THE BLACK BOX OF HUMAN RESOURCES

The effect of high performance work systems on organizational commitment, work engagement and intention to leave

Maxim Murashkin & Johanna Tyrväinen

Department of Business Administration
International Business Program
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Supervisor: Thomas Biedenbach
Employee attrition is a critical issue for organizations as retaining the best professional talent and controlling the costs linked to losing and employing new employees is a costly process. This is especially true for small and medium-sized enterprises that have limited resources and where every individual employee is a big part of the collective effort of the company. It has been argued that in most organizations the utility of human resources is not maximized and that investments in the right human resource practices would provide returns that exceed the costs.

The unclear relationship between human resource practices and performance is commonly referred to as ‘the black box’ of human resource management. Human resource practices are conceptualized differently in the literature and one of the most popular views states that practices should support and synergize with each other and that a combined implementation of practices leads to better results. This concept is often referred to as high performance work systems (HPWS) which is designed to enhance employee effectiveness. Based on the research of HPWS, the AMO-framework was introduced to better explain the linkage between human resources management and organizational performance. The framework is based on the idea that employees will perform better when they are able to do so (Ability), when they possess the motivation to do so (Motivation), and when their work environment provides the necessary support (Opportunity). Due to the lack of research of the AMO-framework in Scandinavian countries, the purpose of this quantitative study is to tests the relationship between the AMO-framework, intention to leave and the two constructs of organizational commitment and work engagement. Based on the purpose, a research question for this study is addressed as follows:

What is the impact of Ability, Motivation and Opportunity HR-practices on organizational commitment, work engagement and employees’ intention to leave?

The sample consisted of a total of 95 employees from various small and medium-sized enterprises in Sweden. The empirical findings suggest that even though the AMO-framework does not impact employees’ intention to leave directly, the individual dimensions of Ability and Motivation might do so indirectly through the constructs of organizational commitment and work engagement. These findings highlight the importance of the impact of the AMO framework on the above-mentioned constructs. Furthermore, this study contributes to the studies on human resource management in SMEs by providing more insight for the owner-managers on how to wisely invest in human resources in order to decrease employee attrition.
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1. INTRODUCTION

The introduction chapter outlines the practical and theoretical background and provides an overview of the topic. The problem background introduces the topic of the research and is followed by an explanation of the research gap. Lastly, the research question together with the purpose of the study are presented.

1.1 Problem Background

The development of human capital through human resource management has for many years been considered to be of greatest importance in gaining and keeping a sustainable competitive advantage (Barney, 1991; Wright & McMahan, 1992). In the last decade the topic of human resource management as a key driver has been extended beyond large organizations with an increased shift towards small and medium-sized enterprises (Rauch & Hatak, 2016). Human capital is defined as "the investment in human resources in order to increase their efficiency" (Becker, 2002, cited in Pasban & Nojedeh, 2016, p. 250) and differs from physical and financial capital as it defines "the knowledge, skill, creativity, and health of the individual". Bailey (1993) argues that in most organizations the utility of human resources is not maximized and that investments in the right human resource practices would provide returns that exceed the costs. As a part of his research, Bailey (1993) divides human resource practices into three groups of skill, motivation and the employees' ability to influence their work. Building on these ideas, Huselid (1995) argued that the three practices are interdependent and need to be utilized together in order to maximize the benefits of human capital.

Human resource practices are conceptualized differently in different research. Some scholars view HR-practices as a combination of unlinked practices and argue that individual adaptation leads to superior performance. Others dictate that practices are supposed to support and synergize with each other and that a combined implementation leads to better results (Wright & Kahoe, 2008). The first approach is often referred to as high performance work practices (HPWP) and the second as high performance work systems (HPWS) (Wright & Kahoe, 2008). HPWS are a combination of HPWP which are hypothesized to create synergistic effects. Because of these synergies, the performance obtained by using bundles will be greater than the sum of individual effects achieved by applying each of the practices separately. (Boxall & Macky, 2009; Jiang et al., 2012; Minbaeva, 2013)

Based on the research and theories of high-performance work systems, Appelbaum et al. (2000) developed the Ability, Motivation and Opportunity to participate (AMO) framework to better explain the linkage between human resources management and organizational performance (Marin-Garcia & Martinez Tomas, 2016). Since the framework was first introduced it has been frequently used in empirical research (Paauwe & Boselie, 2005). According to the AMO framework, human resource practices affect employees' performance through their impact on their Abilities, Motivation, and Opportunity to participate (Appelbaum et al., 2000). This idea is further supported by Wright et al. (2003) who argue that employees will perform better when they are able to do so (Abilities), they pose the motivation to do so (Motivation), and when their work environment provides the necessary support to enable them to express themselves...
(Opportunity). Examples of Ability practices are staffing and training while Motivation practices are connected with fair pay and promotion opportunities. Furthermore, information-sharing and flexible work assignments are typical Opportunity practices. (Rauch & Hatak, 2016)

The application of HPWS is not widespread in smaller organizations (Kroon et al., 2013). It is still an unsolved issue whether smaller companies compared to their larger counterparts are approaching HR by doing a little bit of everything in less sophisticated ways or if smaller firms focus on a few selected practices instead of adopting the whole package (Kroon et al., 2013). Small and medium-sized enterprises (SMEs) are defined as enterprises that have between 10 and 249 employees. They are considered to be the driving power of the European economy which foster economic growth, job creation and are vital for stimulating entrepreneurship and innovation. In 2013, 90% of all enterprises were SMEs and provided 66% of all jobs in Europe. (European commission, 2016) Previous studies show that small business managers frequently face human resource related problems and that practices such as motivating, recruiting and retaining employees is especially challenging for small firms (Gatewood & Field, 1987; Deshpande & Golhar, 1997; Hornsby & Kuratko, 1990). In SMEs, the owner is usually also the manager of the firm making all the major decisions (Lattimore et al., 1997, cited in Molina et al., 2019, p. 59). Therefore, the owner-manager is often the one responsible for adapting a suitable HRM strategy, since having an HR-specialist might be too expensive for SMEs (Kroon et al., 2013).

With the emergence of a growing number of researches focusing on human resources in SMEs, the smaller companies are being recognized as the ideal institution for HRM (Sels et al., 2006). This is to a high degree because of their labor-intensive nature, resource poverty, direct communication, concentrated ownership, clearer effect of employees on organizational performance, flatter hierarchy and a high degree of informal HR-practices (Dundon et al., 2001; Sels et al., 2006; Kroon et al., 2013). Kroon et al. (2013) states that because of the limited resources small companies cannot incorporate all aspects of HPW and therefore only implement the ones that they think will generate the most value. Therefore, it is vital for SMEs to know which practices are the most beneficial.

As the workforce is one of the most important and essential assets of an organization, companies are constantly competing about the highest talent (Johanim et al., 2012). Correspondingly, undesired turnover is a costly problem for companies, and it is especially challenging for smaller firms (Deshpande & Golhar, 1997; Hornsby and Kuratko, 1990). In addition to losing knowledge when an employee leaves, companies have to go through a recruiting process that might not only be costly but also time-consuming (Jordan & Troth, 2011). Accordingly, it is crucial for companies to understand how to reduce undesired turnover by recognizing the factors that affect employees’ intention to leave.

Previous literature shows that organizational commitment is often related to employees’ intention to stay and is known as one of the influential factors predicting employees’ intention to leave (Tarigan & Ariani, 2015). Existing literature also suggests that the use of applicable human resource management practices are found to be associated with high levels of employee commitment which can be defined as identification with an affective attachment to the organization (Porter et al., 1974). Companies benefit from highly committed employees as they are more likely to stay in the company, contribute more to
the organization and perform better (Meyer et al. 2002; Tarigan & Ariani, 2015). Further findings show that organizational commitment lead to desired results such as higher motivation, decreased turnover and organizational support (O'Reilly & Chatman, 1986).

Existing studies show that intention leave is also linked to employees' work engagement (Schaufeli & Bakker, 2004). Work engagement can be described as a positive, fulfilling, affective-motivational state of work-related wellbeing and the reversed state of job burnout (Bakker et al., 2008). Employees who score high on work engagement are described as very energetic, enthusiastic, and completely consumed by their work (Macey & Schneider, 2008; May et al., 2004). Work engagement is the manifestation of a psychological state that operates as the driving energy in one's work role (Schaufeli & Bakker, 2004). In this way work engagement leads to enhanced operational performance both at a personal level through growth and development but also at an organizational level as a result of higher performance quality (Kahn, 1992). Previous studies have shown that satellite job resources such as social support from supervisors, performance feedback, skill variety, autonomy, and learning opportunities are positively associated with work engagement (Bakker & Demerouti, 2008; Schaufeli & Salanova, 2007). On one hand, these resources motivate the employee intrinsically by nurturing their growth, learning, and development and fulfilling their basic needs (Deci & Ryan, 1985; Ryan & Frederick, 1997; Van den Broeck et al., 2008). On the other hand, they also motivate extrinsically by being vital to the fulfilment of one's work assignments (Meijman & Mulder, 1998).

To conclude, employee attrition is a critical issue for organizations and managers. Retaining the best professional talent and controlling the costs linked to recruiting selecting and hiring new employees continues to be a challenge (Tymon et al., 2011). This is especially true for smaller organizations where there are limited resources and each individual is a big part of the collective effort of the company (Kroon et al., 2013, p. 72). With regards to the importance of human resources on the development of competitive advantage among SMEs, a quantitative study is conducted to address this problem and add further knowledge of how certain human resource practices contribute to operational performance through a decrease in employees’ intention to leave. This paper examines the influence of the AMO framework on organizational commitment, work engagement and employees' intention to leave.

1.2 Research Gap

Even though human capital and human resource management have received much attention in research, it has mostly been on large firms (Rauch & Hatak, 2016). However, because of SMEs labor-intensive nature and resource poverty, they are actually an ideal institution for the development of HRM and offer a rich research setting in which to examine HRM mediations (Barret & Mayson, 2008). This is due to small business' characteristics such as more direct communication, flatter hierarchy and clearer effect of employees on organizational performance (Dundon et al., 2001; Sels et al., 2006).

Moreover, Kroon et al. (2013) argue that because of the limited resources small companies cannot incorporate all aspects of HPWP and therefore only implement the ones that they think will generate the most value. Correspondingly, this paper serves to understand the most beneficial practices within the AMO framework that SMEs in Sweden should be investing in in order to decrease employees' intention to leave.
It is also important to mention that the research done by Kroon et al. (2013) has been an inspiration in the development of this study. While other studies have measured the impact of the framework as a whole instead of looking at the dimensions individually, Kroon et al. (2013) examine the concept through the dimensions of the AMO framework. Further, the study recognizes the need to research HPWS in smaller firms. The call for additional research in this area together with the need to look at the dimensions individually inspired the writers to focus on investigating the three dimensions of the AMO framework, rather than the unified concept of HPWS. Moreover, previous studies conducted on human resource practices and HPWS are usually done on managers (Boon et al., 2019). Responding to the need for more studies from the perspective of the employees, this study will intend to measure HPWS as perceived by the employees rather than as intended by the managers. Further more, no research on HPWS or the AMO framework has been performed in Sweden nor in the Nordic European context.

1.3 Research Question

What is the impact of Ability, Motivation and Opportunity HR-practices on organizational commitment, work engagement and employees’ intention to leave?

1.4 Purpose

The main purpose of this study is to investigate the effect of the AMO framework on employees work engagement, organizational commitment and intention to leave in small and medium-sized enterprises in Sweden. Since SMEs are limited on resources and every investment needs to maximize value, it is important to test the impact of the AMO framework on the three constructs of work engagement, organizational commitment and intention to leave. Additional knowledge in this field will provide valuable information on how owner-managers can invest in the different dimensions of the AMO framework in order to tackle different organizational issues. This study focuses on the problem of employee retention and therefore aims to provide owners and employees responsible for HR better knowledge of how the implementation of HPWS affects the employees' organizational commitment, work engagement and intention to leave. It serves to give guidance on how to adjust and invest in Ability, Motivation and Opportunity practices in order to address specific issues of low work engagement and organizational commitment or employee retention problems due to high intention to leave. Accordingly, the study focuses on employees’ perspective on perceived HPWS. Moreover, this study aims to contribute to previous research by adding knowledge on variables that explain the relationship between human resource management and operational performance, commonly referred to as ‘the black box of human resources’ (Gardner et al., 2001). Further, this study intends to add knowledge to the research field of SMEs regarding the importance of having strategic HR practices along with investigating whether smaller companies conduct all the dimensions of HPWS.

The thesis continues by arguing for the chosen methodological assumptions, which are followed by a broad overview of the chosen constructs that are covered in the theoretical framework. Further, the data collection will be described before going into empirical results. After analyzing and discussing the findings, a conclusion of the study will be provided together with suggestions for future research and the evaluation of the Truth criteria.
2. SCIENTIFIC METHOD

This chapter outlines the pre-understanding of the researchers to understand individual factors influencing the study. Moreover, the chosen philosophical point of view together with the research design and research approach are covered. The chapter then concludes with the literature search that gives a foundation for the theoretical frame of reference presented in the next chapter.

2.1 Pre-understandings

Gilge & Grimen (2007, p. 183) define the term pre-understandings as past experiences that have led to the gained knowledge and understanding of a certain subject. It is important to outline the pre-understanding of the researchers as the past experiences and understandings affect the processes within the research (Bryman & Bell, 2015, p. 40-43). Bryman and Bell (2015, p. 40-43) define these processes in terms of the chosen field and method of research, formulation of a research question, research design and data collection along with analysis and interpretation of the data. Accordingly, it is highly important for the researchers to try to attempt to remain objective throughout the research process in order to prevent biased results (Bryman & Bell, 2011, p. 414). Moreover, Ragins (2012, p. 496) argues that there is a risk that researchers with pre-understandings within their research area may not be clear enough when explaining concepts that might be unfamiliar for the reader. Hence, it is important in every study to have this in mind throughout the process when explaining contexts and definitions.

Before conducting this study, discussions concerning the pre-understanding of the research topic have been conducted in order to be aware of the extent of previously gained knowledge. The chosen subject touches the areas of human capital, human resource management, firm performance and SMEs which are topics that the authors have some prior knowledge of. Both of the authors have been studying in the International Business Program at Umeå University for the past four years, specializing in Business Administration. The management and finance disciplines have included courses focused on organization culture, entrepreneurship, and finance, giving a theoretical understanding of how many different factors can affect a firm's performance but also how the management of human capital plays a crucial role related to the desired outcomes. Our academic background has also given an understanding of the challenges that SMEs face and how important it is to meet these challenges in order to remain in a competitive position in the market.

Further, our individual experiences have affected the choice of study and the processes of the research. One of the authors has theoretical knowledge of human resources from courses studied abroad. The other has theoretical knowledge of value-based management in SMEs developed through courses studied abroad, as well as practical experience from working in a small firm. Moreover, both of the authors have some indirect experiences of organizational commitment and work engagement through previous work experiences. From their own experiences, both of the authors have discovered that human resource practices can affect the behavior and attitudes of an employee, especially motivational practices such as certain bonus system can make you feel more committed to your work. Finally, the authors attempt to complement each other's knowledge and remain objective through the research process.
Together, these aspects establish the interest of the authors in human resources in SMEs. Finally, the subject was chosen based upon their experiences and prior knowledge since we believe that a greater understanding of human resource management will help SMEs to make better choices when allocating their limited resources.

2.2 Philosophical Framework

Philosophical assumptions about the nature of reality and knowledge affect the research process regarding the understanding of the research question, chosen methods, and analysis of results. These assumptions construct the basis from which the method and strategy are created and there are two main views on how to relate to philosophical assumptions: ontology and epistemology (Saunders et al., 2009, p. 108). Ontological assumptions intend to explain the nature of reality whereas epistemological assumptions concern the nature of knowledge (Collis & Hussey, 2014, p. 47). According to Saunders et al. (2012, p.129) these philosophical assumptions are based on the research question. Accordingly, the research question of this study “What is the impact of Ability, Motivation and Opportunity HR-practices on organizational commitment, work engagement and employees’ intention to leave?” will guide the choices for the philosophical framework.

2.2.1 Ontology

Ontology is a perspective that consists of the assumptions that researchers have about the way the world operates. Accordingly, ontological assumptions explain the nature of reality and these assumptions have two aspects; objectivism and constructionism. (Bryman & Bell, 2015, p. 32) Objectivism represents the position that social entities exist in reality external to social actors. Therefore, there is only one reality that everyone has the same sense of. (Collis & Hussey, 2014, p. 47) Moreover, these assumptions reflected upon in this study as the nature of reality the pre-existing social environment is seen to exists independently from social actors.

In contrast, constructionism has a subjectivist view that assumes that social entities are built by social actor's understandings and actions (Saunders et al., 2009, p. 110). Furthermore, constructionism is about understanding the meanings that individuals attach to social phenomena which are created from perceptions and consequent actions of social actors. In other words, the reality is socially constructed and therefore everyone has their own sense of realities leading to multiple realities. (Collis & Hussey, 2014, p. 47; Bryman & Bell, 2015, p. 33)

The choice of objectivism as ontological positioning is a common choice for researchers in quantitative studies (Bryman & Bell, 2011, p. 27). This study will also incorporate the objectivistic approach since the researchers wanted to minimize the risk of opinions affecting the research in order to enhance the reliability of the conclusions (Wright et al., 2016, p. 98). Accordingly, the reality is viewed as an external environment and beyond the authors' influence. Further, objectivism is the embraced approach for this study as statistical methods will be performed to analyze the findings in this quantitative study. Finally, this thesis takes the objective approach as it is believed to better reflect the aim of the research to understand the impact of HPWS on organizational commitment.
2.2.2 Epistemology

Epistemology concerns what is acceptable knowledge (Holden & Lynch, 2004, p. 5) and it deals with researchers viewing knowledge as external or them being part of it (Bryman & Bell, 2011, p. 15). Epistemology consists of two perspectives, positivism and interpretivism (Collis & Hussey, 2014, p. 43). Positivism refers to the application of the methods of the natural sciences to the study of social reality (Bryman & Bell, 2015, p. 26). Collis & Hussey (2014, p. 47) state that positivists assume that only phenomena that are observable and measurable can be regarded as knowledge while Bryman & Bell (2015, p. 28) argue that positivism entails that only phenomena confirmed by the senses can be warranted as knowledge. Furthermore, the purpose of positivism is to generate hypotheses that can be tested. The second epistemological position is interpretivism, which argues that there are differences in examining studies of humans and other artifacts (Saunders et al., 2012, p. 137). Furthermore, interpretivists try to minimize the distance between the researcher and that which is researched. (Collis & Hussey, 2014, p. 47)

Since interpretivism often has the aim of developing new ideas and is often linked to qualitative studies (MacIntosh & O'Gorman, 2015, p. 60), this approach is not suitable for our study. This research includes collecting existing theories and formulating hypotheses to test relations between different constructs. This thesis reflects upon the epistemological viewpoint of positivism as the examined concepts have been regarded as part of the social world. Moreover, the data has been interpreted value-free as the data has been the only knowledge obtained by the observations. The choice of positivism as epistemological positioning fits the purpose of this paper as it is a common choice for researchers who conduct quantitative studies (Bryman & Bell, 2011, p. 27).

2.3 Research Approach

The two most prominent approaches that researchers can apply when working with theories and empirical data are deductive and inductive approaches, thus these describe the ways to collect the data (Patel & Davidson, 1994, p. 21). A deductive approach is described as "the most common view of the nature of the relationship between theory and practice" (Bryman & Bell, 2011, p. 11). Within this approach, the researcher deduces one or several hypotheses and then develops a clear theoretical position before the data collection. After the hypothesis is tested, the researchers have to deduce it in order to demonstrate the usage of findings (Bryman & Bell, 2015, p. 23). The deductive perspective has also been described as the process of taking an existing theory and try to find new observations or findings regarding the chosen subject (Bryman & Bell, 2015, p. 25). Further, Granheim et al. (2017, p. 30) add that a challenge with the deductive approach is how to store the unsuitable data which has not been used. Furthermore, it might be difficult to categorize the data correctly to a specific theory and this might lead to a biased data collection.

The second perspective is known as the inductive theory which refers to an approach where new theory is the outcome of the research (Bryman & Bell, 2011, p. 13). The method of reaching the results is data-driven and is most often taking a so-called grounded theory approach (Bryman & Bell, 2015, p. 26). This theory is frequently regarded strong in terms of generating theories out of data and is explained as the process of discovering emerging patterns in data. (Bryman & Bell, 2015, p. 13)
As this study is conducted with the help of quantitative method, the deductive approach is more suitable for this study as it enables us to use existing theories and to test variables in order to construct an extensive foundation for the research areas that we are intending to examine (Bryman & Bell, 2015, p. 23; Tracy, 2013, p. 22). Furthermore, the deductive approach is in accordance with the chosen assumptions of objectivism and positivism since this study will analyze the gathered data statistically. Finally, the deductive approach will further help the researchers to fulfill the purpose by answering the research questions of what the impact of the Ability, Motivation and Opportunity HR-practices is on organizational commitment, work engagement and employees’ intention to leave.

2.4 Research Design

Bryman and Bell (2016, p. 49) define research design as a framework for collecting and analyzing the data. The two methodological approaches, quantitative and qualitative methods are claimed to have different methodological assumptions since the methods have different views on the social entities and the definition of knowledge. Within these methods, there are different kinds of research designs that help to fulfill the purpose of the study: experimental, cross-sectional, longitudinal and comparative designs (Bryman & Bell 2011, p. 40). Patel and Davidson (2011, p. 12) argue the different research designs can be distinguished that depending on how much is known of the research subject.

The qualitative method is primarily used for creating new theories and therefore it has not been adopted for this study. Within qualitative research, the data is collected with interviews, observations or focus groups, for instance (Bryman & Bell, 2011, p. 386) Accordingly, the gathered data does not consist of numbers but instead of words. The method has gained criticism for its subjective perspective since the researchers conducting the study might affect the findings through personally chosen questions (Bryman & Bell, 2011, p. 412-413). Further, the limitations of a qualitative study are also related to the small sample size and lack of transparency in what was done in order to the conclusion (Bryman & Bell, 2011, p. 412-413; Gawlik, 2016, p. 4). In contrast, quantitative research is based on a deductive approach that analyzes empirical data and numbers. The quantitative method is driven by positivism since reality is seen as external to the social entities. (Saunders et al., 2012, p. 162)

A quantitative method is useful for researchers who aim to examine repetitive behavior within a large sample (Gawlik, 2016, p. 3-5). Since this study aims to find a relationship between variables, the quantitative approach was seen as a relevant method for this study. Furthermore, the most applicable research design for this study is the cross-sectional design since the authors are interested in variation in respect of employees meaning that many cases are discovered. The data for the study is collected at one point in time as the data is collected more or less simultaneously (Bryman & Bell, 2015, p. 61-62). Further, Bryman & Bell (2011, p. 40) claim that a survey is the most common way to collect the data within a cross-sectional study. To summarize the methodological assumptions chosen for this study, a qualitative research method together with a cross-sectional design is performed by adopting a deductive approach along with an objectivistic and positivist view.
2.5 Literature Search

Examining the literature made the authors realize the gap that this research aims to fill with new knowledge. The subject area that builds the foundation for this thesis is based on literature research in relevant areas, namely human resource management, high performance work systems, organizational commitment, work engagement, intention to leave and small and medium-sized enterprises. Since the deductive approach and quantitative method are chosen for this study, the personal opinions and preferences have been set aside in order to remain value-free not only in the literature research but throughout the whole research process.

Baker (2000, p. 219) argues that literature research is an "essential first step and foundation when undertaking a research project". It contains reviewing the main ideas in the literature relating to the chosen subject in order to find out what is already known about the topic and which theories, as well as methods, have previously been tested (Bryman & Bell, 2015, p. 9; Collis and Hussey, 2014, p. 87). Furthermore, the aim of the literature research is to find the relevant sources to the particular study (Baker, 2000, p. 219). Furthermore, it is highly important to choose theories that support the arguments of the researchers and to contribute to the field of research ((Patel and Davidson, 2011, p. 69; Baker, 2000, p. 219).

Ejvegård (2009, p. 71) states that the authors must evaluate the credibility of the sources including printed material as well as peer-reviewed dissertations. Moreover, Ejvegård (2009, p. 71) argues that primary sources should be preferred over secondary sources since the information in primary sources has not been interpreted by many different authors implying that the knowledge received from primary sources is not affected by personal values from other researchers. Accordingly, it has been of great importance to find the primary chosen even though it was not possible to find a few of the original literature for some sources since purchasing them was required.

To develop a broad understanding of previous research within the areas of the particular subject (Collis & Hussey, 2014, p. 76), extensive literature research has been done on the concepts mentioned in above. In order to find applicable theories to support this research, the databases from Business Source Premier (EBSCO), Google Scholar and Umeå University Library were used. The aim was to use peer-reviewed articles together with other primary sources such as books of theories and concepts in order to ensure academic relevance and credibility in this study and to enable the authors to examine previous studies and articles that were relevant for the chosen subject. The literature for the methodological parts has guided the formation of the thesis along with developing the practical methods used in this study. Most of the theory in the methodological parts have been found in Bryman and Bell (2011; 2015) and in Saunders et al. (2009; 2012) which have been used as academic literature in previous courses at Umeå University. Furthermore, the validity and credibility of the sources have been considered in the literature research for this thesis in order to conduct high-quality research (Patel & Davidson, 2011, p. 69).

Finally, the keywords that have been used during the literature search have been human resources, human resource management, human capital, HR-practices, high performance work systems, high performance work practices, AMO, organizational commitment, work engagement, intention to leave, intention to stay, employee turnover, employee
attrition, intention to stay and small and medium-sized enterprises. All the selected literature has been carefully reviewed before using it in this thesis.
3. THEORETICAL FRAME OF REFERENCE

This chapter outlines previous research in the field of high performance work systems, the AMO framework, organizational commitment, work engagement and intention to leave. These concepts serve as a basis for building a conceptual model that is presented at the end of the chapter together with a summary of all the hypotheses.

3.1 High Performance Work Systems

The belief that the performance of individual employees can have benefits for the entire organization has been a widespread ideology among both managers and academics for many years. In the last ten years of the 20th century, a growing number of researchers started to argue that human capital is not only a vital resource but can also be a source of unique sustainable competitive advantage (Barney, 1991; Wright & McMahan 1992). Human capital is defined as the knowledge, skill creativity and health of the individual and the investment in human resources in order to increase their efficiency (Becker, 2002, cited in Pasban & Nojedeh, 2016, p. 250). Barney (1991) debates that the sources of a firm's sustainable competitive advantage are firm resources that are valuable, rare, imperfectly imitable and non-substitutable. The cornerstone for the argument that human capital can be a competitive advantage is the perception that human capital fulfills the requirements dictated by the resource-based view (Barney, 1991). Although technology in the long run may limit the benefits of investment in human capital in some industries, the majority of human resources fulfil the four criteria of the resource-based view (Huselid, 1995).

Bailey (1993) argued that in most organizations the utility of human resources is not maximized and that investments in the right human resource practices would provide returns that exceed the costs. He divided the practices into skill, motivation and the employees' ability to influence their work. Organizations can affect the skills of their employees in two ways. First, through reliable selective recruitment processes that successfully filter out desired candidates and second, through formal and informal training that stimulate the development among old employees. Motivation can be managed through individual and group appraisal in connection to monetary compensation and promotion systems. Finally, the employees are given more responsibility and decision power through cross-functional teams, job rotation and quality circles. (Huselid, 1995) All the practices are interrelated and somewhat dependent on one another in order to provide the most benefit. First, this is because the effectiveness of a skilled workforce is reduced if they are not motivated to work. Second, if a skilled and motivated workforce is limited by the organizational structure without the possibility to change it, there is a reduction in innovation and development as they cannot use their knowledge to change their environment for the better. (Huselid, 1995)

Human resource practices are conceptualized differently in different research. Some scholars view them as a combination of unlinked practices and argue that individual adaptation leads to superior performance. Others dictate that practices are supposed to support and synergize with each other and that a combined implementation leads to better results (Wright & Kahoe, 2008). The prior approach is often referred to as high performance work practices (HPWP) and the later high performance work systems (HPWS). HPWS are a combination of HPWP which are hypothesized to create
synergistic effects. Because of these synergies, the performance obtained by using bundles will be greater than the sum of individual effects achieved by applying each of them separately. (Boxall & Macky, 2009; Minbaeva, 2013) The relationship between human resource systems and performance is still unclear (Boon et al., 2019; Demortier et al., 2014; Guest, 2011; Messersmith et al., 2011) and is commonly referred to as ‘the black box’ of human resource management (Gerhart, 2005; Harney & Jordan, 2008; Innocenti et al., 2010).

The debate about the approach to the categorization of practices that should be included in HPWS divides researchers into the best fit and the best practice approach. The best-fit approach indicates that there is not a specific set of practices that should be included in an HR strategy in order to have a successful HPWS. Because all organizations are unique the best-fit approach argues that the practices used by the company should be tailored after the required needs and set company strategy (Wright & Snell, 1998). The best practice approach, on the other hand, argues that there are a set of universal best practices that positively affect firm outcomes (Delery & Doty, 1996, p. 828). This paper will not attempt to resolve the dispute between the two theoretical factions. More research needs to be conducted to better understand what processes affect the relationship between HR practices and firm performance before it is possible to choose the policies and strategies that maximize the value from either direction.

Most research in the field of HPWS has until the last decade been conducted on large organizations. The field of HPWS in small and medium-sized enterprises (SMEs) was by Heneman et al. (2000, p. 20) described as ‘to be rich in prescriptions, limited in sound descriptive surveys and sparse in analytical research’. In the last ten years, the research focus on SMEs has moved from a mainly descriptive and exploratory to more specific and empirical (Sels et al., 2006). In the beginning scholars made the assumptions that the amount of HR is positively related to firm size (De Kok et al., 2002), and that the lack of time, finances and expertise makes the practices less formal in SMEs (De Kok & Uhlaner, 2001; Klaas et al., 2000).

Another big question was whether SMEs was doing a small amount of every practice (Kauhanen, 2009; Way, 2002) or if they instead focused on one specific practice (Kroon et al., 2013). However, in recent years a growing number of scholars have debunked these assumptions (Bacon et al, 1996; Deshpande & Golhar, 1997; Kroon et al., 2013) by showing that HR practices in smaller companies are very similar to those in larger counterparts and that they are more sophisticated than expected. Quite the contrary to what was previously suggested Bacon et al. (1996) argue that small businesses are in many ways the perfect environment for the development of human resource management because of the direct communication, flatter hierarchy, greater flexibility and clearer impact of each employee on organizational performance. Moreover, SMEs have unique characteristics that are likely to affect the way SMEs differ when implementing HR practices compared to larger organizations. These are; concentrated ownership, proximity to external environmental forces and close relations between manager and employees (Dundon et al., 2001).

There are two main approaches to HRM in SMEs. The ‘denature’ approach views SMEs as homogenous to larger firms (Harney, 2015). The ‘specificity’ approach acknowledges SMEs uniqueness and dynamics and their influence on HRM (Curran, 2006). Both approaches have found viable arguments (Way, 2002; Hayton, 2003) but there is still no
conclusion to which one is superior (Harney, 2015). This study reflects upon the specificity approach since the unique characteristics of SMEs are recognized together with their influence on HRM (Curran, 2006). Compared to their bigger counterparts, in SMEs the owner is usually also the manager of the firm, the person that takes major decisions and directs the overall strategy (Lattimore et al., 1997, cited in Molina et al., 2019, p. 59). Having an HR specialist is often too expensive for SMEs and therefore the responsibility of adopting a suitable HRM strategy is taken on by the owner-manager (Lattimore et al., 1997, cited in Molina et al., 2019, p. 59). Other factors such as managers perceptions of the utility of HR practices and their strategic decision making provide more comprehensive answers to why some SME managers adopt HPWS and others do not (Kroon et al., 2013).

3.1.1 Ability, Motivation and Opportunity-Framework

Based on the research and theories of high performance work systems Appelbaum et al. (2000) developed the Ability, Motivation and Opportunity to participate (AMO) framework to better explain the linkage between human resources management and organizational performance (Marin-Garcia & Martinez Tomas, 2016). Since the framework was first introduced, it has been frequently used in empirical research (Paauwe & Boselie, 2008). According to the AMO framework, human resource practices affect employees’ performance through their impact on their abilities, motivation and opportunity to participate (Appelbaum et al., 2000). This idea is further supported by Wright et al. (2003) that argue that employees will perform better when they are able to do so (Abilities), they pose the motivation to do so (Motivation) and when their work environment provides the necessary support to enable them to express themselves (Opportunity).

The Abilities dimension reflects the scale of investment in HR practices aimed to improve the knowledge, skills, and abilities of the employees. HR practices of staffing and training directly influence the Ability dimension by affecting the employee's knowledge, skills, and abilities. (Wright & Kahoe, 2008) There are two HRM approaches to enhance the Ability dimension proposed by (Delery & Doty, 1996) the "make" and the "buy" oriented system. The former focuses on HR practices that improve the selection and recruitment process of the company and the latter emphasizes on teaching skills to already available employees through training and development.

The Motivation dimension incorporates the degree of investment in HR practices that motivate employee behavior (Wright & Kehoe, 2008). This dimension is increased through formal performance appraisal and rigorous compensation systems (Wright et al., 2003). Performance appraisal also functions as a feedback mechanism that increases motivation (Meadows & Pike, 2010). Research suggests that providing employees with incentives makes them feel fairly treated and willing to enhance their performance (Ur Rahman & Ahmad, 2015).

The Opportunity dimension relates to the investments in HR practices that provide employees with opportunities to participate in substantive decision-making on work and organizational outcomes (Wright & Kehoe, 2008). Providing employees with opportunities to increase their autonomy (Jiang et al., 2012) and is achieved through information sharing, quality circles, flexible work assignment and effective communication tools (Meadows & Pike, 2010; Jiang et al., 2012). Information sharing
practices are inclined to support employees to align their behavior with important company policies and regulations (Meadows & Pike, 2010). Flexible work arrangements and quality circles also help to enhance the morale, team spirit, cooperation, learning and collaboration of the employees (Jiang et al., 2012).

Although a majority of the academic researchers agree that HR practices should refer to organizational actions or processes and job characteristics that focus on attracting, developing, and motivating employees and providing opportunities to contribute (Lepak et al., 2006; Posthuma et al., 2013) it is difficult to find a clear definition of what should be included in the different HR practices based on existing literature (Boon et al., 2019). Therefore, it was found necessary to provide the reader with a clear overview of the aim and practices that are included in the AMO framework. Table 1 is based on previous literature reviews and meta-analysis of the topic (Lepak et al., 2006; Posthuma et al., 2013; Rauch & Hatak, 2016; Boon et al., 2019)

**Table 1. Overview of the AMO framework**

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Ability (A)</th>
<th>Motivation (M)</th>
<th>Opportunity (O)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aim</strong></td>
<td>Improve knowledge, skills and abilities of the employees</td>
<td>Motivate employee behaviour</td>
<td>Provide employees with opportunities to participate</td>
</tr>
<tr>
<td><strong>Practices</strong></td>
<td>Internal and external training</td>
<td>Rewards and compensation</td>
<td>Meetings</td>
</tr>
<tr>
<td></td>
<td>Employee selection</td>
<td>Performance appraisal</td>
<td>Job rotation</td>
</tr>
<tr>
<td></td>
<td>Clear job description</td>
<td>Stock options</td>
<td>Treated like owners</td>
</tr>
<tr>
<td></td>
<td>Staffing plan</td>
<td>Health plan</td>
<td>Employee feedback</td>
</tr>
<tr>
<td></td>
<td>Screening tests</td>
<td>Skill and performance-based pay</td>
<td>Use of employee ideas</td>
</tr>
<tr>
<td></td>
<td>Screening tests</td>
<td>Skill and performance-based pay</td>
<td>Use of employee ideas</td>
</tr>
<tr>
<td></td>
<td>Pension plan</td>
<td>Flexibility</td>
<td>Teamwork</td>
</tr>
</tbody>
</table>

### 3.2 Organizational Commitment

Organizational commitment has received a lot of interest in the research literature (Tarigan & Ariani 2015; Steers, 1977) and it is recognized as one of the most important concepts within HRM and organizational behavior (Dhar, 2015). This interest has been in both theoretical and empirical efforts in order to explain the concept as well as determine the outcomes of commitment (Mowday et al. 1979). The concept of organizational commitment has not been agreed upon as it has various definitions of which most of them still have similar elements. (Mowday et al. 1979, p. 266) define organizational commitment as the relative strength of an individual's identification with and involvement in a particular organization. Porter et al. (1974) also characterizes organizational commitment by three elements: a strong belief and acceptance of the organization's goals; a willingness to exert considerable effort on behalf of the organization; and a strong desire to maintain membership in the organization (Angle & Perry, 1981). In turn, Salancik (1977, p. 62) determines organizational commitment as "a
state of being in which individual becomes bound by his actions and through these actions to beliefs that sustain the activities and his own involvement." All of these definitions imply that when organizational commitment is high, employees' values are aligned with the organization. Further, the highly committed employee wants to do what is necessary for the firm's success. (Mowday et al., 1982)

As it can be observed, commitment has two perspectives, behavioral and attitudinal. An expression such as "bound by his actions" reveals that organizational commitment has its behavioral approach which relates to the process by which individuals become locked into a certain organization and how they deal with this problem. Definitions describing the goals of the organization are part of the attitudinal approach to commitment which focuses on the processes by which people come to think about their relationship with the organization. In other words, this can be seen as a mindset since individuals consider the extent to which their own goals and values are identical with the ones of the organization. (Meyer & Herscovitch, 2001)

The employees' commitment can take three different dimensions: affective, continuance, and normative (Perryer et al. 2010). Allen and Meyer (1990) developed the three-component model of commitment which has dominated the research in organizational commitment (Meyer et al., 2002). The model suggests that employees experience organizational commitment through simultaneous mindsets consisting of the above-mentioned dimensions. A detailed description of all the dimensions will not be presented as this paper focuses only on affective commitment since the benefits to organizations of having committed employees tend to be the greatest in the case of affective commitment (Allen & Meyer, 1990).

Nonetheless, it is important to understand that organizational commitment is a multidimensional construct. In brief summary, the affective dimension is about emotional attachment, identification, and involvement in the organization, implying that employees with a high affective commitment to the organization will continue to work not only because they need a job, but because they want to work (Shipton et al., 2015). In turn, continuance commitment builds on the perceived costs associated with discontinuing employment with the organization. This means that employees with high continuance commitment will stay in the organization because there are no other job opportunities and because they need the job (Tarigan & Ariani 2015; Clungston, 2000). Moreover, HRM practices were not found to have a significant impact on continuance commitment (Meyer & Smith, 2000). On the contrary, normative commitment reflects a sense of obligation of the employee to maintain membership in the organization. This implies that employees with high normative commitment remain with the organization because they feel responsible for paying back benefits that they got from the organization and therefore they feel like they have to stay in the organization. (Tarigan & Ariani, 2015)

Taking this into consideration, this study will focus on examining only the form of affective commitment. This is because previous studies show that affective commitment has a significantly stronger correlation with turnover intentions than continuance or normative commitment. (Kloutsiniotis & Mihail, 2016, p. 37) Furthermore, affective commitment correlates more significantly with outcomes such as quit intention, absenteeism, and performance (Meyer & Herscovitch, 2001). Somers (2009) further argues that affective commitment also played an essential role in retaining employees as well as promoting employees' well-being. Affective commitment occupies a vital position
because it covers the fundamental meaning of commitment, which can be defined as emotional attachment between employee and the organization. (Tarigan & Ariani, 2015). Further, affective commitment has also been shown to have the strongest positive correlations with wanted work behavior in terms of attendance and performance (Meyer & Herscovitch, 2001).

Organizational commitment is usually linked to job satisfaction and previous studies often examine both of these variables. However, as this study focuses only on the organizational commitment it is important to make a clear distinction between these two concepts. Compared to job satisfaction, organizational commitment is more stable as commitment attitudes seem to develop slowly (Mowday et al., 1979). An employee's job satisfaction could be affected by day-to-day actions, but such events would probably not lead an employee to re-evaluate his or her commitment to the organization. Further, job satisfaction reflects responses to the job or to some aspects of the job and highlights the environment where employees perform their duties. Hence, organizational commitment stresses attachment to the organization and its values and goals. (Mowday et al., 1979) Finally, it has been found that organizational commitment has a stronger relationship with employees’ intention to leave than job satisfaction (Peter et al., 1981).

As stated before, organizational commitment is important for various reasons. Findings indicate that commitment is a better predictor of employee turnover than job satisfaction and that highly committed employees are less likely to leave the organization and they also perform better than less committed ones (Tarigan & Ariani, 2015). It has also been suggested that commitment might be one of the factors explaining effectiveness of organizations. In other words, organizational commitment is considered to be a decisive employee quality for organizations because it is indicative of a more engaged and higher performing employee (Perryer et al., 2010).

Previous studies support the finding that the organization's work practices have great importance in interpreting individuals’ understandings of commitment. Practices such as open communication, employee-specific investment in training and promotion opportunities have been given a lot of positive attention in relation to commitment (Gardner et al., 2001) Therefore, by implementing the Ability, Motivation and Opportunity practices of high performance work systems, organizations can influence the employees commitment to their jobs and to the organization. Accordingly, the first set of hypotheses states that:

<table>
<thead>
<tr>
<th>H1a</th>
<th>The Ability dimension of HPWS has a positive impact on organizational commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1b</td>
<td>The Motivation dimension of HPWS has a positive impact on organizational commitment</td>
</tr>
<tr>
<td>H1c</td>
<td>The Opportunity dimension of HPWS has a positive impact on organizational commitment</td>
</tr>
</tbody>
</table>

**3.3 Work Engagement**

In the last three decades, psychological research has had a strong negative bias, and positive traits were represented in only a very small minority of the studies (Myers, 2000). Work engagement is a concept that has emerged as a response to the encouragement of conducting more research into positive psychological characteristics (Myers, 2000).
Work engagement can be described as a positive, fulfilling, affective-motivational state of work-related wellbeing and the reversed state of job burnout (Bakker et al., 2008). Employees that score high on work engagement are described as very energetic, enthusiastic, and completely consumed by their work (Macey & Schneider, 2008; May et al., 2004).

The perspective on understanding work engagement is split into two interrelated views. The first view interprets work engagement as a work-related state of well-being or fulfillment, arguing that the three characteristics of work engagement; energy, involvement, and efficacy are absolute counters to the three characteristics of burnout; exhaustion, cynicism and ineffectiveness (Maslach & Leiter, 1997). The second view interprets work engagement as its own independent concept with a negative correlation to burnout. Here work engagement is split into three: Firstly, vigor, that is described as the feeling of mental resilience, high level of energy and perseverance to fight despite bad odds. Second, dedication, which channels a person's involvement in their work and the feeling of significance, enthusiasm, inspiration, pride, and challenge. And finally, absorption, that is characterized by being fully concentrated and gladly submerged in one's work. (Schaufeli et al., 2001, p. 74)

In 1990 Kahn conceptualized work engagement as the “harnessing of organization member's selves to their work roles: in work engagement, people employ and express themselves physically, cognitively, emotionally and mentally during role performances” (Kahn, 1990, p. 694). It is generally recognized that engagement consists of an energy and an identification dimension. Therefore, there is a straight interconnection to the construct of work engagement that is characterized by high energy and identification with one's work (Bakker et al, 2008). Engaged employees put more effort into their work because they identify with it (Kahn, 1990).

Work engagement is the manifestation of a psychological state that operates as the driving energy in one's work role. This way work engagement, in turn, leads to enhanced operational performance both at a personal level through growth and development but also at an organizational level as a result of higher performance quality (Kahn, 1992). A more modern approach to work engagement was introduced by Rothbard (2001) who split work engagement into two. First, “the cognitive availability and the amount of time one spends thinking about a role” labelled attention and second, “the intensity of one's focus on a role” labelled absorption (Kahn, 1990, p. 656).

At its emergence, work engagement was questioned to be its own construct and was argued just being a bundle of already existing constructs merged into one. One argument was that high work engagement was the same as workaholism. This notion has been proven false. Whereas workaholics are obsessed with their work, prioritizing it above else and reluctant to withdraw themselves from it. (Schaufeli, et al., 2006) Engaged workers do not demonstrate an uncontrollable drive (Bakker et al., 2008). For engaged workers working is something they like and have fun doing and not an addiction that they cannot resist (Schaufeli et al., 2001). Workaholism is an extreme psychological condition that puts people in a state where they become careless with their personal health, personal and social relationships and a decrease in happiness (Bakker & Demerouti, 2007). Moreover, other studies have shown that work engagement can be distinguished from type-A behavior, job involvement, organizational commitment, and job embeddedness. (Hallberg & Schaufeli, 2006; Halbesleben & Wheeler, 2008)
Companies are interested in making and keeping their employees engaged because engaged employees perform better than non-engaged (Bakker et al., 2008). The first of the four main reasons is that engaged employees often experience positive emotions such as happiness, joy, and enthusiasm. Second, they experience better psychological and physical health. Third, they create their own job and personal resources and finally, they transfer their engagement to others (Bakker et al., 2008). Therefore, engaged employees become better at tackling an increased job demand and maximizing their mental and physical resources (Bakker & Demerouti, 2007). Subsequently, engaged employees are willing to go to greater lengths to achieve success and scored higher on in-role and extra-role performance (Schaufeli et al., 2006). A study by Cristian et al. (2011), argues that managers can set the stage for engagement by designing jobs that include motivating characteristics that concern the importance and diversity of the task. Furthermore, more direct links between work engagement and organizational performance were found by Salanova et al. (2005) who created a full mediation model that predicted customer loyalty through service climate and work engagement. In addition, in a study of Greek restaurants’, Xanthopoulou et al., (2009), found a positive relationship between daily work engagement and daily financial returns.

Previous studies have shown that satellite job resources such as social support from supervisors, performance feedback, skill variety, autonomy, and learning opportunities are positively associated with work engagement (Bakker & Demerouti, 2008; Schaufeli & Salanova, 2007). On one hand, these resources motivate the employee intrinsically by nurturing their growth, learning, and development and fulfilling their basic needs of autonomy, relatedness and competence (Deci & Ryan, 1985; Ryan & Frederick, 1997; Van den Broeck et al., 2008). On the other hand, they also motivate extrinsically by being vital to the fulfilment of one's work assignments because an environment full of personal resources enhances the employees' will to dedicate oneself to the task (Meijman & Mulder, 1998). Work engagement is positively dependent on social support from supervisors, performance feedback, skill variety, autonomy, and learning opportunities. By implementing the Ability, Motivation and Opportunity dimensions of high performance work systems, companies create an environment that supports the emergence of these job resources that promote work engagement among employees. Therefore, the second set of hypotheses state that:

H2a The Ability dimension of HPWS has a positive impact on work engagement
H2b The Motivation dimension of HPWS has a positive impact on work engagement
H2c The Opportunity dimension of HPWS has a positive impact on work engagement

### 3.4 Intention to Leave

Unwanted employee turnover is a costly problem for firms as knowledge is not the only thing that companies lose when an employee leaves (Taylor, 2002). Besides that, companies have to readapt their business plan in order to reach their planned goals as well as to replace the employee, which can be a time-consuming process. In addition, a team losing a member could cause increased work pressure and failure in attaining the set goals. (Johanim et al., 2012)
Johanim et al. (2012) argue that the workforce is one of the major components of any organization and therefore employees are always considered to be one of the greatest assets for companies. Accordingly, it is important for companies to recognize the importance of human resources and other factors that could affect the employees' intention to leave the organization. Vandenbergh and Nelson (1999) define intention to quit as "individual's estimated probability that they are permanently leaving their organization at some point in the near future." Drawing from another perspective, Johanim et al. (2012) determines the leaving intentions through the concept of inverse turnover intention: as employees' intention to stay in the present employment relationship with their current employer on a long-term basis.

Generally, employees leave organizations when they are not happy with several determinants related to the company. Branham (2005) states seven reasons for why employees leave, which are unfulfilling jobs, poor management practices, untrustworthy leadership, limited career advancement, lack of recognition, low pay and dysfunctional work cultures. All of these are very much related to human resource management and therefore it is important to understand the relationship between HRM practices and employees' intention to leave. (Johanim et al., 2012) Accordingly, this is decisive because a safe and harmonious work environment is connected with encouraging employees to stay in the organization. (Johanim et al., 2012) Furthermore, previous studies have found that employees experiencing certain HR-practices will be less likely to leave the organization (Chiu & Francesco, 2003; Jiang et al., 2012). By implementing the Ability, Motivation and Opportunity dimensions of high performance work systems, companies create a surrounding that enhances employees' intention to stay. Therefore, the third set of hypotheses state that:

\[ H3\ a \quad \text{The Ability dimension of HPWS has a negative impact on work engagement} \]
\[ H3\ b \quad \text{The Motivation dimension of HPWS has a negative impact on work engagement} \]
\[ H3\ c \quad \text{The Opportunity dimension of HPWS has a negative impact on work engagement} \]

3.5 Organizational Commitment and Work Engagement on Intention to Leave

Many earlier studies have reported a significant relationship between organizational commitment and turnover intentions (Allen & Meyer, 1996; Loi et al., 2006, p. 101; Steers, 1977). Accordingly, empirical studies show that employees' intention to leave is negatively influenced by organizational commitment (Fabi et al., 2015, p. 775; Chiu & Francesco, 2003). Previous studies have also found that employees experiencing certain HR-practices will be more committed to the organization, thus be less likely to leave the organization (Chiu & Francesco, 2003). Along with this, previous studies show that engagement and turnover intention are related (Schaufeli & Bakker, 2004). Further, Bothma and Roodt (2006, p. 11) presented evidence that work engagement has a negative relationship to employees' intention to leave and it is a potential predictor of turnover intention.
This study reflects upon the idea that committed and engaged employees should more likely want to stay with an organization. Accordingly, by having committed and engaged employees, companies can reduce undesired employee turnover. Therefore, the fourth set of hypotheses states that:

H4a Organizational commitment has a negative impact on intention to leave

H4b Work engagement has a negative impact on intention to leave

3.6 Conceptual Model and Hypotheses

As previously stated in this chapter, organizational commitment along with work engagement has been found to be affected by HPWS (Gardner et al., 2001; Tarigan & Ariani, 2015). Therefore, it is fair to assume that the three dimensions of the AMO framework have a positive effect on organizational commitment and work engagement. Furthermore, previous studies have shown that various HR-practices have a positive effect on employee retention (Fabi et al., 2015; Kloutsiniotis & Mihail, 2015). Therefore, it is relevant to test the relationship between the three dimensions of the AMO framework and employees’ intention to leave. Moreover, organizational commitment has been a popular concept within studies on turnover and employee attrition (Allen & Meyer, 1996; Loi et al., 2006, p. 101; Steers, 1977). Accordingly, empirical studies show that employees’ intention to leave is negatively influenced by organizational commitment (Fabi et al., 2015, p. 775; Chiu and Francesco, 2003). Along with this, previous studies show that engagement and turnover intention are related (Schaufeli & Bakker, 2004). Furthermore, as mentioned earlier, Bothma and Roodt (2006, p. 11) presented evidence that work engagement has a negative relationship to employees’ intention to leave and that it is a potential predictor of turnover intention.

Altogether, this study reflects upon the idea that committed and engaged employees are more likely to want to stay with an organization that implements more AMO practices. A conceptual model is constructed based on the above-mentioned assumptions regarding the impact of the AMO framework on organizational commitment, work engagement and employees’ intention to leave (see Figure 1 below).
### Table 2. Summary of the hypothesis

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 a</td>
<td>The Ability dimension of HPWS has a positive impact on organizational commitment</td>
</tr>
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<tr>
<td>H1 c</td>
<td>The Opportunity dimension of HPWS has a positive impact on organizational commitment</td>
</tr>
<tr>
<td>H2 a</td>
<td>The Ability dimension of HPWS has a positive impact on work engagement</td>
</tr>
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<td>H2 b</td>
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<tr>
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</tr>
<tr>
<td>H3 c</td>
<td>The Opportunity dimension of HPWS has a negative impact on work engagement</td>
</tr>
<tr>
<td>H4 a</td>
<td>Organizational commitment has a negative impact on intention to leave</td>
</tr>
<tr>
<td>H4 b</td>
<td>Work engagement has a negative impact on intention to leave</td>
</tr>
</tbody>
</table>

### Figure 1. Conceptual model
4. PRACTICAL METHOD

This chapter demonstrates how the practical method of the study was approached including the data selection and collection methods. This is followed by a detailed description of designing the survey, pilot survey and the final distribution of the survey. Furthermore, the response rate together with assessment of internal consistency will be covered before finally highlighting how the ethical considerations have been respected throughout the study.

4.1 Sampling Technique

Saunders et al. (2012, p. 260) defines a sample as a subgroup of population and states that it is vital to choose a sample carefully, especially when time or budget is limited and when it is difficult to examine the whole population. Quantitative studies have two main sampling techniques, non-probability sampling and probability sampling methods (Bryman & Bell, 2011, p. 176). Non-probability sampling includes sampling techniques where each individual of the population does not have an equal chance for being chosen for the sample. (Bryman & Bell, 2011, p. 176) Probability sampling can be defined as the method in which each individual of a population has the same probability to be chosen to be part of the sample. A limitation of the probability sampling is that it requires the whole population to be accessible at any time in order to be sampled (Saunders et al., 2009, p. 233). However, a great advantage of this method is that the results can be widely generalized (Bryman & Bell, 2011, p. 185).

For this quantitative study, secondary data has been used to find a population sample with the help of the Retriever database. The business insights service of Retriever provides information on financial and accounting metrics on the majority of companies and organizations in the Scandinavian countries of Sweden, Norway, and Denmark (Retriever.com, 2019). A dataset of all companies in Sweden that filled the European Union commission's definition of SMEs was selected. The data was collected from the database on the 26th of March.

The European Commission defines SMEs based on four criteria. First, there is a requirement that the SME is an enterprise. An enterprise is defined by the European court of justice as; "any entity engaged in economic activity, irrespective of its legal form". In practice this definition covers self-employed, family firms, partnerships, associations and other entity that is regularly engaged in economic activity (European Commission, 2016). Second and third, the annual turnover needs to be between 2 and 50 million euros and a headcount between 10 and 249 employees or an annual balance sheet total between 2 and 43 million euros (European Commission, 2016). This paper used the first criteria of headcount and annual turnover. Finally, the fourth criteria concern the autonomy of the enterprise. An autonomous enterprise is totally independent, meaning it has no participation in other enterprises and no enterprises have a participation in it. This is regulated by the percentage of capital and voting rights, which cannot exceed 25% in either direction. The fourth criteria could not be controlled for in this paper, as the Retriever database does not have the function to filter and control for these types of metrics. Even though the definition of SMEs does not discriminate of non-limited companies, this paper chose to do so as of practical reasons. Companies that are non-limited do not have to follow the same types of regulations, and therefore their data on
turnover and number of employees is not always available in the Retriever database (bokföringsnämnden, 2019).

Finally, after defining the population sample, a dataset of 29,343 companies matched the above-mentioned criteria. With the use of Microsoft Excel, 1000 companies were randomly selected in order to enhance the representativeness of the whole population (Bryman & Bell, 2013, p. 62). However, only 694 companies were successfully contacted and therefore constituted our final sample. Even though the initial approach was towards companies, the purpose was to collect the data from the employees in order to understand the perceived implementation of HPWS.

4.2 Data Collection

Data collection is an essential part of the research process in which there are various methods to collect the data (Bryman & Bell, 2015, p. 13). As stated in the previous section, secondary data was used to define the sample whereas primary data was collected through a web-based survey. A web-based survey was sent via email to the participants since this allowed reaching a broader range of people from different geographical areas (Saunders et al., 2012, p. 421; Bryman & Bell, 2011, p. 231).

A web-based survey is a common way to gather the data for quantitative studies (Saunders et al., 2009, p. 144) and it is applicable for this research since that was believed to be an easier process for the selected companies to distribute the survey. For instance, a paper survey would have been more time consuming as the manager would have to physically distribute the survey to the employees. Moreover, a web-based survey is more beneficial compared to an email survey in terms of appearance as it creates greater possibilities regarding colors and formatting of questions (Bryman & Bell, 2015, p. 662). Further, a web-based survey was seen as the most appropriate method for the given timeframe and funding as it is cheap and relatively quick to administer (Bryman & Bell, 2015, p. 232).

Bryman and Bell (2013, p. 233) present two methods related to Internet-based research; web-based and communication-based. The former method is when data is collected through a questionnaire that forms a web page while the latter is one where for example an email is the platform from where the data collection instrument is introduced (Bryman & Bell, 2013, p. 652). This study has characteristics of both methods since the questionnaire formed a webpage but was launched through the email that was sent to the companies. We reached the selected companies by finding contact information from the companies’ web pages. When possible, an email was sent to the administration manager, HR manager or the CEO of the company through an email account that was created for this study. If the contact information was not available, the email was sent to the general contact email. From the random sample of 1000 companies, 745 had their email information available online. However, only 694 emails were sent without an error. The email included a short introduction text of the research and the purpose of it along with an information letter that was aimed for the employees (See Appendix 3). In the introductory text, the receiver of the email was asked to distribute the information letter that included a link to the survey to all the employees in the company.

As this research was conducted during the spring semester, it was important to distribute the survey before the Easter holidays. Further, two reminder emails with a one-week interval were scheduled for the planned time frame in order to boost the response rate.
The first round of emails was sent out to the companies on the 2nd of April 2019. As can be seen from Table 3, during the first week the survey gathered 17 responses. A reminder email was sent out after a week on the 9th of April and 10 responses were gathered through the day. Approximately two weeks after the reminder the survey had 61 responses. However, due to the relatively low response rate a scheduled time frame of three weeks was in the end extended to four weeks because of public holidays in Sweden. The last reminder email was therefore sent out a bit later than planned, on 23rd of April gathering 27 responses during the three following days. Finally, the survey was closed on the 29th of April at 23:59 with a total of 95 responses.

<table>
<thead>
<tr>
<th>Contact Period</th>
<th>Number of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original email April 2nd, 2019</td>
<td>17</td>
</tr>
<tr>
<td>1st reminder email April 9th, 2019</td>
<td>44</td>
</tr>
<tr>
<td>2nd reminder email April 23rd, 2019</td>
<td>34</td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
</tr>
</tbody>
</table>

4.2.1 Pilot Study

Planning and preparing for the research is valuable in order to avoid possible mistakes during the process (Bryman & Bell, 2011, p. 85). Therefore, sending out a pilot study can help to eliminate uncertainties and misunderstandings in the data collection (Bryman & Bell, 2011, p. 276) and to see how well the chosen research method works (Bryman & Bell, 2011, p. 85). When making a survey, the concepts and questions might be clear and simple for the researchers. However, the respondents might not perceive the information in the same way and therefore the researches should send out a pilot survey to ensure that the research instrument works well and that the questions are understandable (Bryman & Bell, 2011, p. 262). Furthermore, this might be crucial especially in research based on a self-completion questionnaire as an interviewer is not there to clarify any confusion (Bryman & Bell, 2011, p. 262). In this study, a contact email was provided to the respondents in case they encounter any uncertainties. Moreover, the researchers conducted a pilot study by contacting 5 owner-managers that work in SMEs in Sweden in order to highlight the importance of testing a survey on people that are closely related to the target group (Bryman & Bell, 2011, p. 263). As the researches knew the owner-managers through previous work experiences, it was easy to make sure that these people were not part of the actual sample.

An email including the information letter was sent to the owner-managers since they could have valuable information about how the survey will be perceived by the employees in SMEs. The managers were asked to critically review and fill in the survey. In addition, they were asked to pay additional attention to phrasing and grammatical comprehensibility of the questions. This was emphasized in order to legitimize the translation of original questionnaires from English into Swedish.
The feedback was gathered by email and it included positive comments on the introduction to the research topic and clarity of the questions. This was expected since most of the questions were taken from previous researches which already had tested the reliability and functioning of the questions. However, since the last section of the survey was conducted by the authors, a more specific question was given to the owner-managers as that section included two relatively similar questions "I often think about leaving my current job" and "I often think about leaving my current company". The owner-managers were asked if they perceived the questions as nearly the same in order to avoid unnecessary questions that would not bring more value to the questionnaire. However, all of the owner-managers saw a difference between the questions and therefore both of the questions were included in the survey.

4.2.2 Survey

Finally, the data was collected through a web-based survey that was linked to the information letter. By pressing the link, the participant could get access to the survey that was conducted anonymously via online program Google Forms and it took approximately 5-6 minutes to complete the survey. The questionnaire consists of 5 sections including 44 multiple choice questions of which 9 were general, including personal questions about gender, age, academic background and county of the employment. The rest of the questions measured the respondent's relationship to the company including questions about the industry, employment type, position in the organization, tenure, and if the company has an HR manager. (See Appendix 2) A clear explanation of how to answer each question was given at the beginning of each 5 sections in order to avoid any confusion with the answer options. All the general questions were multiple choice questions excluding the question about age. Remaining four sections were measured on a 5-point Likert scale including slightly different answering options (see 4.2.3 Questionnaires). All the questions in the survey were mandatory and it was not possible to continue to the next section without answering all the questions in the current section. However, the respondents could at any time go back to a previous section of the questionnaire before doing a final submission. The chosen questions and the survey were intended to be as short as possible to minimize the risk of respondent fatigue (Bryman & Bell, 2011, p. 233).

A limitation of the self-completion questionnaire is that the respondent cannot get immediate help if they are having problems with answering (Bryman & Bell, 2011, p. 233) However, a contact email was provided in the information letter as well as at the end of the survey in case there were some uncertainties. Another limitation with this method is that the respondents cannot give additional information even though they would feel like answering more in detail or telling more about their point of view. A disadvantage of the web-based survey is that we could not control if the same person answered the survey several times. However, it is important to have an anonymous survey in order to prevent harm to the participants (Bryman & Bell, 2011, p. 234) and a non-anonymous survey could have led to a lower response rate. Further, filter questions were not used since the sample was already filtered on Retriever.

Furthermore, the choice to collect the data through a survey supports our aim to test the impact of Ability, Motivation and Opportunity framework on organizational commitment, work engagement and employees' intention to leave.
4.2.3 Questionnaires

**High performance Work Systems**
The three dimensions of HPWS were measured through a questionnaire constructed by Kroon et al. (2013) based on the theoretical assumptions of Appelbaum et al. (2000). The questionnaire consists of a total of 16 questions split into three dimensions, Ability (5 items), Motivation (6 items) and Opportunity (5 items). The dimensions include questions such as "Our organization tries to educate its employees" (Ability), "Our company pays above-average salaries" (Motivation) and "Employees are involved in policy-making" (Opportunity). Kroon et al. (2013) created the questionnaire based on items taken from the two studies of Boselie (2002) and Den Hartog and Verburg (2004). Rather than measuring whether a specific human resource practice is present or not the answer options were: ‘this applies to none of the employees’, ‘this applies to only a few employees’, ‘this applies to half of the employees’, ‘this applies to most of the employees’ or ‘this applies to all employees’. A higher mean score on these scales indicates a greater perceived presence or intensity of HPWS focusing on Ability, Motivation or Opportunity in the organization (Kroon et al., 2013, p. 80).

**Organizational Commitment**
The questionnaire for measuring organizational commitment was taken from Gardner et al. (2001) who combined it from two studies done by Meyer and Allen (1997) and Porter et al. (1974) on organizational commitment research. The questionnaire constructed by Meyer and Allen (1997) was developed from the identification of popular themes in the conceptualization of organizational commitment from the literature framework. As stated before, this paper will focus only on affective organizational commitment and therefore the questions in the questionnaire only target that dimension. The questionnaire is based on a 5-point Likert scale ranging between (1 = strongly disagree to 5 = strongly agree) and included 6 questions such as "I feel a strong sense of belonging to this organization" and "I find that my values and this company's values are similar" (see Appendix 2).

**Work Engagement**
Work engagement was assessed using the Swedish version of the short Utrecht work engagement scale (UWES) available at (wilmarschaufeli.nl). The questionnaire developed by Wilmar Schaufeli is one of the most used in the academic field of work engagement and it has been statistically verified both in its original form (Schaufeli et al., 2002) and as the Swedish version (Lindberg & Schaufeli, 2006). The short version of the Swedish UWES consists in total of seven questions split into three dimensions, namely vigor (3 items), dedication (3 items) and absorption (3 items). In this paper however work engagement will be assessed as a one-dimensional model as several studies have found it to be equal or superior to the three-dimensional model (Lindberg & Schaufeli, 2006; Sonnenfag, 2003; Schaufeli et al., 2002). A small adjustment was made to the scaling of the questionnaire, from a 7-point Likert scale ranging between (0 = never to 6 = always) to a 5-point Likert scale ranging between (1 = never to 5 always). This resulted in the removal of the two options of almost never and very often. The reason behind this change was the aim to have all constructs in the questionnaire rated on the same scale to make it as simple as possible for the respondents.

**Intention to Leave**
The questionnaire for employees' intention to leave consists of four questions which are combined from three studies. Questions "I often think about quitting my current job"
"I often think about leaving my current company" and "I will search for a new job within the next year" (Firth et al., 2004, p. 187) were reformed to be statements in order to fit the measurement options. Further, the question "I would like to work for the company that I work for at present for at least 5 years" was taken from Velotsou & Panigyrakis (2004, p. 132). The questionnaire was based on a 5-point Likert scale ranging between (1 = strongly disagree to 5 = strongly agree) (see Appendix 2).

4.4 Response Rate

Sivo et al. (2006, p. 372) highlight the importance of response-rate which can be defined as the original sample that provides data to the study (Moore et al., 2010, p. 153). Saunders et al. (2009, p. 220) define respondents that do not meet the research requirements as ineligible respondents whereas unreachable respondents are defined as targeted participants which cannot be exposed to the survey. Since this study aims to collect the data from the employees within the chosen companies, a specific response rate cannot be calculated since it is impossible to know if the survey gathered many answers from one company. Further, it is highly possible that many of the companies did not forward the survey and therefore it is hard to define the amount of total sample.

Even though the response rate cannot be calculated, it can be seen that the survey gathered a low amount of responses regardless of the anonymity of the responses, since the actual sample was expected to be the number of employees in the companies that were contacted. Sivo et al. (2006, p. 372) discuss the effects that low response rates might have on a study. If a study obtains a low response rate, the results might show a nonresponse error since the results might become non-representative of the population. In order to avoid biased results, several precautions were considered before reaching for the participants (Sivo et al., 2006, p. 372). The anonymous nature of the research was presented to the participants as a very first thing in the email and introduction letter. Additionally, the survey was made easy and simple for the participants by using multiple choice questions and a Likert-scale so that the participants would not feel that the survey would be too much work (Bryman & Bell, 2011, p. 233). Moreover, the introduction letter was written in a way that would arouse interest in the companies to distribute the survey to the employees.

4.5.1 Descriptive Statistics

Descriptive statistics are in research together with graphical analysis such as histograms and diagrams used as an informative device that helps to analyze and compare variables in quantitative data. This paper will present results based on the univariate analysis of the distribution and central tendency. Measuring the mean of the variable is an effective way to find the average value of each variable. This is done by adding all of the numerical values in one set of data, and then dividing that sum by the number of entries. Furthermore, by calculating the value of the standard deviation it is possible to display the variability in the distribution of the responses by looking at how far the observations are spread from the mean, where a high standard deviation indicates a large spread in the responses. For a normal distribution population, around 95% of the respondents will have registered values two standard deviations from the mean, whereas the other 5% of the population are equally scattered below and above this limit (Altman & Bland, 2005, p. 903). This will be useful when analyzing the variability in the distribution of the
respondents in this research and will help to further analyze the results of the questionnaire.

Another method that is valuable when analyzing the data is correlation analysis. A correlation test is used to describe the strength and direction of the linear relationship between two variables (Pallant, 2007, p. 140). Pearson correlation is designed to measure interval level variables and relies on the assumption of parametric statistics. The test produces a correlation coefficient (r) that takes on a value between -1 to +1. The sign of the value indicates a positive or negative relationship and the value itself indicates the strength of that relationship. A value of 1 would, therefore, indicate a perfect correlation, while a value of 0 would indicate no correlation. Cohen (1988, p. 79-81) suggest that values of 0.10 to 0.29 suggest a small correlation, 0.30 to 0.49 a medium correlation and 0.50 to 1.0 a large correlation. The significance of the correlations is measured on a two-tailed significance level. The significance of the results tells us how much confidence can be placed in their validity. (Pallant, 2007, p. 145-147)

4.5.2 Cronbach's Alpha

When using scales in the research it is important that they reliably measure the construct that is intended. The main aspect of a scale is its internal consistency. This is a measurement of how well the items in the scale relate to each other and measure the same construct (Pallant, 2007, p. 95). Saunders et al (2009, p. 156) argue that the reliability of a scale is important in order for the research to present consistent findings from inferential statistics. In order to be certain about the internal consistency and scale reliability of the multiple constructs and questionnaires used in the paper a test of Cronbach's Alpha was conducted. Cronbach's Alpha is one of the most frequently used measurements of internal consistency of a test or scale (Pallant, 2007, p. 95) and generates an alpha value that ranges between a minimum of 0 (i.e. no internal reliability) to a maximum of 1 (perfect internal reliability). Internal consistency describes the degree of how much all the different items in the test measure the same concept or construct (Pallant, 2007). A preferable result of the Alpha coefficient is above 0.7 (DeVillis, 2003, p. 49) and a good one above 0.8 (Bryman & Bell, 2011, p. 159). However, George and Mallery (2003, p. 238) argue that a result of 0.6 is acceptable but the absolute minimum value in order to consider the constructs as reliable in the study. Despite these alpha recommendations, the number of items in the scale also needs to be taken into account, as the test is sensitive to the number of items included. Using scales with less than ten items might, therefore, yield results closer to 0.5. In such cases, it is important to look at and report the mean inter-item correlation of the items. (Pallant, 2007, p. 95) An optimal range of inter-item correlation is estimated to be between 0.2 and 0.4 (Briggs & Cheek. 1986).

4.5.3 Multiple Regression Analysis

Multiple regression is a set of techniques that are used to explore the relationship between one dependent variable and a number of independent variables. A standard multiple regression is used in this paper. In this type of regression, all the independent variables are entered in the model simultaneously and evaluated one at a time in their contribution to explaining the dependent variable when the variance for the other independent variables are controlled for (Pallant, 2007, p. 153-159). Moreover, the test provides the answer to how well the model is able to predict the variance in the dependent variable through the R square and the adjusted R square. In a statistical test with a small sample,
the adjusted R square gives a more reliable result as it better estimates the true value in the population (Pallant, 2007, p. 158). Therefore because of the rather small sample size (95), this paper will refer to the adjusted R square when interpreting the results of the regression analysis. The significance of the results is presented through a test that hypothesizes that multiple R in the population equals 0 and is given on a 0.0005-significance level in an ANOVA table. (Pallant, 2007, pp 169-171) The contribution of the separate independent variables is presented through a beta value that showcases the contribution of each independent variable converted to the same scale. The value is also controlled for significance on a 95 or 99 % significance level weighted against the p-value for the given model.

4.6 Ethical Considerations

Zikmund et al. (2013, p. 88) illustrate ethical principles as fair, impartial and reasonable. The authors have kept these qualities in mind through the research process since it is crucial to take into account the ones who will be influenced by the research in order to prevent any kind of harm that could be caused to the participants (Bryman & Bell, 2013, p. 234) or to any other influenced actors such the researchers (Bryman & Bell, 2015, p. 135-136; Collis & Hussey, 2014, p. 31). There are several ethical issues that should be taken into consideration: harm to participants; informed consent; invasion of privacy; and deception (Bryman & Bell, 2015, p. 134; Collis & Hussey, 2014, p. 31; Saunders et al., 2012, p. 237).

Bryman and Bell (2011, p. 128) argue that no participants should be put at risk of being harmed physically or psychologically, nor should their self-esteem be harmed, or stressful situations be caused to them. Further, Zikmund et al. (2013, p. 89) claim that the participants should conduct the survey of free will. It is also important that the participants are able to stay anonymous and that they feel comfortable answering all the questions (Saunders, 2012, p. 241). To meet these ethical criteria, the email sent to the companies stated clearly that participation in the survey is voluntary and the whole process is anonymous. Even though all the questions were mandatory in order to ensure a complete dataset without missing values, it was possible for the respondent to exit the survey anytime if they did not feel comfortable with the questions.

Informed consent entails that even though people know that they are requested to be part of a research, they should also be fully knowledgeable about the research process (Bryman and Bell, 2015, p. 133). This gives participants a possibility to make an informed decision along with creating a voluntary nature that reduces the harm to participants. (Bryman & Bell, 2015, p. 139; Collis & Hussey, 2014, p. 30-31; Saunders et al., 2012, p. 231). This issue was handled by clearly informing participants of the research process both in the email and in the information letter. The email informed the companies about the purpose of the research and the time that it would require to complete the survey. This information was also included in the information letter along with more specific information about the idea behind the research gap followed by a link that the reader could click in case they wanted to participate in the research. In addition, an email account and phone number were incorporated in the email as well as in the web-survey in case the participants wanted more information regarding the process.

It is important to think about the risks in terms of the method of the research as well as violation of the agreements (Saunders et al., 2012, p. 231). Further, ethicality should be
considered when collecting the data (Saunders et al., 2012, p. 241), since valuing the privacy of the participants is linked to the importance of confidentiality and anonymity (Bryman & Bell, 2013, p. 136). The researchers must secure that the gathered information is managed carefully to decrease the risk that the individual is associated with the report (Lapan et al., 2012, p. 36). These ethical values were covered by having an anonymous web-based survey. The respondents did not need to fill in any personal information such as name, email address or company they are working for, which could have jeopardized their anonymity. In addition, both the email and the information letter highlighted the anonymity of the research participants. Moreover, it was possible for the participants to see all the questions before submitting their answers. In this way, it was assured that the participants have the opportunity to exit the process in case they do not feel comfortable or find some questions too sensitive (Saunders et al., 2009, p. 188).

Finally, deception can be defined as the phenomenon of a researcher who is not presenting the real idea behind the research, which might cause harm to the participants (Saunders et al., 2012, p. 238). In order to avoid deception, it is of great importance not to mislead the participants. Even though Bryman and Bell (2011, p. 137) argue that announcing the purpose of the study might influence respondents' answering regarding some of the questions, the subject and the questions of the thesis has not been considered to be too sensitive. With this in mind, both the email and the information letter informed the participants transparently about the purpose of the research and the background of the researchers as International Business students writing their degree project. The time and place of the publication of the thesis were mentioned in case the participants wanted to see the results of the study. Further, a brief summary of the results in Swedish was offered in case the participants were interested only in seeing the results in their native language.
5. EMPIRICAL FINDINGS AND ANALYSIS

This chapter is presenting the empirical findings generated from the quantitative study. The demographics are presented and analyzed at first, followed by Cronbach’s Alpha and descriptive statistics. Further, the multiple regression analyses are presented and conclude this chapter.

5.1 Sample Demographics

The final sample size was based on the 95 people that completed our survey. Out of the 95 respondents, the gender was almost equally split, 54% identified themselves as women and 46% identified themselves as men. The age ranges between 20 and 81 years with a mean of 47 years. Geographically, the respondents were spread out across 18 out of 21 of Sweden’s counties with the majority coming from Stockholm (26%) and Västra Götaland (19%) which are the two highest populated counties in Sweden (Statistiska Centralbyrå, 2019), see Figure 2.

![Gender Distribution](image)

Figure 2. Demographics 1
About one third (31) of the respondents answered that they did not have an employee responsible for HR in their organization and the remaining (64) answered that they did have someone employed part or full time (see Figure 3). Even though the population is not evenly split it is good that the sample represents companies that both do and do not have a human resource expert as it will allow further statistical comparisons between the groups. Furthermore, about three fourths (74%) worked in the service industry and the remaining (26%) in the manufacturing industry (see Figure 4). Similarly, to the HR department variable, the representation of both groups allows for further statistical analysis. The majority of the respondents had worked for their current company for 1 to 5 years (37) and the second largest group >10 years (35) (see Figure 3). This question was included to make sure that the respondents had enough knowledge about the organization in order to give a viable perception of the implementation of high performance work systems. Finally, approximately two thirds (63%) of the respondents told that they are a part of the management whereas the others (37%) were not.

Figure 3. Demographics II
5.2 Assessment of Internal Consistency

In order to assess the reliability of the variables measured in the questionnaire, the Cronbach's Alpha coefficient was calculated for each construct (see Table 5) (Bryman & Bell, 2011, p. 159). By testing the variables with this measurement, a value of 0.8 or above indicates good reliability of the constructs (Saunders et al., 2012, p. 439). All constructs besides the Motivation (alpha, 0.654) and Opportunity (alpha 0.615) dimension showed a Cronbach's Alpha coefficient higher than 0.8, thus internally reliable and applicable for further analysis.

The constructs for the two dimensions of Motivation and Opportunity were further analyzed. Upon further examination, it was discovered that the removal of question 5 (the employees work together in teams – De anställda jobbar i arbetslag) in the Opportunity dimension questionnaire would improve the Alpha coefficient from 0.615 to 0.673. Even though it is arguably necessary to revise a construct with such a low alpha score the choice was made to keep the constructs in its original form as removing the question does not increase the score above the satisfactory level of 0.700 (Pallant, 2007, p. 95). Moreover, it is important to note that the original Cronbach's alpha from (Kroon et al., 2013) is 0.72 for the Motivation dimension and 0.67 for the Opportunity dimension which already indicates a low coefficient (DeVellis, 2003) Moreover, referring to George and Mallery (2003, p. 238) values that approach 0.6 are questionable, but considered to be reliable. Finally, because both scales consist of less than ten items, an inter-item correlation test was conducted to investigate the mean inter-item correlation value of both constructs (see Table 4), as suggested by (Pallant, 2007, p. 95). The means of both Motivation and Opportunity were within the optimal range between 0.2 and 0.4 as suggested by Briggs and Cheek (1986). These three arguments were considered strong enough for keeping the constructs in the study.
The construct of work engagement had a high alpha of 0.908 which is consistent with previous papers where the questionnaire was used in a Swedish context 0.93 (Lundberg & Schaufeli, 2006, p. 4), and a world-wide range of between 0.85 and 0.92 (Schaufeli et al., 2006, p. 9). In addition, the construct of organizational commitment showed an alpha consistent with previous research 0.83 (Gardner et al., 2001, p. 17) and within a range from 0.74 to 0.89 labelled under affective commitment (Allan & Meyer, 1996, p. 254). Finally, the intention to leave displayed a highly reliable value of 0.853 despite being a consolidation of items from several different papers (Velotsou & Panigyrakis, 2004, p. 132; Firth et al., 2004, p. 187; Leip & Stinchcomb, 2013, p. 233).

Table 5. Internal consistency

<table>
<thead>
<tr>
<th>Construct</th>
<th>α</th>
<th>Number of items</th>
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</thead>
<tbody>
<tr>
<td>Intention to leave</td>
<td>0.853</td>
<td>4</td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>0.818</td>
<td>6</td>
</tr>
<tr>
<td>Work engagement</td>
<td>0.908</td>
<td>9</td>
</tr>
<tr>
<td>Ability</td>
<td>0.804</td>
<td>5</td>
</tr>
<tr>
<td>Motivation</td>
<td>0.654</td>
<td>6</td>
</tr>
<tr>
<td>Opportunity</td>
<td>0.615</td>
<td>5</td>
</tr>
</tbody>
</table>

5.3 Preliminary Analysis

In order to check the significance of the findings presented in this paper, four multiple linear regression tests were conducted. The multiple linear regression is a parametric test that comes with a set of assumptions in order to give reliable results. All the models presented later in this chapter have been tested for multicollinearity, outliers, normality, linearity, homoscedasticity, and independence of residuals. These assumptions were controlled for analyzing the graphs and metrics provided by SPSS when conducting the regression test. Multicollinearity refers to the relationship between independent variables. multicollinearity is tested by looking if the variables are highly correlated ($r > 0.9$) at the collinearity diagnostics table. The result is presented by tolerance (T). Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables (Pallant, 2007, p. 156). A value below 0.1, warns for potential multicollinearity. The rest of the assumptions could be confirmed by inspecting the Normal probability plot of the regression standardized residual, the histogram and the scatterplot.
Additionally, in order to generalize the result of the regression the sample needs to be substantial. There are multiple schools of thought when it comes to determining if the sample is large enough. Stevens (1996, p. 72) recommends that the sample size needs to be 15 subjects per predictor variable, while Tabachnick and Fidell (2007, p. 123) developed a formula where the sample size needs to be bigger than $50 + 8$ times the number of independent variables. In the case of this paper, all the models pass the criteria for both definitions as the sample size is 94-95 and the maximum number of predictor and independent variables are three. (Pallant, 2007) Furthermore, the data was also controlled for outliers. An outlier is by Tabachnick and Fidell (2007, p. 128) defined as a value with a standard residual above 3.3 or below -3.3. As a result, one value was excluded from the construct of Work engagement. Finally, it is important to note that minor violations of parametric assumptions have little or no effect on the results of the tests (Cohen, 1969, p. 266-267).

5.4 Descriptive Statistics

After the assessment of internal validity with Cronbach's Alpha and controlling for the assumptions of parametric statistics the descriptive statistics for the three dimensions of AMO, work engagement, organizational commitment, intention to leave as well as the control variables of being a part of the management, HR department, and industry were calculated. The Descriptive statistics in Table 6 provide metrics for the distribution of the means, standards deviation and the results of a Pearson correlation. Before interpreting table 6, it is important to know that all six constructs measured in the survey were measured on a 5-point Likert scale and that all the control variables are binary.

Examining the correlation (see Table 6), it is shown that the AMO dimension with the highest mean is Ability (3,25), closely followed by Opportunity (3,24) and then Motivation (2,80). Rounded up, these results show that all three dimensions are by employees perceived to be on average adopted by half of the employees. Furthermore, it can also be observed that the average response on the construct of organizational commitment and work engagement is (3,95) and (4,16) respectively, meaning that the average response to the questions in the two constructs was (Often). The construct of Intention to leave has a low mean of (2,07) indicating that the average response was (Do not agree). It can be concluded that on average the sample is engaged in their work, committed to the company and do not intend to quit their job. The means of the control variables are not covered in more detail since the results have been covered in the previous section of sample demographics.

The descriptive statistics in Table 6 also showcase a two-tailed Pearson correlation that describes the strength and directions of the linear relationships between the variables included in the table. Examining the construct in order, it can be observed that organizational commitment and work engagement have a strong negative correlation with the intention to leave at $p < 0,01$ while the correlations of the three dimensions of AMO are not significantly correlated. While not exhibiting significant correlations towards intention to leave, the Ability and Motivation dimensions are moderately correlated to organizational commitment and work engagement while the Opportunity dimension is only weakly correlated to work engagement. All these correlations are measured at $p < 0,01$. More interesting observations can be seen in the control variables. First, the industry type is weakly correlated with Opportunity at $p < 0,01$. Indicating that employees working
in the manufacturing industry perceived higher levels of Motivation practices. Second, the existence of an HR responsible does not seem to influence the perception of any of the AMO dimensions, intention to leave, work engagement or organizational commitment. Finally, being part of the management of the organization is little or moderately correlated with intention to leave, organizational commitment, work engagement and the dimensions of Ability and Motivation at p < 0.01 and p < 0.05.

Table 6. Descriptive statistics and Correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Std. Div</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>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intention to leave</td>
<td>2.07</td>
<td>1.14</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Organizational commitment</td>
<td>3.95</td>
<td>0.81</td>
<td>-.508***</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Work engagement</td>
<td>4.16</td>
<td>0.58</td>
<td>-.497*** ,636***</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Ability</td>
<td>3.25</td>
<td>1.08</td>
<td>-.181 ,436*** ,392**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Motivation</td>
<td>2.80</td>
<td>0.85</td>
<td>-.181 ,498** ,305** ,457**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Opportunity</td>
<td>3.24</td>
<td>0.71</td>
<td>-.077 ,194 ,290** ,478** ,342***</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Industry</td>
<td>1.26</td>
<td>0.44</td>
<td>-.045 ,193 ,126 ,037 ,273** ,012</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Part of management</td>
<td>1.33</td>
<td>0.47</td>
<td>-.082 ,027 ,125 ,151 ,086 ,177 ,017</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Industry</td>
<td>1.63</td>
<td>0.48</td>
<td>-.220 ,452** ,363** ,247** ,416** ,076 ,308** ,143</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
a 1 = service industry, 2 = manufacturing industry
b 1 = no HR manager, 2 = yes HR manager
c 1 = not part of management, 2 = part of management

c 3.5 Regression

In order to address the assumption of the effects of the independent variables on the dependent variables as hypothesized in the conceptual model (see Figure 1), four models were tested with multiple linear regression. The three dimensions of AMO were tested against the constructs of organizational commitment in model 1, work engagement in model 2 and intention to leave in model 3. Moreover, a fourth model was tested with organizational commitment and work engagement as independent variables against the dependent variable of intention to leave. Three of the four models had a significant ANOVA at 0.001. Model 3 failed to explain the construct of intention to leave and was therefore eventually completely removed from the conceptual model (see Figure 5).

5.5.1 Model 1 AMO – Organizational Commitment

The first regression model consisted of the three dimensions of Ability, Motivation, and Opportunity as independent variables and the construct of Organizational commitment as the dependent variable. The adjusted R-square of the model was (0.255), indicating that the AMO dimensions explain 25.5% of the variance in organizational commitment. Observing the standardized beta values, it can be seen that only two out of the three dimensions make a statistically significant unique contribution in explaining the construct of Organizational commitment (see Table 7). Comparing the betas of the two significant variables, Ability (0.296, p < 0.01) and Motivation (0.390, p < 0.001) it can be concluded that Motivation has a bigger impact on organizational commitment than Ability. Put differently, this implies that an increase of one standard deviation in the Motivation dimension (0.85) (see Table 6) would likely lead to a 0.390 increase in organizational commitment. Respectively, an increase of one standard deviation in the Ability dimension (1.08) (see Table 6) would lead to a 0.296 increase in organizational commitment.
5.5.2 Model 2 AMO – Work Engagement

The second regression model (see Table 8) also consists of the three dimensions of Ability, Motivation, and Opportunity as independent variables however the dependent variable is changed to the construct of Work engagement. The adjusted R-square of the model is (0.155), indicating that the AMO dimensions explain 15.5% of the variance in Work engagement. Observing the Beta values, it can be seen that in this model out of the three dimensions only Ability makes a statistically significant unique contribution in explaining the construct of Work engagement (beta, 0.274, p < 0.05). This implies that an increase of one standard deviation in the Ability dimension (1.08) (see Table 6) would likely lead to a (0.274) increase in Work engagement.

Table 8. Model 2: AMO – Work engagement

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>p</th>
<th>Collinearity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.114</td>
<td>0.278</td>
<td>11.182</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Ability</td>
<td>0.147</td>
<td>0.062</td>
<td>2.359</td>
<td>0.021</td>
<td>0.674</td>
</tr>
<tr>
<td>Motivation</td>
<td>0.097</td>
<td>0.074</td>
<td>1.311</td>
<td>0.193</td>
<td>0.771</td>
</tr>
<tr>
<td>Opportunity</td>
<td>0.090</td>
<td>0.111</td>
<td>1.006</td>
<td>0.317</td>
<td>0.753</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td></td>
<td></td>
<td>0.155</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Dependent variable = Work engagement

5.5.3 Model 3 AMO – Intention to Leave

The third regression model (see Table 9) just like the previous two also consists of the three dimensions of Ability, Motivation, and Opportunity as independent variables however the dependent variable is this time changed to Intention to leave. The adjusted R-square of the model is (0.015), indicating that the AMO dimensions explain only 0.15% of the variance in Intention to leave. Moreover, the ANOVA of the model shows an insignificant result. Indicating that the model cannot be used to explain the variance in intention to leave.
Table 9. Model 3: AMO – Intention to leave

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>p</th>
<th>Collinearity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.852</td>
<td>0.587</td>
<td>4.861</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Ability</td>
<td>-0.146</td>
<td>0.132</td>
<td>-0.138</td>
<td>-1.106</td>
<td>0.272</td>
</tr>
<tr>
<td>Motivation</td>
<td>-0.174</td>
<td>0.156</td>
<td>-0.130</td>
<td>-1.113</td>
<td>0.269</td>
</tr>
<tr>
<td>Opportunity</td>
<td>0.054</td>
<td>0.189</td>
<td>0.033</td>
<td>0.284</td>
<td>0.777</td>
</tr>
</tbody>
</table>

Adjusted R² 0.015

Note: The Model did not display significant ANOVA values (.230)
Dependent variable = Intention to leave

Analyzing the results of the three regression models, there are several points that draw attention. First, comparing the adjusted R square of the models it becomes evident that the AMO framework is best at predicting the variance in the construct of Organizational commitment (0.285) compared to work engagement (0.155) and Intention to leave (0.015). Second, Ability is a significant influencer of both constructs of work engagement and organizational commitment. However, it is dominant only when explaining work engagement. Third, Motivation fails to be a significant predictor of both constructs (work engagement and intention to leave), it is, on the other hand, the dominant predictor of organizational commitment. Fourth, Opportunity is the dimension that does not succeed in being a significant predictor of any of the three constructs. In conclusion, the three regression-analysis show that while being a rather good predictor of organizational commitment and work engagement, the AMO framework fails in predicting the construct of intention to leave.

5.5.4 Model 4 Organizational commitment & Work Engagement – Intention to Leave

The final regression analysis was done on model 4 (see Table 10). This model tested the two constructs of organizational commitment and work engagement as independent variables against Intention to leave as the dependent variable. The adjusted R-square of the model is (0.293), indicating that the two constructs explain 29.3% of the variance in Intention to leave. Observing the standardized beta values, it can be seen that both constructs make a statistically significant unique contribution in explaining Intention to leave (see Table 10). Comparing the betas of organizational commitment, (0.296, p < 0.01) and Work engagement (0.390, p < 0.001) it can be concluded that Organizational commitment has a bigger impact on intention to leave than work engagement. In other words, this implies that an increase of one standard deviation in organizational commitment (0.81) (see Table 6) would likely lead to a 0.390 decrease in Intention to leave. Respectively, an increase of one standard deviation in work engagement (0.63) would lead to a 0.296 decrease in intention to leave.
The empirical findings and regression analysis presented in this chapter show that only the Ability and Motivation dimensions of HPWS show a positive relationship towards organizational commitment (See Table 11). The Motivation dimension has the strongest effect on explaining organizational commitment while the Ability dimension has a somewhat smaller effect. Further, the Opportunity dimension does not have a significant impact on organizational commitment. Furthermore, the empirical findings indicate that only the Ability dimension has a positive effect on employees' work engagement and that none of the three dimensions of the AMO framework have a significant impact on intention to leave. The results (See Table 6) exhibit a very weak correlation between the three dimensions and intention to leave that is unsuitable for regression analysis. The lack of a relationship between the two constructs is confirmed in the analysis of model 3 (see Table 9) by the low adjusted R square (0,015) and the insignificant ANOVA.

With these findings, the conceptual model that was introduced in the theoretical framework had to be revised in conformity with the outcome of the findings. The revised conceptual model (see Figure 4) shows all the significant relationships. The Motivation dimension had a significant level of p-value < 0.001 (Beta 0.390) while the Ability dimension had a significant level of p-value < 0.01 (Beta 0.296) on organizational

### Table 10. Model 4: Organizational commitment & work engagement – Intention to leave

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>p</th>
<th>Collinearity</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>6,243</td>
<td>0,719</td>
<td>8,684</td>
<td>0,000</td>
<td></td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>-0,573</td>
<td>0,221</td>
<td>-2,589</td>
<td>0,011</td>
<td>0,595</td>
</tr>
<tr>
<td>Work engagement</td>
<td>-0,453</td>
<td>0,159</td>
<td>-2,848</td>
<td>0,005</td>
<td>0,595</td>
</tr>
</tbody>
</table>

Adjusted R² 0,293

Note: Dependent variable = Intention to leave

### 5.6 Revised Conceptual Model

![Figure 5. Revised conceptual model](image)
commitment. Further, the Opportunity dimension does not have a significant impact on organizational commitment with a Beta value of -0.081. Furthermore, the Ability dimension had a significant level of p-value < 0.001 (Beta 0.381). Hence, these findings will be further interpreted in the analysis chapter. The results for the hypotheses are shown in Table 11.

**Table 11. Results of hypotheses testing**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Hypothesis</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 a</td>
<td>The Ability dimension of HPWS has a positive impact on organizational commitment</td>
<td>Supported</td>
</tr>
<tr>
<td>H1 b</td>
<td>The Motivation dimension of HPWS has a positive impact on organizational commitment</td>
<td>Supported</td>
</tr>
<tr>
<td>H1 c</td>
<td>The Opportunity dimension of HPWS has a positive impact on organizational commitment</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2 a</td>
<td>The Ability dimension of HPWS has a positive impact on work engagement</td>
<td>Supported</td>
</tr>
<tr>
<td>H2 b</td>
<td>The Motivation dimension of HPWS has a positive impact on work engagement</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H2 c</td>
<td>The Opportunity dimension of HPWS has a positive impact on work engagement</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H3 a</td>
<td>The Ability dimension of HPWS has a negative impact on work engagement</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H3 b</td>
<td>The Motivation dimension of HPWS has a negative impact on work engagement</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H3 c</td>
<td>The Opportunity dimension of HPWS has a negative impact on work engagement</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H4 a</td>
<td>Organizational commitment has a negative impact on intention to leave</td>
<td>Supported</td>
</tr>
<tr>
<td>H4 b</td>
<td>Work engagement has a negative impact on intention to leave</td>
<td>Supported</td>
</tr>
</tbody>
</table>
This chapter analyzes the empirical findings presented in the previous chapter. The results will be discussed based on the theoretical framework along with the research question and the purpose of the research in mind. Furthermore, this chapter brings the previous studies on the AMO-framework, organizational commitment, work engagement and intention to leave into the discussion with relation to the findings of this paper.

**Research question**

What is the impact of Ability, Motivation and Opportunity HR-practices on organizational commitment, work engagement and employees' intention to leave?

**Purpose**

The purpose of this study is to investigate the effects of the AMO framework on work engagement, organizational commitment and employees' intention to leave in small and medium-sized enterprises.

Splitting the HPWS concept into three dimensions allows for an alternative analysis of the specific practices that have previously been found to benefit from HPWS. Organizational commitment, work engagement and intention to leave have all been found to be affected by the implementation of HPWS. The first two constructs positively and the last one negatively. The results of this paper shed light on the relationships between the three dimensions of HPWS and contribute to a better overview of which specific practices actually have a significant effect on work engagement, organizational commitment and intention to leave.

This paper examined the direct effects of the Ability, Motivation and Opportunity practices on the three constructs of organizational commitment, work engagement and intention to leave as well as the effect of organizational commitment and work engagement on the intention to leave. The results of the study provide several interesting insights. First, the results suggest that the AMO-framework has a positive effect on work engagement and organizational commitment while failing in influencing employees’ intention to leave. Moreover, the results also showcase that not all three dimensions of the AMO framework play an equal part in effecting work engagement and organizational commitment.

Organizational commitment is positively affected by both Ability and Opportunity practices. The finding of the positive effect between organizational commitment and Ability practices is supported by (Fabi et al., 2015, p. 778) who stated that people who get employed by organizations come with individual needs, desires, and skills and rely on their work environment to provide a setting where they can utilize their abilities and needs. In other words, if an organization is successful with satisfying these needs it leads to higher organizational commitment. Several other studies have found similar results where the perception of employees' access to Ability enhancing practices have improved organizational commitment (Boon et al., 2006). When employees perceive that Ability-practices are offered by the organization, they feel that their organization is willing to invest in them and care about them. In turn, employees tend to work harder and attach themselves to their organizations (Bulut, & Culha. 2010, p. 318). Moreover, the effect of Ability practices on organizational commitment is also found in Juhdi et al., (2009, p 33.)
who state that employees who perceive they have the skills and abilities to perform their jobs tend to feel more committed to the organization.

Moreover, it is interesting that this study found the strongest effect between Motivation practices and organizational commitment while Opportunity practices failed to have an effect. The positive effect of Motivation practices on organizational commitment is confirmed by similar findings presented by Almutawa et al. (2016), displaying the positive effect the AMO practices have on organizational commitment with a dominant effect of the Motivation dimension. This difference between Almutawa et al. (2016) and this study can be due to the fact that compared to this study the research is conducted on large service industry companies rather than SMEs. This can be explained by the more flexible work assignments and fast information sharing found in SMEs compared to corporate organizations (Bacon et al., 1996; Dundon et al., 2001). In addition, the positive effect of Ability and Motivation on organizational commitment is also consistent with the findings in the research that uses a unified measurement of HPWS (Kloutsiniotis & Mihail, 2016, p. 37). However, contrary to the results of this paper, in other studies the Opportunity dimension was also found to have a positive effect on organizational commitment.

This paper found that work engagement is positively affected by Ability practices. This is not a well-researched area in the academic field of HRM. The only other paper discovered during the literature review and throughout the research that examines Ability practices as a predictor of work engagement is Bakker and Demerouti (2008). In their results they mention a positive relationship between Opportunity practices and work engagement stating that, the promotion of engagement at work gives the employees the opportunity to "arm themselves with the right skills and attitudes, and engage in a constant program of personal career development" (Bakker & Demerouti, 2008, p. 219).

The reason that this paper does not find any evidence that Opportunity practices affect organizational commitment and work engagement can be based on the arguments of (Boxall, 2012). The reason could be that HR practices only generate additional utility towards organizational commitment and work engagement when the HR practices are by the employees perceived as something above what they are entitled to or more than they expect. Since this study is done in a country with a social culture that is known for cultural dimensions that display low power distance and masculinity (Hofstede, nd.), it can be argued that Opportunity practices are a core implementation in the Swedish corporate culture as a result of social norms. Just as mentioned in Boxall (2012) one aspect of the perception of HPWS in its given social environment when examining HR in different socio-cultural societies. When comparing between different cultural context one must acknowledge that there are some practices that are perceived as high performance in one county might be a legal and social necessity in other (Boxall, 2012, p. 172). On the other hand, when employees perceive that HR practices are developed with their welfare in mind instead of having intrinsic motives, they will evaluate the practices in a more beneficial way than in traditional management philosophy, based upon efficiency and control (Boxall, 2012, p. 180). These feelings might be absent when the practice is a common social norm.

Finally, the findings presented in the revised conceptual model (see Figure 5) indicate that SMEs that want to improve organizational commitment should focus on enhancing their Ability and Motivation practices, while for SMEs that want to improve work
engagement Ability practices are the most important. This confirms the arguments made by Kroon et al. (2013, p. 84) that the best results are not always achieved by implementing complete HPWS.

Second, this paper found strong support for the fact that organizational commitment and work engagement have a negative effect on employees’ intention to leave (see Figure 5). Furthermore, the positive effect of work engagement confirms the results of several previous studies (Hallberg & Schaufeli, 2006) have found significant relationships between engagement and turnover intention. This is similar to Saks (2006, p. 613) who argues that work engagement is related to employees’ attitudes, intentions, and behaviors. In particular, work engagement predicted organizational commitment and employees’ intention to quit. In addition, organizational commitment also showed a negative and significant relationship with turnover intention. (Tarigan & Ariani, 2015 p. 21) More importantly, commitment was also significantly and inversely related to employee turnover (see Figure 5). This finding supports earlier studies among diverse samples (Koch & Steers, 1976; Porter et al., 1974) and suggests that one of the most significant outcomes of increased organizational commitment is a more stable workforce. (Steers, 1977, p. 52-54)

Looking at the results of the revised conceptual model as a whole (see Figure 5), one can see that while AMO practices do not have a direct effect on employees' intentions to leave, it does have an indirect effect through the positive relationship to work engagement and organizational commitment. This indicates that owner-managers in SMEs can improve their retention of employees by investing resources in Ability and Motivation enhancing practices that increase work engagement and organizational commitment. This finding is supported by the analysis made by Juhdi et al. (2009, p. 34) who found evidence of organizational commitment functioning as a mediating effect between HR practices and turnover intention, stating that any HR policies or initiatives that aim to retain employees must first address the need to increase employee commitment to the organizations.

The indirect effect of Ability practices on the intention to leave through work engagement and organizational commitment can be explained by the fact that Ability practices enhance employees feeling of motivation and self-worth (Saks, 1995). As such it also shows the role of HPWS as a catalysator of work engagement by contributing to the function of HRM as a provider of development opportunities that lead to a stronger feeling of commitment to the organization. Analyzing the stronger effect of organizational commitment on the intention to leave one can attribute the results to the argument of Mowday et al. (1979) who argues that because organizational commitment is a stable attitude that develops over time it is a stronger predictor of employee behavior.

According to Jiang et al. (2012, p. 1271) companies implementing Ability and Opportunity practices have employees who are less likely to search for other jobs. A study on hospital staff by Kloutsiniotis and Mihail (2016) also found results indicating that employees' engagement was found to positively mediate HPWS' effects on employees' organizational commitment and negatively on their intention to leave. This is also supported by Marin-Garcia (2016), who claim that organizations that aim to keep their skilled employees should strive to conduct HR practices that target the Ability enhancing dimension of the AMO framework. Marin-Garcia (2016) also discuss the combined effect of Ability enhancing practices and organizational commitment arguing that employees
who share their values and culture with the organization and have the knowledge and skills required for their job are more satisfied and committed, making them more likely to stay at their current job.

Another important finding was that the employees working in companies without an HR manager did not perceive a lower implementation of any of the three dimensions of AMO. This can be explained by two reasons. The first is that because of resource constraints SMEs cannot hire an HR expert (Kroon et al., 2013). As a consequence, the owner-manager takes on the responsibility of implementing a suitable HR strategy (Lattimore et al., 1997, cited in Molina et al., 2019, p. 60). The second reason can be due to the existence of informal HR practices that compensate for the lack of HPWS (Jiang, 2013, p. 1451). These two arguments are not mutually exclusive and are most likely present in combination with each other. This also shows that having a person only dedicated to HR might not be necessary for SMEs in order to effectively implement HPWS. Moreover, the mean of all three AMO practices indicates that the HR practices on average are perceived to target at least half of the employees. High implementation of HR practices in SMEs is also supported by the conclusion made by the meta-analysis of Rauch and Hatak (2016) whose results showcase that the amount of HR-enhancing practices in SMEs is similar in size and importance to those in larger organizations. This contradicts Kauhanen (2009) and Way (2002) who argue that the uptake of HPWS is relatively low in small firms. The finding of this paper is however consistent with Kroon et al. (2013) whose research on Dutch SMEs presents almost identical means, suggesting that the implementation of HPWS in SMEs are similar in the two countries. Even though SMEs were seen as unique to large firms in this study, the results indicate that SMEs would rather be similar to large firms in terms of amount of HR-enhancing practices.

Moreover, even though the results show that both organizational commitment and work engagement are important in employee retention it is important to note that these two constructs are not always mutually inclusive. It is possible for an employee to engage in their job without feeling committed to the company as it is possible to be committed to the company without being engaged in the job. However, there is a causal relationship, and employees who feel either engaged in their work or committed to their organization can develop a higher feeling of the other. (Mc Bain, 2007, p. 19)

As this study focuses on the employee perspective, the question regarding whether the respondent is part of management was asked in order to control that the questionnaire was forwarded, and that employees answered the questionnaire. The reasoning behind including the answers from respondents stating they were part of the management was that it is viable to consider also managers as subjects to HR practices due to SMEs’ unique characteristics such as flatter hierarchy (Dundon et al., 2001; Sels et al., 2006; Kroon et al., 2013). In smaller companies the roles are not as defined as in big organizations and therefore it is harder to make any clear differentiations between who are subject and who are implementors of HR practices. As this thesis only has the information on every respondent based on the information of the survey it chooses to acknowledge the managers as subjects of HPWS.
7. CONCLUDING CHAPTER

The concluding chapter presents the general conclusions of the study and discusses to what extent the study has fulfilled its purpose. Moreover, theoretical contributions together with practical and societal implications are covered. The chapter ends with the limitations of the study and suggestions for future research followed by a discussion of the quality criteria for business research.

7.1 General Conclusion

Due to employee attrition being one of the most frequently stated problems for organizations and managers, it was of interest to test the direct and indirect impact of certain HR-practices on employees' intention to leave. Accordingly, the purpose of this study has been to investigate the effects of the Ability, Motivation and Opportunity framework on organizational commitment, work engagement and employees' intention to leave in Swedish SMEs. A deductive approach with positivistic elements was chosen for this quantitative study that was conducted in the form of a web-based survey. An email including a link to the survey was successfully sent to the randomly chosen 694 companies who were asked to distribute the information letter to their employees. By obtaining knowledge from SMEs, the purpose of this research has been fulfilled by answering the chosen research question:

What is the impact of Ability, Motivation and Opportunity HR-practices on organizational commitment, work engagement and employees' intention to leave?

The empirical results show that the AMO framework does have positive effects on employees' organizational commitment and work engagement. A major finding was that owner-managers can increase employees' organizational commitment through Motivation practices that aim to motivate employees' behavior. In addition, Ability practices that aim to improve employees' skills and knowledge were found to increase employees' commitment. In contrast with the hypotheses, the study identified that the Opportunity practices that enable employees to participate in a higher degree do not affect employees' organizational commitment. Another interesting finding was that work engagement could be increased only through Ability practices whereas Motivation and Opportunity practices had no impact on it. Furthermore, an unexpected finding was that the dimensions of the AMO framework do not directly affect employees' intention to leave even though HPWS have been found to affect employee turnover. The research also confirmed that organizational commitment and work engagement have a positive effect on employees' intention to leave.

Since human resource management has been in great focus in this study, it was interesting that even though the majority of SMEs did not have an HR specialist, the practices were still present in these companies. Further, the research shows that HPWS are widely used in the Swedish SMEs since on average more than half of the employees in the companies perceived certain HR-practices/all aspects of the AMO framework (see Table 6).

Together these results provide important insights for the owner-managers in SMEs as they should focus on investing in Motivation practices such as promotion opportunities together with Ability practices such as seminars in order to increase employees'
organizational commitment. If the owner-managers want more engaged employees, they should focus on the Ability practices. Further, major investments in Opportunity practices cannot be recommended as actions related to information sharing and flexible work assignments do not seem to increase employees' commitment nor engagement in the Swedish context. All in all, the previously mentioned practices leading to committed and engaged employees are likely to lead to better organizational performance as also proven in previous studies.

7.2 Theoretical Contributions

Kroon et al (2013) set the stage for the exploration of HPWS in SMEs through the individual practices of the AMO framework on factors of operational performance. By investigating the relationships between the three AMO dimensions and the three constructs of work engagement, organizational commitment and intention to leave, this study has contributed to discovering additional relationships between HR practices and operational outcomes. In other words, a contribution is made to further understanding the 'Black Box' of human resources.

As the retention of skilled workforce is a vital part of gaining and keeping a sustainable competitive advantage (Barney, 2001). The finding that ability and motivation practices have an indirect negative effect on the intention to leave through the constructs of work engagement and organizational commitment contribute to further illuminate the relationship between human resources and operational performance. Moreover, the high degree of implementation of all three dimensions in our study contributes to answering whether SMEs implement a small set of individually selected HR practices or a little bit of everything as well as to the debate whether SMEs use HPWS at all.

In addition, this study extends the field of human resources in SME by exploring the perception of the implementation of HPWS in Swedish SMEs. By conducting the analysis on employees and not managers and conceptualize the questions at the level of the firm and not the individual this study adds to an alternative perspective of HR practices in SMEs that have been called for in HR literature (Rauch & Hatak, 2016, p. 498; Boon et al., 2019).

Besides contributing purely to the research on human resources, the study also contributes to the research in organizational commitment, work engagement and intention to leave. As the main focus of this paper was HPWS and the AMO framework the contribution regarding the other constructs is primarily made through the finding of the mediation relationship of work engagement and organizational commitment between the ability and motivation dimensions and intention to leave.

7.3 Managerial Implications

The purpose of this thesis was to gain knowledge of the impact of the AMO framework on organizational commitment, work engagement and employees' intention to leave in Swedish SMEs. In addition, this study tested the impact of organizational commitment and work engagement on the intention to leave. Thereby, this study adds to the knowledge of the use of the three AMO practices in SMEs. The owner-managers gain valuable information on the recommended HR practices in order to decrease employee turnover.
through a more committed and engaged workforce. Further suggestions on how SMEs can implement the Ability, Motivation and Opportunity practices can, therefore, be presented.

Based on the empirical findings, organizational commitment has a greater positive impact on employees’ intention to leave than work engagement. Therefore, the main suggestion for the owner-managers or person responsible for HR in SMEs is to invest in Motivation practices such as a bonus system or fair pay since these practices increase employees committed the most. Another recommendation is to invest in Ability practices such as organizing trainings for the employees since this can also be claimed to affect employees’ commitment. Since work engagement also has a positive impact on employees’ intention to leave, the owner-managers should invest in the Ability practices to have employees that are more engaged in their job. Furthermore, depending on the manager's goals, they could decide on investing in the Ability-practices in first-hand in order to increase both organizational commitment and work engagement. Further, according to the findings of this study, it is not recommended to use the scarce resources on Opportunity practices since this does not affect employees' commitment, work engagement nor their intention to stay in the company.

Although this study focuses on the impacts of the AMO framework, the findings may well have a bearing on human resource management in SMEs. The data revealed that it is not mandatory to have an HR manager in Swedish SMEs because the measured HR practices seem to be present in the companies regardless. In other words, an owner-manager can substitute an HR manager. Therefore, another implication for the owner-managers is that instead of investing time and money on hiring an HR specialist, the owner-manager could aim at implementing the recommended HR practices. However, the implementation needs to be done correctly in which an HR manager could be of great help.

### 7.4 Societal Implications

The findings and conclusions of this thesis reflect few societal implications which are not only relevant for SMEs managing human capital, but also for the Swedish as well as European society. Even though previous studies have shown that these constructs are highly related to job satisfaction and well-being of the workforce, this study focused on the impact of HPWS on the company through the effects on the employees.

Other studies have proven that the usage of HPWS leads to better organizational and financial performance. The findings of this study showed that the implementation of AMO framework increases employees’ commitment and engagement and that these kinds of employees are more willing to stay in the company. Since a committed and engaged workforce is known for performing better and contributing more to the organization, this can be claimed to enhance organizational performance. Accordingly, if a company makes good profit, this contributes to tax income in the country where the business operates, in this case in Sweden. In addition, it will be easier for the company to grow with greater resources, implying that the company could employ more people contributing to a lower unemployment rate. The authors also believe that the more SMEs focus on spending their money wisely in managing human capital, namely in the AMO practices, the more the company will gain sustainable competitive advantage. Furthermore, as SMEs are determined as the backbone and driving power of the European economy, further growth
and job creation will boost the economy even more. Therefore, the implications of HPWS can be seen in the short-term in engagement and commitment within employees but also in the long-term as better financial performance and a strengthened economy.

7.5 Limitations and Future Research

This research study has several limitations. First, the sample was relatively small and even though the respondents were geographically spread out and displayed a fair percentage representation of the general number of SMEs in the respective county, the study failed to include all counties of Sweden. Moreover, due to the limited amount of responses the possibilities to control for differences between groups were statistically restricted due to asymmetric groups. The correlation analysis found several significant correlations between control variables and the theoretical constructs such as the positive correlation between industry and motivation practices. The results implicate that SMEs in the manufacturing industry conducts more Motivation practices. These lay a foundation for future qualitative research comparing the difference in the implementation of motivation practices between the service and manufacturing industry.

Another limitation was the fact that even though the results of this paper suggest that the constructs of work engagement and organizational commitment mediate the relationship between the AMO framework and intention to leave, this was never statistically tested. Due to the use of an identical HPWS survey as Kroon et al. (2013) the initial plan was to also conduct a similar statistical analysis of the data using the Sobel test of mediation (Baron & Kenny, 1986; Sobel, 1982) and bootstrapping. The choice to not perform a mediation analysis was later made due to limited time and absence of more advanced statistical software. Further, even though the overview of the AMO framework (Table 1) includes recruiting and staffing practices, this study did not include these aspects since Kroon et al.’s (2013) questionnaire was used. This is a limitation since also recruiting practices are part of the AMO-framework (Lepak et al., 2006; Posthuma et al., 2013; Rauch & Hatak, 2016; Boon et al., 2019).

Moreover, since this study used premade questionnaires, an adjustment in the Likert scale had to be done in order to have similar measurement system for all the sections of the survey. This might affect comparability of the questionnaire and give a different measuring range than intended in the original survey. Furthermore, this research used translated versions of the original questionnaires when measuring all but one construct. Even though the authors have excellent knowledge of the English language they are not trained to translate the language considering the linguistic misinterpretations due to cultural differences. Therefore, despite the good results of Cronbach’s Alpha, it is still possible that some questions were interpreted differently than intended when translated into Swedish. Any future study that wants to use the translated versions used in this paper should do so with caution and knowledge of the limitations.

Referring to the results that having an HR expert in the company does not increase the perception of AMO practices. Future research can investigate whether an absence of a formal HR strategy catalyzes the emergence of informal HR practices that are not part of the organization’s HR practices but that still emerge as a result of employees’ own initiative.
Moreover, it is important to mention that even though the sample was selected as based on the four criteria of SMEs stated by the European Commission, the retriever database does not provide an easy way to filter away the companies that cannot be counted as independent enterprises. Therefore, it is possible that the sample contained companies that should have been excluded.

One could claim that this study has a low response rate. This can be due to the sensitive nature of the questions that were asked as a way of measuring the employees' intention to leave. Since the owner-managers worked as distributors of our survey, it is possible that some of them perceived the questions as a threat or provocation towards their company and employees. Even though a very clear and informative letter was sent describing the purpose and nature of the research as well as a guarantee for the total anonymity of the respondents there is always a threat of non-respondents when researching a sensitive topic.

7.6 Quality Criteria in Business Research

In order to enhance the trustworthiness of this research, the truth criteria will be discussed. This includes evaluation of validity, reliability, generalizability and of this study. Even though the terms ‘validity' and ‘reliability' seem similar, the meanings behind these words are different. Validity is concerned with whether or not an instrument measures what is intended to measure (Bryman & Bell, 2011, p. 170) whereas reliability evaluates the accuracy of a measure of a concept (Bryman & Bell, 2011, p. 169). Bryman and Bell (2015, p. 50) argue that validity is the most important criterion of research. Further, Krishnaswami and Satyaprasad (2010, p. 93) state that validity examines how well the indicators in the study agree with other measures of the same variable (Krishnaswami & Satyaprasad, 2010, p. 93).

The term validity can be divided into internal and external validity. The prior is related to causality (Bryman & Bell, 2013, p. 42) whereas the latter is connected with generalizability (Bryman & Bell, 2013, p. 43). The internal validity has been ensured by choosing a consistent design in line with the philosophical stances. Further, the conducted statistical tests have been logical. Furthermore, the calculated Cronbach's Alpha showed that the results are reliable (see Table 5) as the values were above 0.6 (George & Mallory, 2003, p. 238). Besides, the Cronbach's Alpha was higher than in the study where the AMO-questionnaire was originally used. External validity has been ensured by gathering primary data through a valid survey. The validity of the survey is based on the fact that four out of five of the questionnaires were chosen from previous studies which were carefully examined. The last part of the survey was combined from several research papers based on the repetitiveness of the questions in research in intention to leave. By using reliable surveys from other researches, the authors of this thesis have ensured that the used questions have not been influenced by personal feelings or prior knowledge. Further, a pilot study was conducted in order to test the reliability of the translation of the questions.

Bryman and Bell (2015, p. 49) state that reliability is at issue especially with quantitative research and the criteria is concerned with how consistent the results are in case a study is repeated. As the data has been collected from primary sources along with following a consistent research design, the results are believed to be similar if this study was re-conducted, considering that the geographical area remains the same. The term
generalizability is defined by Bryman and Bell (2015, p. 175) as the ability to generalize the findings beyond the sample in the specific research. However, the results still cannot be generalized outside of the population frame (Bryman & Bell, 2015, p. 176). Saunders et al. (2009, p. 297) point out that when generalizing results, bias may arise since personal experiences might be taken into account by the respondents. Since random sampling has been used as the data selection method for this study, the collected data can be generalized (Bryman & Bell, 2015, p. 195). Nonetheless, as the data was gathered through an online survey that was distributed to the companies via email, it is difficult to assess how many employees reached the link to the survey since the companies were asked to distribute the survey further to the employees. However, since data was gathered all over from Sweden from both industries from people of all ages, the research is considered to fulfil the truth criteria.

As stated by Bryman and Bell (2015, p. 176), researchers usually strive to remain clear about their procedures so that the study is capable of replication. This also brings up the validity criteria which will be negatively affected in case the study cannot be replicated. This is because the variety in findings would indicate that the validity of the study is distrusted (Bryman & Bell, 2015, p. 176). This study targeted the population of Sweden in terms of SMEs and if the study would be re-conducted, the same results would be provided. Moreover, after publication, this study is available for everyone which makes it possible for other researchers to find inspiration for future studies. Furthermore, since the majority of the questions are from peer-reviewed articles, the questionnaires can be used also for future studies. Since reasoning behind choosing the particular methods and theories is transparent and included in the thesis along with the construct shown to be reliable, the study is claimed to be of validity. Finally, this makes the research easy to reproduce.
REFERENCE LIST


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APPENDIX

Appendix 1. Questionnaire (SWE)
Forskningsstudie inom personalavdelning

Vi är två civilinomusterer på Handelshögskolan vid Umeå Universitet som just nu skriver vårt examensarbete inom management av personalavdelningen. Frågeformuläret består av korta flervalsfrågor och tar ca 5 minuter att genomföra. Inga personuppgifter kommer att behandlas av tredje part och enkätsvaren är helt anonyma. Formuläret består av 5 sektioner som börjar med en kort introduktion till ämnet och en förklaring till hur man svarar på frågorna. Det är möjligt att ändra dina svar genom att gå tillbaka till en tidigare sektion efter att ha tryckt på "nästa".

Tack för att ni tar er tid att vara med i studien.

1/5 Allmänna frågor

1. Kön
   Man   Kvinna   Annan könsidentitet

2. Ålder  
   (...)

3. Inom mitt företag så sitter jag med i ledningen
   Ja   Nej

4. Jag är anställd på företaget
   Heltid   Deltid   Övrigt

5. Jag är anställd i (län)

6. Vårt företag opererar inom
   Tjänsteinustrin   Tillverkningsindustrin

7. Anställningstid
   < 1 år   1-5 år   6-10 år   > 10 år

8. Företaget har en personalchef / HR-chef
   Nej   Ja, deltid   Ja, heltid   Jag vet inte

2/5 Företagets Personalavdelning

Syftet med denna del är att få en förståelse för företagets personalavdelning. Svarsalternativen grundar sig i hur stor del av företagets anställda som enligt dig påverkas av följande praxis.

1 = Inga av de anställda
2 = Några av de anställda
3 = Hälften av de anställda
4 = De flesta av de anställda
5 = Alla anställda

1. Vårt företag försöker undervisa sina anställda
2. Inom vårt företag är det möjligt att följa formella internutbildningar
3. Vårt företag erbjuder möjligheter att följa externutbildningar
4. Anställda följer utbildningar som förbättrar deras sociala kompetenser
5. Vårt företag erbjuder möjligheten att utveckla färdigheter
6. Vårt företag betalar en lönn som är högre än genomsnittet
7. Förutom den vanliga lönen så har anställda även möjligheten att få bonus eller andra finansiella belöningar
8. Företaget har formella karriärplaner för sina anställda
9. Anställda blir informerade angående företagets alla framtidsplaner
10. Anställda blir informerade angående företagets avkastning
11. Inom vårt företag så är de anställda välinformerade angående företagets vision och uppdrag
12. Inom vårt företag så planerar de anställda sitt eget arbete
13. De anställda är fria att investera i nytt material och teknologi
14. De anställda medverkar på arbetsmöten
15. De anställda är involverade i företagets beslutsfattning
16. De anställda jobbar i arbetslag
3/5 Engagemang till Arbetet
Syftet med denna del är att få en förståelse för hur engagerad du är för ditt nuvarande arbete.
Svarsalternativen grundar sig i hur ofta du upplever följande känslor.

1 = Aldrig
2 = Sällan
3 = Ibland
4 = Ofta
5 = Alltid

1. Jag känner mig full av energi när jag utför mitt arbete
2. Jag känner mig stark och energisk i mitt arbete
3. Jag har ett brinnande intresse för mitt arbete
4. Mitt arbete är inspirerande
5. När jag vaknar på morgonen ser jag fram emot att gå till arbetet
6. Jag känner mig nöjd när jag får fördjupa mig i mitt arbete
7. Jag är stolt över mitt arbete
8. Jag är starkt engagerad i mitt arbete
9. När jag arbetar går jag helt upp i det jag gör

4/5 Organisatorisk Åtagande
Syftet med denna del är att få en förståelse för hur stark engagemang och pliktskyldighet du känner för ditt företag. Svarsalternativen grundar sig i hur mycket du håller med följande påståenden.

1 = Håller inte alls med
2 = Håller inte med
3 = Varken/eller
4 = Håller med
5 = Håller helt med

1. Jag känner en stark känsla av tillhörighet till mitt företag
2. Jag är beredd att jobba hårdare än jag behöver för att hjälpa företaget lyckas
3. Jag är stolt över att arbeta för detta företag
4. Jag samlar ofta in information om företagets konkurrenter och delar med mig av den till andra medlemmar av företaget
5. Jag tycker att mina och företagets värderingar är likartade
6. Jag hade tackat nej till ett mer välbetalld jobb för att kunna stanna kvar i detta företag

5/5 Avsikten att lämna företaget
Syftet med denna del är att få en förståelse för hur du känner angående din framtid i företaget.
Svarsalternativen grundar sig i hur mycket du håller med följande påståenden.

1 = Håller inte alls med
2 = Håller inte med
3 = Varken/eller
4 = Håller med

1. Jag tänker ofta på att lämna mitt nuvarande jobb
2. Jag tänker ofta på att lämna mitt nuvarande företag
3. Jag kommer att söka efter ett nytt jobb det närmaste året
4. Jag kan se mig själv jobba för detta företag de kommande 5 åren

Tack så mycket för din medverkan!
Om du har några frågor eller funderingar angående studien så får du jätte gärna höra av dig till uppsats.umea.universitet@gmail.com. Om du vill ta del av resultaten av studien, kommer de att finnas tillgängliga på https://www.uppsatser.se/ i juni.
Appendix 2. Questionnaire (ENG)

Research thesis in HR management

We are a pair of business school students from Umeå university that are in the process of writing our thesis within the field of human resource management. The survey consists of short multiple-choice questions and takes approximately 5 minutes to complete. No personal information will be shared with a third party and the answers are completely unanimous. The survey consists of 5 sections that all start with a short explanation of how to answer the questions. It is possible to change your answers by going back to a previous section even after you have pressed “next”.

Thank you for participating in this study!

1/5 General questions

1. Gender
   Man     Woman     Other sex orientation

2. Age
   (...)

3. In my organization I am part of the management
   Yes     No

4. I am employed at the company
   Full time  Part time  other

5. I am employed in the county of (...)

6. Our company operates in the
   Service industry  Manufacturing industry

7. Time of employment
   < 1 year   1-5 years   6-10 years   > 10 years

9. The company has an HR-manager
   No       Yes, part time  Yes, full time  I do not know

2/5 The HR department

The purpose of this part is to gain an understanding about the organizations HR department. The answers are based on the amount of the organizations employees that according to you are covered by the following practice.

1 = None of the employees
2 = Some of the employees
3 = Half of the employees
4 = Most of the employees
5 = All of the employees

1. Our organization tries to educate its employees
2. Within our organization it is possible to follow formal internal training courses
3. Our organization offers the possibility to follow external training courses
4. Employees follow training courses to improve their social skills
5. Our organization offers the possibility to develop skills
6. Our company pays above-average salaries
7. Besides their normal wage, employees receive a bonus or another financial reward
8. The organization has formal career plans for its employees
9. Employees are informed about all future plans of the organization
10. Employees are informed about the organizations returns
11. In our organization employees are informed about the organizations vision and mission
12. Within our organization employees plan their own work
13. Employees are free to invest in new materials and technology
14. Employees participate in work meetings
15. Employees are involved in policy-making
16. Employees work together in teams
3/5 Work engagement

The purpose of this part is to gain an understanding of how engaged you are about your organization. The answers are based on how often you experience the following feelings.

1. At my work, I feel bursting with energy
2. At my job, I feel strong and vigorous
3. I am enthusiastic about my job
4. My job inspires me
5. When I get up in the morning, I feel like going to work
6. I feel happy when I am working intensely
7. I am proud of the work that I do
8. I am immersed in my work
9. I get carried away when I’m working

4/5 Organizational commitment

The purpose of this part is to gain an understanding of how committed you are about your organization. The answers are based on how strongly you agree with the following statements.

1. I feel a strong sense of belonging to this organization
2. I am willing to work harder than I have to in order to help this organization succeed
3. I am proud to be working for this company
4. I frequently gather information on competitors and share it with other members of this company
5. I find that my values and this company’s values are similar
6. I would turn down a job with more pay in order to stay with this company

5/5 Intention to leave

The purpose with this section is to gain an understanding of how you feel about your future in the organization. The answers are based on how much you agree with the following statements.

1. I often think about leaving my current job
2. I often think about leaving my current company
3. I will search for a new job within the next year
4. I would like to work for the company that I work at present for at least 5 years

Thank you for your participation!

If you have any questions or thoughts about the study, you are very welcome to contact us at uppsats.umea.universitet@gmail.com. If you want to read the study, it will be available at https://www.uppsatser.se/ in July.
Hej,

Vi är två civilekonomstudenter på Handelshögskolan vid Umeå Universitet som just nu skriver vårt examensarbete inom management av personalavdelningen. Vi kontaktar små och mellanstora företag i Sverige och ni är en av de 500 företag som har blivit utvalda. Vi är intresserad av er företag eftersom vi gör en kvantitativ studie där vi önskar få svar från anställda i denna typ av företag. Därför skulle vi uppskatta om ni kunde dela frågeformuläret inom företaget.

Vi vill vara extra tydliga med att för att delta måste man inte ha en personalavdelning och det är frivilligt att medverka. Frågeformuläret består av korta flervalsfrågor och tar ca 5 minuter att genomföra. Frågeformuläret kommer vara tillgängligt fram till den 26 april.

Följande del ska vidarebefordras till de anställda:

Vi är två civilekonomstudenter på Handelshögskolan vid Umeå Universitet som just nu skriver vårt examensarbete inom management av personalavdelningen. Vi kontaktar små och mellanstora företag i Sverige och ni är en av de 500 företag som har blivit utvalda. Vi är intresserad av er företag eftersom vi gör en kvantitativ studie där vi önskar få svar från anställda i denna typ av företag. Frågeformuläret består av korta flervalsfrågor och tar ca 5 minuter att genomföra.


Frågeformuläret besvaras anonymt via programmet Google Forms och data som samlas in kommer endast användas inom denna studie. Vi skulle uppskatta om ni tog er tid att vara med i studien. Frågeformuläret hittar ni härunder och den kommer vara tillgänglig fram till den 26 april.

Klick här för att gå vidare till frågeformuläret.

Vid fler frågor eller funderingar är ni välkomna att kontakta oss via uppsats.umea.universitet@gmail.com

Tack på förhand!

Vänliga hälsningar,
Maxim Murashkin & Johanna Tyrväinen

Appendix 3. Information letter (SWE)
Appendix 4. Information letter (ENG)

Hello,

We are two graduate students at the School of Business, Economics and Law at Umeå University, who are currently writing our thesis in human resource management. We are contacting small and medium-sized companies in Sweden and you are one of the 1000 companies that have been selected. We are interested in your company because we are doing a quantitative study where we wish to receive answers from employees in this type of company. Therefore, we would appreciate if you could share the questionnaire within the company.

We want to be extra clear with the fact that in order to participate you do not have to have an HR specialist and that the participation is voluntary. The questionnaire consists of short multiple-choice questions and takes about 5 minutes to complete. The questionnaire will be available until April 26.

The following section should be passed on to employees:

We are two graduate students at the School of Business, Economics and Statistics at Umeå University, who are currently writing our thesis in the management of the Human Resources department. We contact small and medium-sized companies in Sweden and you are one of the 1000 companies that have been selected. We are interested in you because we are doing a quantitative study where we wish to receive answers from employees in this type of company. The questionnaire consists of short multiple-choice questions and takes about 5 minutes to complete.

Today's research shows that employees are one of the most important players in a company to develop and become more competitive. This is especially important in smaller companies that have limited resources and therefore need to make decisions that maximize their profits. The purpose of the study is to investigate which practices within the personnel department contribute to the greatest operational performance through the employees’ commitment to the work and organizational commitment and how these affect the intention to leave the job. By examining this, we will come a step closer to the answer to how companies with limited resources train, compensate and engage their employees and create loyalty to the company.

The questionnaire is answered anonymously via the program Google Forms and data collected will only be used in this study. We would appreciate if you took your time to participate in the study. You will find the questionnaire below and it will be available until April 26th.

Click here to proceed to the questionnaire.

For more questions or concerns, you are welcome to contact us via uppsats.umea.universitet@gmail.com.

Thanks in advance!

Sincerely, Maxim Murashkin & Johanna Tyrväinen