to MOW through POS, subsequently enhancing employees’ happiness. Based on findings, this study suggests that organizations that aim to sustain competitive advantage should focus on building a discretionary HRM strategy that enhances POS, thus ensuring that the work becomes meaningful and employees are happier. Also, organizations should take advantage of their existing employees who display high MOW and HAW by motivating them to mentor their co-workers. In addition, retention of such employees (with high MOW and HAW) should be of utmost priority to the organizations.
As the results suggest, this can be achieved by acknowledging and rewarding their performance outcomes, promoting them to the position of authority and ensuring their involvement in decision-making. Besides, to derive favorable outcomes from discretionary HRM strategy, organizations must focus on building specific behaviors of managers (i.e., manager’s implementation behaviors, Pak and Kim, 2018), who are responsible for communicating and implementing HR practices.

The findings of this study could also be helpful for employees to understand how and when they can use various available programs, i.e., discretionary HR practices, to develop their knowledge and skills, which are beneficial for their personal development. Finally, HR professional associations, such as the Society for Human Resource Management (SHRM, USA); Chartered Institute of Personnel and Development (CIPD, UK); and the Australian Human Resources Institute (AHRI, Australia) could also use meaningful insights from this research — and other related, yet limited, research on discretionary HRM strategy — that can be part of their future action agenda. For instance, being key players and having cross-border reach, they can focus on developing their stakeholders (e.g., students and professional members) knowledge about discretionary HRM strategy as the key antecedent of POS, MOW and HAW – the outcomes that can maximize organizational performance.

Limitations and future research directions
This study has several potential limitations that warrant consideration. First, self-reported measures raise the concern of CMB (Podsakoff et al., 2003). Therefore, future research should collect multi-wave and multi-source data to minimize the potential risk of CMB. Second, the cross-sectional nature of the study design restricts our ability to infer causal directions among the examined relationships. Hence, future research should consider experimental or longitudinal designs. Third, several factors, including cultural variations and institutional differences, may influence the external validity of our estimation results in different countries or contexts. Hence, future studies should replicate our research model in diverse cultural and geographical contexts. This helps determine whether our findings are generalizable and whether cultural or contextual differences significantly impact the observed relationships. Furthermore, conducting similar investigations in other developing countries can offer valuable insights into the broader applicability of discretionary HR practices in enhancing individual-level attitudinal outcomes.

Fourth, our study examined the relationship between discretionary HR practices and individual-level attitudinal outcomes. Future research could extend the scope by investigating the impact of discretionary HR practices on employee-level attitudes and behaviors and their subsequent effects on the team or organizational-level outcomes. Additionally, exploring other potential mediating and moderating variables could provide a more comprehensive understanding of these relationships. Moreover, it would be interesting to incorporate team-level managers’ behavior, such as desired HR practices implementation behavior (Pak and Kim, 2018) and broader happiness-related concepts (i.e., HAW) as a moderator (Salas-Vallina et al., 2018). For instance, a happy manager may promote a healthy work environment, take care of employees’ work-related well-being, help them find meaning in their work and make them happier. Also, it is worth considering newer forms of negative leadership style (e.g., despotic leadership or exploitative leadership) as a moderator in the relationship between HR practices and employees’ outcomes. For example, leaders despotic tendencies may adversely affect employees’ happiness (Albashiti et al., 2021). Lastly, future research should examine other organizational-level antecedents of HAW. In particular, the effects of well-being oriented HR practices, or Islamic or Protestant work ethics on employee HAW, which have not been studied so far, would be interesting. Moreover, as we do not know whether HAW leads to employee career-related outcomes or success, this warrants further examination.
Fifth, it’s important to note that we did not investigate potential heterogeneity in the estimated effects by demographic variables, such as age and gender. Future research should examine the current model across different demographic groups, as the relationships may differ significantly among various subpopulations.

Conclusion
This study is among the first to examine the relationship between discretionary HR practices and employee HAW. Moreover, this study advanced prior research by examining multiple intervening mechanisms through which discretionary HR practices affect employee HAW. Drawing upon the SET, the findings revealed that (1) discretionary HR practices positively relate to employee HAW, (2) POS mediates the relationship between discretionary HR practices and HAW, (3) MOW mediates the relationship between discretionary HR practices and HAW and (4) discretionary HR practices positively relate to HAW via POS and then MOW. In conclusion, discretionary HR practices contribute to a supportive work environment where employees experience increased POS and find more meaningfulness in their work. As a result, they feel happier at their work.

References


Appendix

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor loading</th>
<th>AVE</th>
<th>ASV</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discretionary HR practices</strong></td>
<td></td>
<td></td>
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<tr>
<td>At my organization, great importance is placed on hiring the right</td>
<td>0.813</td>
<td></td>
<td></td>
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<tr>
<td>person</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>In my organization, extensive training programs are provided</td>
<td>0.828</td>
<td></td>
<td></td>
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<tr>
<td>In my organization, we are encouraged to suggest improvements in the</td>
<td>0.872</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>way things are done</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>I have frequent discussions with my manager about my performance</td>
<td>0.871</td>
<td></td>
<td></td>
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<tr>
<td>In my organization, pay is tied to performance</td>
<td>0.888</td>
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<tr>
<td>In my organization, there is a good opportunity for advancement</td>
<td>0.909</td>
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<tr>
<td><strong>Perceived organizational support</strong></td>
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<tr>
<td>My organization cares about my opinions</td>
<td>0.886</td>
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<tr>
<td>My organization really cares about my well-being</td>
<td>0.885</td>
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<tr>
<td>My organization strongly considers my goals and values</td>
<td>0.896</td>
<td></td>
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<td></td>
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<tr>
<td>My organization shows a lot of concern for me</td>
<td>0.866</td>
<td></td>
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<tr>
<td><strong>Meaning of work</strong></td>
<td></td>
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<tr>
<td>The work I do is very important to me</td>
<td>0.898</td>
<td></td>
<td></td>
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<tr>
<td>My job activities are personally meaningful to me</td>
<td>0.969</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>The work I do is meaningful to me</td>
<td>0.976</td>
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<tr>
<td><strong>Happiness at work</strong></td>
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<tr>
<td>At my job, I feel strong and vigorous</td>
<td>0.877</td>
<td></td>
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<tr>
<td>I am enthusiastic about my job</td>
<td>0.871</td>
<td></td>
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<tr>
<td>I get carried away when I am working</td>
<td>0.765</td>
<td></td>
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<tr>
<td>I am satisfied with the nature of the work I perform</td>
<td>0.855</td>
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<tr>
<td>I am satisfied with the pay I receive for my job</td>
<td>0.835</td>
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<tr>
<td>I am satisfied with the opportunities which exist in this organization for advancement</td>
<td>0.866</td>
<td></td>
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<tr>
<td>I would be very happy to spend the rest of my career with this organization</td>
<td>0.890</td>
<td></td>
<td></td>
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<tr>
<td>I feel emotionally attached to this organization</td>
<td>0.890</td>
<td></td>
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<tr>
<td>I feel a strong sense of belonging to my organization</td>
<td>0.862</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source(s): Authors’ work

Table A1. Survey items

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