

The Impact of Human Resource Management Practices on Competitive Advantage: Mediating Role of Employee Engagement in Thailand

Chayanon Kerdpitak 1, Kittisak Jermstittiparsert 2, 3*

¹ College of Innovation and Management, Suan Sunandha Rajabhat University, Bangkok, Thailand

Email: chayanon.ke@ssru.ac.th

² Department for Management of Science and Technology Development, Ton Duc Thang University, Ho Chi Minh City, Vietnam

³ Faculty of Social Sciences and Humanities, Ton Duc Thang University, Ho Chi Minh City, Vietnam

E-mail: kittisak.jermstittiparsert@tdtu.edu.vn

Article History: Submitted: 25.09.2019

Revised: 05.12.2019

Accepted: 09.01.2020

ABSTRACT

The aim of the research is to examine the role of practices of human resource management (HRM) such as employees training, learning practices and employee selection on the competitive advantage and also examine the mediating role of employee engagement in pharmacy companies of Thailand. The primary data were gathered through questionnaire from the human resource (HR) managers from the pharmacy companies of Thailand. The results indicated that positive nexus among the practices of HRM such as employees training, learning practices and employee selection and competitive advantage. The finding also documented that employee engagement positively mediates the relationship among the practices of HRM such as employees training, learning practices and employee selection and competitive advantage. These results suggested to the regulators that

they enhance the best practices of HR that it engage the employees at workplace that improve the competitive advantage of the companies.

Keywords: Practices of HRM, Competitive Advantage, Employee Engagement, Pharmacy Companies

Correspondance:

Kittisak Jermstittiparsert

Department for Management of Science and Technology Development, Ton Duc Thang University, Ho Chi Minh City, Vietnam

Faculty of Social Sciences and Humanities, Ton Duc Thang University, Ho Chi Minh City, Vietnam

E-mail: kittisak.jermstittiparsert@tdtu.edu.vn

DOI: [10.5530/srp.2020.1.56](https://doi.org/10.5530/srp.2020.1.56)

© Advanced Scientific Research. All rights reserved

INTRODUCTION

Employee engagement (EE) is considered as the hottest researched issues in the field of HR from last two decades. Macey, Schneider, Barbera, & Young, (2011) revealed that substantial research studies have been made to clarify the term EE and further to identify its key factors in order to illustrate or made difference from other key related concepts (Hallberg & Schaufeli, 2006). Further to portray its antecedents and outcomes (Buchner, 2007).

This study designed based on the argument that, in response to get required benefits from the engagement, it is essential to align the company's HR practices like policies and procedures (D. Guest, 2014). In the following figure 1, this study presented to show high model which explain how companies can get competitive advantage by focusing on 'employee engagement'. By doing so, this study aims to provide alignment amid HRM and literature of engagement which have been utilized in the research studies until now. More precisely, this study develops a model which comprise organization level, individual level and job level factors by integrating several distinct HR models like HRM Performance Model (D. E. Guest, 1997), High Performance human research applies (HPHRP) framework (Sun, Aryee, & Law, 2007), "Job demand resource theory (Bakker, Demerouti, & Sanz-Vergel, 2014) and 'SHRM engagement framework" (Sparrow, 2013). By developing this model based on the mentioned framework, this research aims to deliver the mechanism through which firms can attain competitive edge in the market (Khatri, 2000).

With respect to the empirical support to the given model, number of research studies have shown that organizational

climate has positively influenced by the HRM system of the organizations (Zacharatos, Barling, & Iverson, 2005). Resultantly, other studies have also predicted that organizational climate significantly influenced to the job demand and job resources within the organization (Dollard & Bakker, 2010), which consequently effect to the personal resources like experiences, safety, availability and meaningfulness which resultantly influence to the engagement (May, Gilson, & Harter, 2004). Practices of true engagement also leads to engaging in job related behavior which ultimately increase the job performance, employee attitude and the financial outcomes of the employee. However, job demand resources of work engagement model is one of the most discussed models in the field of HR. this framework deals with how job resources (which include supervisor support, autonomy and feedback) and personal resources (which include, optimism and resilience) significantly impact on working engagement which resultantly possess impact on downstream factors of the job which include extra-role performance, in-role performance, financial returns and creativity. Likewise, personality traits including extraversion and conscientiousness probably impact on the individual employee job resources, engagement, and emotional safety, downstream factors like absence, satisfaction, and turnover intention and job satisfaction. This research argument is consistent with the prior research studies as the prior researchers reported that employee individual differences aspects directly impact on employee job related factors which include job satisfaction (Judge, Heller, & Mount, 2002).

TABLE 1. Percentage Increase in Salary of Workers

Percentage Increase in Salary	Salary Increase in USD
10%	38450
25%	48770
50%	64180
75%	83370
90%	101850



Figure 1: Percentage Increase in Salary of Workers

Prior research studies have reported numerous theoretical frameworks which attempts to explain how the system of HRM helps in attaining competitive advantage to the company. “HRM performance model” support to the HRM system of the company which ultimately helps to increase the employee productivity, performance and job-related attitude. And then these factors assist organization in profit maximization, cost reduction, and increase organizational growth (Sparrow, Schuler, & Jackson, 1994). Likewise, this model also explains the HRM process and the study by (D. E. Guest, 1997), which ultimately support the organizational investment in order to rise the profit of the companies. Additionally, the prior research studies have attempt to define the key significant factors which affect to the engagement of the employees at workplace and these factors include job satisfaction and absenteeism from the work. Likewise, motivational factors increase the engagement level of the employee’s increases. Prior studies also reported the supervisor support is the significant factor which increase the employee engagement level in the organization. Therefore, with reference to the association of engagement and motivation, it can be stated more specifically as, intrinsic motivation is one the key factor in increasing engagement of the employees (Mao, Liu, Zhang, & Deng, 2016).

LITERATURE REVIEW

The mostly cited framework of AMO by Judge & Bono, (2001) also developed to explains the employee practices which continuously increase employee performance. AMO stands for “A: Abilities, M: Motivation and O: Opportunity to practice”. Similarly, the alignment of HR practices and HR theories or framework, often observed the key indicator in maximizing the organizational performance (Jiang, Lepak, Hu, & Baer, 2012). Furthermore, in their Meta-analysis, they reported that AMO framework have directly impact on organizational financial outcomes and have indirect impact

on human capital, employee motivation, operational outcomes and voluntary turnover (Almada & Borges, 2018). In the next following segment, this study explains the comprehensive overview about employee and their engagement, and further portrayed about how engagement of employees directly impacts on individual and organizational recital and modest benefit. In addition, with respect to figure 1, this study explains about HR practices related to engagement which include performance management, employee selection, socialization, development and learning and how these practices impact on demand and resources and organizational climate, availability, safety engagement, behavioral, attitudinal and performance related outcomes. Furthermore, this study stated that each HRM practice is a distinct factor of HRM system, literature of the HPHRP and SHRM revealed that synergetic system and bundles of the HR practices are significantly influence the individual and organizational level outcomes which ultimately helps to attain competitive advantage (Becker & Huselid, 2006). HR practices significantly shows that engagement will positively impact on organizational climate, demands & resources and experiences by employees at workplace, the psychological practices of engagement, availability, safety, meaningfulness, behavioral and attitudinal and performance-based outcomes (Davis, 2017).

Employee engagement is on the most studied phenomenon in the field of HR and still this term have been observed as the reason of disagreement amid practitioners and scholars about how this term can be well-defined, however, this term is widely defined by the academic researchers is defined as positive, satisfying, work-connected state of mind that is considered by vigor, absorption and dedication (Schaufeli, Salanova, González-romá, & Bakker, 2002). More specifically, the scholars have defined engagement as involvement of the workforce in their working like they completely utilize their physical, mental and emotional resources in attaining their organizational tasks. For instance, engagement is demonstrated as participation, liveliness and focused

determined towards achieving the organizational goals (Chahal & Bakshi, 2015).

However, job demand resources of work engagement model is one of the most discussed models in the field of HR. This framework deals with how job resources (which include supervisor support, autonomy and feedback) and personal resources (which include, optimism and resilience) significantly impact on working engagement which resultantly possess impact on downstream factors of the job which include extra-role performance, in-role performance, financial returns and creativity. Additionally, the prior research studies have attempted to define the key significant factors which affect to the engagement of the employees at workplace and these factors include job satisfaction and absenteeism from the work. Likewise, motivational factors increase the engagement level of the employee's increases. Prior studies also reported the supervisor support is the significant factor which increase the employee engagement level in the organization. Therefore, with reference to the association of engagement and motivation, it can be stated more specifically as, intrinsic motivation is one of the key factors in increasing engagement of the employees (Ellemer, De Gilder, & Haslam, 2004).

Engagement and competitive advantage

With respect to the model illustrated above as figure 1, prior studies have proved that competitive advantage is the result of employee engagement. For instance, Macey et al., (2011) reported that significant differences existed amid the organizational efforts toward employee engagement in align to get return on assets, their market value and profit maximization. Furthermore, with respect to figure 1, numerous prior numerical and qualitative research studies including meta-analysis reported that involvement is significantly connected with behavioral, attitudinal and presentation related consequences of the employees within the organizational context (Christian, Garza, & Slaughter, 2011; Simpson, 2009).

However, performance is one of compels and multi-dimensional variable. With regard to figure 1 and prior research studies, all shown that performance of the employees can be assessed based on the individual working, team-based working, and by organizational based working (Rich, Lepine, & Crawford, 2010). Furthermore, in meta-analysis of performance management which have been conducted by Rich et al., (2010) have reported that performance can only be assessed through individual working behavior of the employees. However, the most recent studies have attempted to assess performance based on three defined grounds (Christian et al., 2011) which are individual based, team based and organizational based performance. Therefore, this study formed second supposition by proposing that performance of the employees can be measured through individual base, team based and organizational based working which consequently helps in attaining competitive advantage. Organization's conditions and support for employee engagement affect to the individual, team based and organizational based performance of the employees which ultimately enhance the level of competitive advantage of the organization.

Furthermore, it has been found that organizational climate is the result of HR practices of the organization. The above stated figure 1, revealed that HRM system of the company directly and completely affect the climate of the organization (Bowen & Ostroff, 2004) which is because of the implementation of robust HR practices, policies and procedures within the

organization. Therefore, organizational climate can be described as perceptions about relatively stable set of values and orientations of the firm, organizations and management style, exposed values and behaviors, that influence the behavior of organizational members with respect to organizational effectiveness (Sparrow, 2013). Thus, the third supposition proposed that organizational climate is the result of HR practices within the organization.

P1: Employee training the HR practices possess positive and significant impact on competitive advantage of pharmacy organization in Thailand.

HRM practices and employee engagement

This segment deals with the HR practices which include socialization, selection, performance management, and training and discussed their relationship with employee engagement. This research focused on these four dimensions of HR practices because these are the major four practices which have been utilized by every organization. These also considered as the core functions of HR practices which every organization should attempt in order to strategically focus on their HR system.

Employee engagement and selection

The contemporary research studies on HRM practices have shown that job applicants having high caliber always looking for the jobs which have higher level of growth chances along with several distinct challenges (Harter & Blacksmith, 2010). Therefore, in order to attract these applicants those, have high caliber to survive within the organization, organizations should enable their HRM system in order to provide flexible and engaging working environment. Although, strategic HR always focusing on engagement which considered as the cause of attaining competitive advantage and the significant usefulness of the organizational assortment process which have been widely neglected by the organization (Inceoglu & Warr, 2011). The prior studies also investigated and reported that if the organizations want to higher individuals who possess higher level of caliber, devotion to work and focused toward achieving their regular and extra-ordinary tasks then the HR professionals of the organization should need focused on their evidence based selection process (Harter & Blacksmith, 2010; Inceoglu & Warr, 2011). Therefore, organizations are trying hard to hire such individuals whose likely to be engaged with their job roles. For instance, this selection process may include amalgamation of personality valuation, organized interviews, and valuation center workout and orientation checks.

However, (D. Guest, 2014) reported that personality traits are the bigger reasons of habit of engaging in the working environment which then defined as engagement propensity which ultimately defined the selection process for the organizations. Unfortunately, little research has been done by the practitioners in order to understand the relationship amid engagement and selection process of the organization. The conceptual relationship amid with five big personality traits and engagement, conscientiousness has positive association with involvement because conscientious individuals have strong sense of accountability and thus more likely to involve in their job. (Christian et al., 2011). Extraversion also certainly connected to engagement. Neuroticism negatively correlated to engagement as embarrassed employees often seem as they considered working environment as less safety place and threatening. "Agreeableness" positively related to engagement

because it mobilizes the social supports and capitals to engage directly in their job and organizational setting (Wright, Gardner, Moynihan, & Allen, 2005). Furthermore, Openness to Experience also positively related with engagement.

Therefore, according to figure 1, organizations should build such organizational context which support to the personal traits of the individuals which ultimately help organizations in attaining competitive advantage. Personality dimensions can be part of selection process with aim of increasing employee engagement within the organization. These personality traits will enable HR professionals to attract devoted individuals which ultimately assist organization in attaining competitive advantage.

P2: Employee Learning the HR practices possess positive and significant impact on competitive advantage of pharmacy organization in Thailand.

Organizational socialization and newcomer engagement

Research studies have stated that newly hired individuals, when join the organization, were seems as excited with their new organization and job still they possess emotions of vagueness and nervousness. In this situation, organization should practice two things, firstly, they should try to minimize the situation of nervousness of the new comers by motivating them, secondly, they should build culture of excitement entry which ultimately assist them engagement with the working environment.

Psychological meaningfulness can be defined as the degree with which people derive the meanings of their work and feel that they are getting a return on investments of self in role performances (Kahn, 1990). Furthermore, Kahn found that working environment which is challenging, creative, clearly described, diverse and self-directed, is widely correlated with the practices of the psychological meaningfulness. With regard to this, Ashforth, (1994) found that new comers when motivated, they will engage in four two ten months of their joining. Therefore, HR professional enable the supervisors of the new comers that supervisors should motivate them as socialization resources predicts psychological meaningfulness. Psychological defined as the new employees feel able to work and show their true identities without a fear of negative aspects to status, self-image and career (Kahn, 1990). Furthermore, Kahn originate that psychological security directly has impact on interpersonal associations, group dynamics, process, management styles and organizational culture.

Psychological availability can be defined as “the belief that one has the physical, emotional, and psychological resources required to invest one’s self in the performance of a role” (Kahn, 1990). He also found the negative association of availability with four dimensions of interruptions. Therefore, HR professional enable the supervisors of the new comers that supervisors should motivate them as socialization resources predicts psychological meaningfulness. Psychological defined as the new employees feel able to work and show their true identities without a fear of negative aspects to status, self-image and career. However, this study focusses on providing resources to the new comers. In the literature of socialization, Saks, (2006) stated that “various job and role demands such as role ambiguity, role conflict, role overload, work/home conflict, and unmet expectations have been found to be negatively related to socialization outcomes”. Therefore, it can be stated that socialization programs provide resources to the new comers which ultimately enable them in experiencing psychological meaningfulness. In order to develop

engagement of new comers with their job roles, socialization programs provide resources to the new comers which will enable them to experience psychological meaningfulness.

P3: Employee selection the HR practices possess positive and significant impact on competitive advantage of pharmacy organization in Thailand.

Employee engagement and performance management

The research has shown that once the employees socialized with their roles, HRM professionals should try to support employees in achieving their goals which ultimately increase their level of performance. Performance management refers as an ongoing process of organization involving wide series of actions that include recognizing, assessing, and promote individuals and team performance for achieving organizational outcomes. (Aguinis & Pierce, 2008). As mentioned in the figure 1, of the performance management is properly managed by HR professionals, then it is consistent with employee performance and will significantly influence to the performance of the employees which ultimately influence to the performance of the organization.

Distinct dimensions of performance differently influence to the engagement of the employees with their jobs. For instance, (Lundberg & Young, 1997) stated five biggest factors of performance management which directly influence to the engagement. The factor in “engagement management model” explains agreement amid employees and supervisors as both are agree in attaining the defined goals with their efforts. In process of this agreement of engagement, it is essential to understand that every goal not only for the success of the organization but for the interest, values and personal goals for the employees. The second factor include monitoring to the psychological contract will result to the engagement of the employees.

Engagement facilitations is the combination of several distinct factors which include coaching, job design, training and social support to the employees. With regard to this, prior research studies have found that performance feedback and task variety are positively linked to job engagement and meaningfulness (May et al., 2004). It further follows that engagement facilitations leads to the actual engagement of the employees. The last step in the process of engagement management is measuring the engagement level of employees with their working, providing feedback on their working and performance. It can be stated that engagement can be result of proper feedback given to the employees based on their performance. (Aguinis, Gottfredson, & Joo, 2012) stated that engagement appraisal is the result of highly motivated and justly provided feedback by the seniors to the employees. The developed process of performance management will positively influence to the engagement of the employees.

HRM professionals should develop a system through which employees, teams and organization can easily assess the development and earning needs. For instance, the employees those have to directly communicate with the customers, have to go through proper training of customer care services, then these employees can enhance their attitude, skills, knowledge and abilities to satisfy their customers which ultimately enable employees to achieve their goals and it assist to achieve organizational level goals. Prior research studies have shown that proper employee training, development and learning of the employees directly leads to the higher level of employee

engagement with their working (Luthans, Avey, Avolio, & Peterson, 2010).

We further deliberate three involvements to help employee engagement:

- (1) Giving the optimum mixture of work demands and resources;
- (2) Enhancing individual capitals through exercise; and
- (3) Inspiring employees to involve in work.

Furthermore, the following hypothesis have been formed on basis of that proper employee training, learning and their development help them engaging with their job roles which ultimately increase their productivity and through which the organizations can achieve competitive advantage. HR training development and learning practices leads to employee engagement which will have directly impact on organizational climate and also will have indirectly impact on demand and resources of experiencing by the employees.

P4: Employee engagement has positive mediation among HR practices and significant impact on competitive advantage of pharmacy organization in Thailand.

Research Methods

The purpose of the research is to investigate the role of practices of HRM such as employees training (ET), learning practices (LP) and employee selection (ES) on the competitive advantage (CA) and also examine the mediating role of employee engagement (EE) in pharmacy companies of Thailand. The primary data were gathered through questionnaire from the HR managers from the pharmacy companies of Thailand. For the collection of data, around 700 questionnaires were distributed among the managers of HR through mail and only 450 responses were collected after one month of distribution that is approximately 64.29 percent rate of response. Five-point likers' scale has been used to answer the questions. The dependent variable (CA) has ten items, while independent variables such as employees training (ET), learning practices (LP) and employee selection (ES) have eight, six and eight items respectively and mediating variable (EE) has six items.

RESEARCH FRAMEWORK

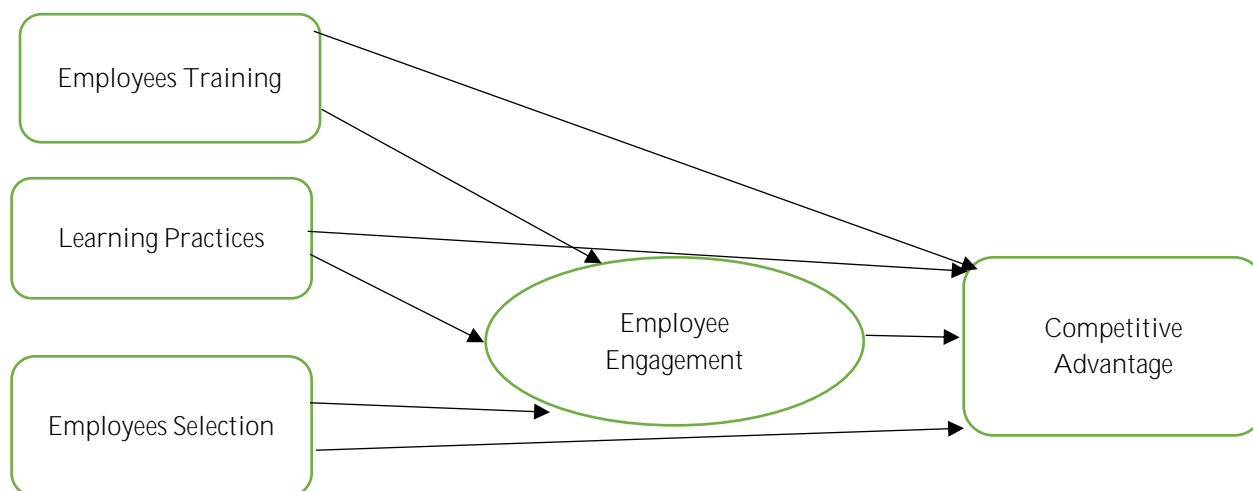


Figure 2: Research Framework

Findings

The results consist upon the validity of the constructs and test the hypotheses. The findings shows that the values of CR are

higher than 0.70, alpha are more than 0.70, loadings are more than 0.50 and AVE also more than 0.50 that means convergent validity has no issue of the study. Table 2 and Figure 3 mentioned below highlighted the convergent validity.

TABLE 2. Convergent Validity

Constructs	Items	Loadings	Alpha	CR	AVE
Competitive Advantage	CA1	0.705	0.849	0.884	0.523
	CA10	0.782			
	CA2	0.822			
	CA3	0.631			
	CA5	0.626			
	CA6	0.680			
	CA8	0.789			
	Employee Engagement	EE1			
	EE2	0.742			
	EE3	0.781			

	EE4	0.804			
	EE5	0.743			
	EE6	0.758			
Employee Selection	ES1	0.838	0.883	0.911	0.631
	ES2	0.834			
	ES4	0.793			
	ES6	0.666			
	ES7	0.792			
	ES8	0.828			
Employee Training	ET1	0.792	0.896	0.918	0.587
	ET2	0.843			
	ET3	0.497			
	ET4	0.812			
	ET5	0.722			
	ET6	0.776			
	ET7	0.828			
	ET8	0.800			
Learning Practices	LP1	0.892	0.806	0.859	0.553
	LP2	0.812			
	LP4	0.677			
	LP5	0.648			
	LP6	0.657			

The cross loadings and Fornell Larcker verified the discriminant validity and the values of cross loadings are less than 0.90 and first value of Fornell Larcker is greater than the

rest and these outcomes indicated that discriminant validity is valid. Table 3 and Table 4 mentioned below highlighted the discriminant validity.

TABLE 3. Fornell Larcker

	CA	EE	ES	ET	LP
CA	0.723				
EE	0.723	0.763			
ES	0.575	0.686	0.794		
ET	0.548	0.514	0.388	0.766	
LP	0.686	0.484	0.476	0.516	0.744

TABLE 4. Cross Loadings

	CA	EE	ES	ET	LP
CA1	0.705	0.392	0.426	0.303	0.372
CA10	0.782	0.559	0.426	0.373	0.462
CA2	0.822	0.485	0.343	0.401	0.430
CA3	0.631	0.341	0.349	0.325	0.314
CA5	0.626	0.429	0.369	0.406	0.323
CA6	0.680	0.613	0.480	0.443	0.639
CA8	0.789	0.686	0.471	0.468	0.730
EE1	0.496	0.748	0.665	0.354	0.441
EE2	0.635	0.742	0.423	0.464	0.656
EE3	0.508	0.781	0.639	0.397	0.413
EE4	0.532	0.804	0.659	0.355	0.489
EE5	0.518	0.743	0.362	0.376	0.738
EE6	0.589	0.758	0.429	0.389	0.800

ES1	0.438	0.506	0.838	0.288	0.326
ES2	0.392	0.496	0.834	0.286	0.336
ES4	0.511	0.604	0.793	0.292	0.444
ES6	0.430	0.512	0.666	0.313	0.418
ES7	0.336	0.401	0.792	0.224	0.252
ES8	0.559	0.664	0.828	0.399	0.431
ET1	0.351	0.240	0.175	0.792	0.298
ET2	0.504	0.484	0.411	0.843	0.480
ET3	0.246	0.274	0.244	0.497	0.262
ET4	0.478	0.478	0.358	0.812	0.460
ET5	0.437	0.466	0.368	0.722	0.396
ET6	0.438	0.464	0.300	0.776	0.384
ET7	0.424	0.362	0.252	0.828	0.429
ET8	0.410	0.306	0.217	0.800	0.390
LP1	0.695	0.732	0.446	0.499	0.892
LP2	0.639	0.589	0.364	0.521	0.812
LP4	0.398	0.649	0.344	0.269	0.677
LP5	0.289	0.408	0.252	0.200	0.648
LP6	0.335	0.486	0.334	0.273	0.657

The HTMT ratio verified the discriminant validity and the values of KTMT ratio are less than 0.90 and these outcomes

indicated that discriminant validity is valid. Table 5 mentioned below highlighted the discriminant validity.

TABLE 5. HTMT

	CA	EE	ES	ET	LP
CA					
EE	0.803				
ES	0.636	0.777			
ET	0.605	0.573	0.419		
LP	0.713	0.906	0.537	0.545	

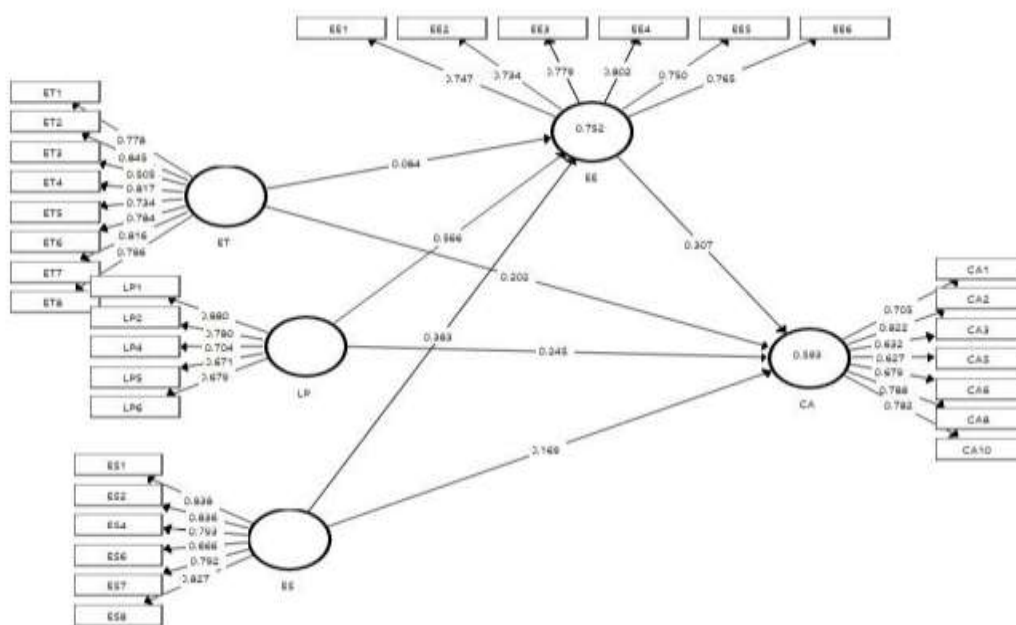


Figure 3: Measurement Assessment Model

The regression analysis is run to test the under study hypotheses and all the beta values have positive sign that means positive nexus among the practices of HRM such as employees training (ET), learning practices (LP) and employee selection (ES) on the competitive advantage (CA). In addition, t values are higher than 1.64, p values are less than 0.05 than means relationships among the practices of HRM such as employees training (ET), learning practices (LP) and

employee selection (ES) on the competitive advantage (CA) are significant. Moreover, beta value of mediation has positive sign that means employee engagement (EE) has positive mediation among the practices of HRM such as employees training (ET), learning practices (LP) and employee selection (ES) and competitive advantage (CA). Table 6 mentioned below shows the path analysis of the study.

TABLE 6. Path Analysis

	Beta	S.D.	t-values	p-values	L.L.	U.L.
EE -> CA	0.307	0.098	3.115	0.001	0.143	0.459
ES -> CA	0.169	0.063	2.694	0.004	0.075	0.280
ES -> EE	0.383	0.039	9.860	0.000	0.322	0.449
ET -> CA	0.202	0.053	3.772	0.000	0.107	0.286
ET -> EE	0.084	0.046	1.807	0.036	0.002	0.157
LP -> CA	0.245	0.071	3.471	0.000	0.122	0.356
LP -> EE	0.566	0.004	15.616	0.000	0.511	0.627
ES -> EE -> CA	0.117	0.038	3.096	0.001	0.055	0.176
ET -> EE -> CA	0.128	0.069	1.855	0.002	0.000	0.062
LP -> EE -> CA	0.173	0.055	3.151	0.001	0.082	0.251

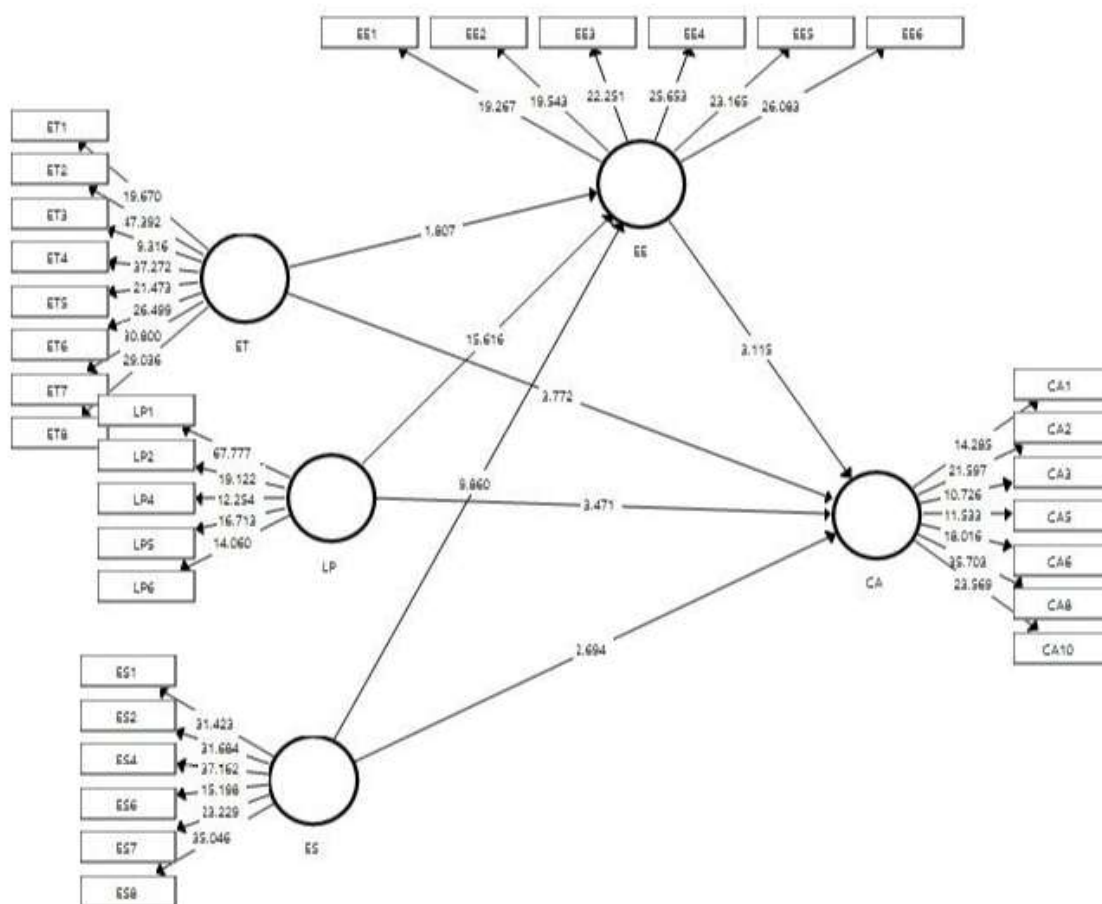


Figure 4: Structural Assessment Model

DISCUSSION AND CONCLUSIONS

The outcomes show that practices of HRM such as employees training (ET), learning practices (LP) and employee selection (ES) increase the competitive advantage (CA) in the pharmacy companies of Thailand. The employee training increases the capability of human capital that improve the competitive advantage of the business. In addition, learning practices increase the learning of the employee of new technology in the market that also enhance the competitive advantage of the company. Moreover, effective and fair employee selection practices hire the trained and loyal employee that also increase the competitive advantage of the business. Furthermore, all of these practices also enhance the engagement of the employees in the business that improve the output, quality and quantity of the business processes that also increase the competitive advantage.

This study is helpful for the pharmacy business where they can increase the competitive advantage by using the healthy practices of HR that also increase the employee engagement of the business of Pharmacy in Thailand. This paper suggested to the regulators that they enhance the best practices of HR that it engage the employees at workplace that improve the competitive advantage of the companies. The present study has some limitation such as it take only three practices of HRM such as employees training (ET), learning practices (LP) and employee selection (ES) and further study include more practices of HRM in the study. The current paper investigate only the business of pharmacy and prospective study add other businesses into consideration.

REFERENCES

1. Aguinis, H., Gottfredson, R. K., & Joo, H. (2012). Delivering effective performance feedback: The strengths-based approach. *Business Horizons*, 55(2), 105–111. <https://doi.org/10.1016/j.bushor.2011.10.004>
2. Aguinis, H., & Pierce, C. A. (2008). Enhancing the relevance of organizational behavior by embracing performance management research. *Journal of Organizational Behavior*, 29(1), 139–145. <https://doi.org/10.1002/job.493>
3. Almada, L., & Borges, R. (2018). Sustainable Competitive Advantage Needs Green Human Resource Practices: A Framework for Environmental Management. *Revista de Administração Contemporânea*, 22(3), 424–442.
4. Ashforth, B. (1994). Petty Tyranny in Organizations. *Human Relations*, 47(7), 755–778. <https://doi.org/10.1177/001872679404700701>
5. Bakker, A. B., Demerouti, E., & Sanz-Vergel, A. I. (2014). Burnout and Work Engagement: The JD–R Approach. *Annual Review of Organizational Psychology and Organizational Behavior*, 1(1), 389–411. <https://doi.org/10.1146/annurev-orgpsych-031413-091235>
6. Becker, B. E., & Huselid, M. A. (2006). Strategic Human Resources Management: Where Do We Go From Here? *Journal of Management*, 32(6), 898–925. <https://doi.org/10.1177/0149206306293668>
7. Bowen, D. E., & Ostroff, C. (2004). Understanding HRM–Firm Performance Linkages: The Role of the “Strength” of the HRM System. *Academy of Management*

- Review, 29(2), 203–221. <https://doi.org/10.5465/amr.2004.12736076>
8. Buchner, T. W. (2007). Performance management theory: A look from the performer’s perspective with implications for HRD. *Human Resource Development International*, 10(1), 59–73. <https://doi.org/10.1080/13678860601170294>
9. Chahal, H., & Bakshi, P. (2015). Examining intellectual capital and competitive advantage relationship: Role of innovation and organizational learning. *International Journal of Bank Marketing*, 33(3), 376–399.
10. Christian, M. S., Garza, A. S., & Slaughter, J. E. (2011). Work Engagement: A Quantitative Review and Test of Its Relations with Task and Contextual Performance. *Personnel Psychology*, 64(1), 89–136. <https://doi.org/10.1111/j.1744-6570.2010.01203.x>
11. Davis, P. J. (2017). How to realize strategy and build competitive advantage through your people: increase resource heterogeneity; decrease resource mobility. *Human Resource Management International Digest*, 25(4), 7–9.
12. Dollard, M. F., & Bakker, A. B. (2010). Psychosocial safety climate as a precursor to conducive work environments, psychological health problems, and employee engagement. *Journal of Occupational and Organizational Psychology*, 83(3), 579–599. <https://doi.org/10.1348/096317909X470690>
13. Ellemers, N., De Gilder, D., & Haslam, S. A. (2004). Motivating Individuals and Groups at Work: A Social Identity Perspective on Leadership and Group Performance. *Academy of Management Review*, 29(3), 459–478. <https://doi.org/10.5465/amr.2004.13670967>
14. Guest, D. (2014). Employee engagement: a sceptical analysis. *Journal of Organizational Effectiveness: People and Performance*, 1(2), 141–156. <https://doi.org/10.1108/JOEPP-04-2014-0017>
15. Guest, D. E. (1997). Human resource management and performance: a review and research agenda. *The International Journal of Human Resource Management*, 8(3), 263–276. <https://doi.org/10.1080/095851997341630>
16. Hallberg, U. E., & Schaufeli, W. B. (2006). “Same Same” But Different? *European Psychologist*, 11(2), 119–127. <https://doi.org/10.1027/1016-9040.11.2.119>
17. Harter, J. K., & Blacksmith, N. (2010). Employee engagement and the psychology of joining, staying in, and leaving organizations. In *Oxford Library of Psychology. Oxford handbook of positive psychology and work* (pp. 121–130). New York, NY, US: Oxford University Press.
18. Inceoglu, I., & Warr, P. (2011). Personality and Job Engagement. *Journal of Personnel Psychology*, 10(4), 177–181. <https://doi.org/10.1027/1866-5888/a000045>
19. Jiang, K., Lepak, D. P., Hu, J., & Baer, J. C. (2012). How Does Human Resource Management Influence Organizational Outcomes? A Meta-analytic Investigation of Mediating Mechanisms. *Academy of Management Journal*, 55(6), 1264–1294. <https://doi.org/10.5465/amj.2011.0088>
20. Judge, T. A., & Bono, J. E. (2001). Relationship of core self-evaluations traits--self-esteem, generalized self-efficacy, locus of control, and emotional stability--with job satisfaction and job performance: A meta-analysis.

- Journal of Applied Psychology*, 86(1), 80–92. <https://doi.org/10.1037//0021-9010.86.1.80>
21. Judge, T. A., Heller, D., & Mount, M. K. (2002). Five-factor model of personality and job satisfaction: A meta-analysis. *Journal of Applied Psychology*, 87(3), 530–541. <https://doi.org/10.1037/0021-9010.87.3.530>
 22. Kahn, W. A. (1990). Psychological Conditions of Personal Engagement and Disengagement at Work. *Academy of Management Journal*, 33(4), 692–724. <https://doi.org/10.5465/256287>
 23. Khatri, N. (2000). Managing human resource for competitive advantage: a study of companies in Singapore. *International Journal of Human Resource Management*, 11(2), 336-365.
 24. Lundberg, C. C., & Young, C. A. (1997). Newcomer Socialization: Critical Incidents in Hospitality Organizations. *Journal of Hospitality & Tourism Research*, 21(2), 58–74. <https://doi.org/10.1177/109634809702100205>
 25. Luthans, F., Avey, J. B., Avolio, B. J., & Peterson, S. J. (2010). The development and resulting performance impact of positive psychological capital. *Human Resource Development Quarterly*, 21(1), 41–67. <https://doi.org/10.1002/hrdq.20034>
 26. Macey, W. H., Schneider, B., Barbera, K. M., & Young, S. A. (2011). *Employee Engagement: Tools for Analysis, Practice, and Competitive Advantage*. John Wiley & Sons.
 27. Mao, H., Liu, S., Zhang, J., & Deng, Z. (2016). Information technology resource, knowledge management capability, and competitive advantage: The moderating role of resource commitment. *International Journal of Information Management*, 36(6), 1062-1074.
 28. May, D. R., Gilson, R. L., & Harter, L. M. (2004). The psychological conditions of meaningfulness, safety and availability and the engagement of the human spirit at work. *Journal of Occupational and Organizational Psychology*, 77(1), 11–37. <https://doi.org/10.1348/096317904322915892>
 29. Rich, B. L., Lepine, J. A., & Crawford, E. R. (2010). Job Engagement: Antecedents and Effects on Job Performance. *Academy of Management Journal*, 53(3), 617–635. <https://doi.org/10.5465/amj.2010.51468988>
 30. Saengchai, S., Siriattakul, P., & Jermsittiparsert, K. (2019). The Mediating Role of Employee Engagement between Team and Co-worker Relation, Work Environment, Training and Development and Employee Performance. *International Journal of Psychosocial Rehabilitation*, 23(4), 853-864.
 31. Saks, A. M. (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, 21(7), 600–619. <https://doi.org/10.1108/02683940610690169>
 32. Schaufeli, W. B., Salanova, M., González-romá, V., & Bakker, A. B. (2002). The Measurement of Engagement and Burnout: A Two Sample Confirmatory Factor Analytic Approach. *Journal of Happiness Studies*, 3(1), 71–92. <https://doi.org/10.1023/A:1015630930326>
 33. Simpson, M. R. (2009). Engagement at work: A review of the literature. *International Journal of Nursing Studies*, 46(7), 1012–1024. <https://doi.org/10.1016/j.ijnurstu.2008.05.003>
 34. Sparrow, P. (2013, October 30). Strategic HRM and employee engagement. <https://doi.org/10.4324/9780203076965-15>
 35. Sparrow, P., Schuler, R. S., & Jackson, S. E. (1994). Convergence or divergence: human resource practices and policies for competitive advantage worldwide. *International Journal of Human Resource Management*, 5(2), 267-299.
 36. Sun, L.-Y., Aryee, S., & Law, K. S. (2007). High-Performance Human Resource Practices, Citizenship Behavior, and Organizational Performance: A Relational Perspective. *Academy of Management Journal*, 50(3), 558–577. <https://doi.org/10.5465/amj.2007.25525821>
 37. Wright, P. M., Gardner, T. M., Moynihan, L. M., & Allen, M. R. (2005). The Relationship Between Hr Practices and Firm Performance: Examining Causal Order. *Personnel Psychology*, 58(2), 409–446. <https://doi.org/10.1111/j.1744-6570.2005.00487.x>
 38. Zacharatos, A., Barling, J., & Iverson, R. D. (2005). High-Performance Work Systems and Occupational Safety. *Journal of Applied Psychology*, 90(1), 77–93. <https://doi.org/10.1037/0021-9010.90.1.77>