

**UNDERSTANDING HR PRACTICES IN THE PERUVIAN
INSURANCE CONTEXT AND THEIR EFFECT ON EMPLOYEE
SATISFACTION**

Fernando Antonio Ames Chauca (10534505)

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Declaration

'I, Fernando Antonio Ames Chauca, declare that this dissertation that I have submitted to Dublin Business School (DBS) for the award of Master of Business Administration (MBA) is the result of my own work and investigations, except where otherwise stated, where it is clearly acknowledged by references, Furthermore, this work has never been presented to any other institution or university for any other degree'

Signed: Fernando Antonio Ames Chauca

Student Number: 10534505

Date: 25/08/2020

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Abstract

The relationship between human resource practices to performance and organization's achievements has been widely studied. But today, human capital has become the most valuable assets in organizations, this research study focuses on the impact of human resource practices on employee job satisfaction rather than only on organizational performance. Primary qualitative data was collected through in depth semi-structured interviews with line managers in a multinational insurance company operating in Peru. It was found that the company has an employee-oriented approach and practices with positive relation between employee satisfaction and both individual and organizational performance. Moreover, communication, training, and non-monetary rewards as main practices implemented, involvement of line managers as a key factor in this successful implementation. The main contributions of this study are the empirical findings and a conceptual framework, which gives priority to practices to enhance employee satisfaction improving individual and organization performance.

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1. Introduction

In the current business world employee's well-being and satisfaction are crucial for organizations to achieve their objectives and improve their performance. People's dissatisfaction rate could be a problem for organization's success and sustainability in the long-term due to a high turnover rate, absenteeism or low employee performance which finally impact on organization financial cost and performance.

Particularly in the Insurance industry context, which is an important sector of the global economy; in the last decades European insurers have expanded their presence and business not only within Europe but also beyond Europe's borders. In 2018 these companies, generated €1 311bn in premium income in Europe alone, and had invested €10 186bn in the economy (Insurance Europe, 2020). Moreover, recently in the Irish context, Ireland is in the top six insurance markets in Europe and the second largest for reinsurance, the contribution of this sector to the Irish economy and the workforce future is substantial; insurers offer protection against a wide variety of risks, without insurance, many aspects of modern societies and economies could not functions (Insurance Ireland, 2020).

In Latin America this is one of the most important industries, which has been growing over the years, attracting international companies to the region. In 2017 the annual premium of the region was USD 158.5 billion with a growth of 9.3% in that year. Despite the penetration index is low, in average is 2.17% (The Digital Insurer, 2018), it is an opportunity to growth because is an unattended market which its average income has been growing in the last years.

In this region, the Peruvian economy is one of the fastest-growing economies in the last years; 5.85% in 2013, 3.95% in 2016 and 3.97% in 2018 World Bank (2020). In this context, the insurance industry in Peru is one the fastest-growing as well, last year the total premium income of the industry was USD 4.141M (America Economia, 2020; APESEG, 2020a), growing 9.7% from 2018. But despite this important growth the industry could further improve its participation in the national economy. According to APESEG, the Peruvian association of insurance companies, the ratio premium/GDP is still low at only 1.7% in 2018 in comparison with other country such as Chile 4.6% and Brazil 3.9% during the same period (APESEG, 2020b). According to the regulator, the Peruvian insurance industry is formed by 20 companies by the first trimester in 2020 (SBS, 2020). This study aims to examine the HR practices implemented by an organization in the Peruvian insurance context. This company is a multinational company operating in Peru with more than 50 years in the global market. Its headquarters is based in France and it has offices in more than 70 countries around the globe. Its business model is B2B (business to business) mainly in credit insurance policies.

This industry is facing several interrelated challenges in a constantly changing international economic environment: employee dissatisfaction is an issue that organizations are facing (Society for Human Resource Management, 2020a) and which could lead not only to low employee performance but also turnover intentions. This result shows that most of the surveyed organizations are concerned about talent management, which makes attracting and retaining key talent one of the biggest challenges in organizations. In 2019 this was considered as the top priority by 85% of Irish HR leaders (PricewaterhouseCoopers, 2019a).

According to Great place to Work Institute in Peru, organizations focusing on their human capital get better positions than their competition in the market (Great Place to Work, 2020). But in a recently survey conducted in Peru, only 24% of employees are satisfied within the organization where they work (La Republica, 2020).

Consequently, in order to improve employee job satisfaction and avoid a high turnover intentions rate, HR policies and practices have a key role in the organizations strategies. There are many factors such as training and development, pay and benefits satisfaction, work-life balance, communication, career opportunity, job challenge, etc. that impact employee satisfaction (Bano et al., 2020; Bogićević Milikić, 2019; Hackman and Oldham, 1974; Jean E. Wallace, 1995; Ma et al., 2016). With well-being or job satisfaction prioritized in the workplace is possible to predict low turnover rate (Bing Ma et al., 2020), and low absenteeism which will provide stability and better performance to the organization (Hailu Merga and Tilahun Fufa, 2019; Ma et al., 2016; Ran Xiong and Yuping Wen, 2020). With lower turnover and longer tenure, companies are more likely to invest in developing their workforce; then trained employees are more likely to stay with the firm.

In addition to this, despite the currently awareness and efforts by the HR department in organizations to implement the best HR practices, global employee engagement keeps trending low at 53% (Qualtrics, 2020). This led us to think about the importance not only of the HR practices implementation but their effectiveness.

Previous research probes the link between high performance work practices and an organization's performance (Becker and Gerhart, 1996; Becker et al., 1997; Huselid, 1995; Pfau

and Cohen, 2003), affecting well-being (Grant et al., 2007) and affecting job satisfaction (Aktar, 2016; Božović et al., 2019; Chopra, 2017; Fey et al., 2000; Mufeed, 2019; Pavan and Narasimha Reddy, 2016; Raina and Britt Roebuck, 2016). Most authors who addressed the positive effect of high performance work practices (HPWP) are looking at training and reward system as stand up practices impacting job satisfaction.

Considering the factor described above and the Peruvian insurance company in the Peruvian industry context, this case study aims to discover the following:

1. What are the most important high performance work practices used in the company to improve employee performance?
2. How do these HPW practices affect job satisfaction?
3. What are the challenges to HR's role in the organization in the Peruvian insurance industry context?

The aim of the current study was to identify and understand the HR practices carried out to increase job satisfaction and their effectiveness in the company within the Peruvian insurance industry context, specially due to the fact that there is a lack of information or research based on job satisfaction in Peru. Moreover, the researcher aimed to identify if the Peruvian company is promoting a culture of high-performance practices in order to secure not only the organization's success and performance but a higher work well-being or employee experience.

2. Literature Review

2.1 Literature Introduction

The objective of the literature review chapter is to examine and present concepts, theories, models or ideas based on previous studies as a framework or background of the research questions. There is an important number of previous academic papers or studies related to HR practices, well-being and job satisfaction; and it is important to understand them in order to evaluate their relationship and effects in the Peruvian insurance industry.

To achieve this, first an approach to HR management is presented, paying special attention to High-performance work practices and its link to improvements in employee and organization's performance. Moreover, two specific set of HR practices, training and reward system will be examined. Finally, concepts such as, the impact of well-being and job satisfaction on performance were discussed.

2.2 High Performance Work Practices

2.2.1 High Performance Work Practices and their effect on performance.

The study of HR management started in mid-1970 in the United States as a consequence of a growing recognition of the importance of human resources to organizations' success. After that, organizations began to view human resource professionals as partners "who should be involved in the strategic decision making processes of the firm" (Schuler and Jackson, 2005, p. 12).

Two HRM approaches were developed. The “Harvard Model” (Beer et al., 1984) focused on the employee role as the most valuable resource of the organization; encouraging employers to implement pro-employee HR policies in order “to ensure the attraction, retention and development of committed, high-performing employees” (Gunnigle et al., 2017, p. 34). The second approach was the “Michigan Model” which focused on the organization’s performance integrating HRM considerations as a complement of business strategy. But the Michigan Model’s emphasis was on strategic or organization productivity as main outcome of the models, rather than human capital satisfaction, focusing on the financial return to shareholders instead of the creation of economic value through and within the organization (Beer et al., 2015, p. 429).

Several studies’ findings and implications emphasize the importance of human resource management practices in creating and supporting competitive advantage. Aligned with the organization’s competitive strategy, these studies examined the impact of the different high performance work practices on a greater productivity and financial performance at the organizational level instead of their workforce satisfaction or employee experience. The final result is an HRM system focus on business priorities, such as profits, growth, and market value (Becker and Gerhart, 1996; Becker et al., 1997; Huselid, 1995; Pfau and Cohen, 2003).

In a more recent study, Beer criticized that most of human resource management (HRM) in the last 30 years have developed with a narrow focus on an economic paradigm coming to drive organizations’ theories on performance and strategy, defining outcomes mainly from the economic value point of view and neglecting employee and societal well-being (Beer et al., 2015).

Serafeim argues that the role of corporations should be contributing to society “by balancing different stakeholders’ interests, instead of maximizing profits”(Serafeim, 2014, p. 19).

Nevertheless, Beer criticized the narrow financial focus of the HRM and argued that the Harvard model takes a definition of multiple stakeholders considering employee influence as a central aspect of the HRM policy choices. He highlighted the limitations of the model in the current world and suggested that HRM researchers should be required to identify the way HRM practices affect employee and societal well-being as well (Beer et al., 2015, p. 435). A change in the approach to employee satisfaction and wellbeing as outcomes of HR practices instead of mere long-term consequences, due to the fact that the concept, importance or role of job satisfaction is somewhat lost.

Since then, the HR function has taken a strategic positioning over the years not only within organizations but in academic stages. It has been a central focus to many studies that developed different approaches, one of which was the “Best Practice” or universalistic approach, which is believed to be rooted in the “Harvard Model” (Beer et al., 1984). The best practices HRM was led largely by Pfeffer, who described the best HRM practices that can yield performance such as higher profits, greater market-share, etc. He identified seven practices – employment security, targeted selection, workplace teams and decentralization, high pay contingent on organizational performance, employee training, reduction of status differentials and business information-sharing with employees - which are a standard set of HR practices that should be adopted by any organization (Pfeffer, 1998).

Pfeffer's work has been linked with the concept of High-performance work systems (HPWS), which is often defined as a systematic set of interconnected HR policies or practices that enhance employee effectiveness in order to ensure the achievement of the organization. This HPWS has been defined with different kinds of names like "high-involvement work systems, flexible work systems, high commitment/involvement work systems, etc." (Varma et al., 1999, p. 27). An important criticism of best practices approaches is the lack of definition of one system or a precise mix of HR practices (Combs et al., 2006). Moreover, the high financial cost that this HR practices implementations involve.

There are many studies that have shown the link between HR management and organizations' performance (Ceylan, 2013; Hauff et al., 2014; Kanta and Srivalli, 2018; Sharma and Nargotra, 2018), as well as studies of the relationship between HPWS and performance (Huselid, 1995). Thus, based on qualitative data from the information and communication technology industry in Ireland and UK, Monks (2013) highlighted two HR philosophies: Commitment-based HR configuration, which seeks to enhance employee capabilities and Productivity-based HR configuration, which seeks to maximize employee productivity and efficiency. She concluded that both with their own characteristics may ensure the performance or outcome expected, but her study observed that even if its effectiveness is not negated, the productivity-based HR system was the most disliked by employees (Monks et al., 2013). This may be due to the fact that Commitment-based system approaches are more pro-employee through strong implementation of HR practices such as: job design, recruitment, training, performance appraisal and reward system.

Following this, there is a discussion related to the importance that all these theories and models should focus on one important factor: employees, workforce or human capital, as mentioned above. Some of the criticism of these models is that they mainly focus on organization performance as an outcome of their HR practices implementation, giving employees a secondary role. Thus, these criticisms highlighted that the HR practices aim to achieve positively outcome to the organization but affecting negatively the employee well-being (Bing Ma et al., 2020; Guest, 2017, 2011; Messersmith et al., 2011).

Guest argues for the importance of prioritizing employee well-being (Guest, 2017). Similarly, some studies have focused on the primary effect of HR practices on employees' behaviors and then organizational outcomes such as financials (Rana and Javed, 2017). These primary effects on employee attitudes and behaviors are well-being and job satisfaction, concepts that will be reviewed later.

These employees' outcomes, job satisfaction and well-being, can be achieved through the implementation of a set of HR practices in the framework of the high performance work practices, but even within these studies on high performance work practices there is no consensus as to a set of unified practices that can be universally used for all businesses. Pfeffer suggested seven as mentioned before above, while Purcell in his 'People and Performance Model' expanded these to eleven practices which include job security, career opportunity, performance appraisal, training and development, recruitment, pay satisfaction, work/life balance, job challenge, team working, involvement and communication (Purcell et al., 2008). In his study, Guest summarizes four HR practices to promote employee well-being: investing in

employees, providing engaging work, positive social and physical environment, voice and organizational support (Guest, 2017).

In a way to simplify all these possible practices, Rana and Javed, developed their study about HPWS and employee well-being in the Pakistani insurance industry based on AMO framework (Rana and Javed, 2017). They highlighted that it has been debated which HR practices should constitute a High Performance Work system but no consensus achieved. Their study found that employee performance depends on three factors: improved ability and skills (A), motivation (M), and adequate empowerment and opportunity to be part in the decision making (O) these factors can be driven through practices such as recruitment, training, career opportunities, performance management, involving employees in decision-making, communication, teamwork and competitive compensation. Their study focused on the role of employees as a link between all these HR practices and the outcomes at the organizational and individual level, thereby examining not only the employee perception of these HR practices implemented and their positive effect but the potential negative effect of the systems such as excessive job demands, affecting happiness, job satisfaction, well-being and commitment.

Finally, Ferris et al., (2004) concluded that HR continues to mature, and probably there may not be just one theory or model to be implemented, given that HR is a broad and complex field (Ferris et al., 2004). However, in summarizing the criticism, two practices stand out: training as a policy of investing in employees and reward system and their impact on motivation and job satisfaction.

2.2.2 HR Practices

2.2.2.1 Training and development as a High Performance Work Practice

Training and development is an important high performance work practice in the current business environment characterized by global competition and uncertain economic changes, where workforce - with its skills, competencies, and experiences - has become the most important factor for gaining sustainable organization success. According to a survey to Irish HR leaders (PricewaterhouseCoopers, 2019a) organizations are experiencing talent and skills shortages. 75% of HR leaders in Ireland are facing talent constraints, and 68% are expecting to suffer it in 2020 as well. Moreover, 85% of respondents mentioned attracting and retaining key talent was their top HR challenge in 2019. At the same time 84% of Irish CEO's pointed availability of key skill as their top business threat.

Previous studies looked at the importance and the impact of training and development on both employee and organization performance, considering this HR practice as an indispensable strategic tool to be more productive and achieve better result building competitive advantage (Berber and Slavić, 2016; Birdi et al., 2008; Falola et al., 2014; Morley et al., 2016; Slavic and Berber, 2019). Companies have to conduct assessments that identify employee's strengths and weaknesses in order to build training programs that fit with the organization's strategy and needs as well as with the employee's needed skills to improve her/his performance (Suttapong et al., 2014).

It seems that organizations realize the necessity of these assessments. For that reason they are increasing their investment in strategic workforce planning to improve skills and

competencies. 40% of Irish HR leaders expect to identify specific skills and competencies required in their future workforce as an outcome of their strategic plan (PricewaterhouseCoopers, 2019a).

Deloitte, in its latest Global Human Trend report, remarked the importance of renewing employees' skills not just a tactical necessity but as a strategy for building worker and organizational resilience, equipping both with the necessary skills to face an uncertain future; specially when the perceived importance of Reskilling (74%) exceeded by far organizational readiness with 32% (ready) and only 10% (very ready). This number up to 75.1% in the Financial services industry (Deloitte, 2020a).

Following the findings of Deloitte report, another significant piece of research "HR Update 2019: Key pay and workplace trends" (IBEC, 2020, p. 12) found that training and development (49%) and attracting the right employees (48%) were in the top five only behind employee engagement (53%). Talent management (35%) and retaining/up skilling of employees (15%) were listed as well as priorities for the present year.

These 2020 reports - and the current economic climate- suggest the importance of revisiting high performance work practices (training being one of them). These reports support the necessity of having training and development as a high performance work practice in 2020, which will foster the development of the economy too.

These reports focus mainly on the relation or importance of training programs on employee and organization performance, but the effect in job satisfaction or well-being is somewhat lost. Several studies have shown the effect of HR practices such as training on the employee job satisfaction level, those studies have been conducted in different sector of the

economy such as IT sector in India (Pavan and Narasimha Reddy, 2016) employees from private banking sector (Chopra, 2017) teaching personnel from a cluster of colleges (Mufeed, 2019) and foreign firm operating in Russia (Fey et al., 2000).

All of them concluded that organizations should include education, training and employee development in their HR strategy because all these practices have an important correlation with employee job satisfaction level and an effect in variables such as low turnover rate and absenteeism. For this reason, training should play a key role not only in the level of satisfaction of the employees but in the organization's performance and sustainability.

2.2.2.2 Reward System as a High Performance Work Practice

Reward systems have been an important factor on employee's satisfaction and performance. The impact of reward management as a high performance work practice should not be understood just as the employee's payment or benefits. Actually reward management is about the design, implementation and evaluation of practices, policies and procedures to recognize employee's contribution to achieve organization's objectives (Armstrong and Taylor, 2014, p. 364). Moreover, a clear understanding of what is recognized, why, when and by whom is crucial in the implementation but also in the effectiveness of a reward system outcomes (Bragg, 2000).

Reward is composed of two categories: intrinsic and extrinsic, both together are the total organization's reward system. Intrinsic reward are those that exist in the job itself related to employee psychological mind-set such as achievement, responsibility, autonomy, recognition from colleges and superiors and self-esteem. Whilst extrinsic rewards are monetary and

nonmonetary rewards such pay, promotions, job security, pay raises, etc. (Martocchio, 2015; Özutku, 2012).

Research by Martono et al. (2018) studied the effect of a remuneration reward system on employee performance with job satisfaction and motivation as mediators. The study found a positive influence of remuneration reward system on employee performance, employee motivation and employee job satisfaction. “The better their perception towards the remuneration they receive, the higher their satisfaction in working” (Martono et al., 2018, p. 543). In other words Martono focused on the role of extrinsic rewards as drivers to improve employee satisfaction and performance.

In order to get effective results, all HR practices must fit with the overall organization strategy and culture (Kaya, 2006; Suttapong et al., 2014). Bragg (2000) suggests that reward system must support organizational objectives, must impact positively on performance and performance should focus on customer experience. The reward system should be aligned with the organization’s strategy to motivate employee performance, attracting and retaining the human capital with the skills and capabilities needed to achieve the firm’s strategic goal, creating a supportive culture and structure (Özutku, 2012).

Additionally, Bragg suggests another principle for an effective reward system: it must be fair, it has to promote cooperation/team work with the idea of win-win, it must be effective any time (in good and bad) (Bragg, 2000). Even when Bragg suggest that the reward system has to promote cooperation and teamwork, in practice most rewards are given in an individual basis as a recognition of a remarkable achievement usually based on personal skills or behaviors, but this

is opposite to the 'teamwork' idea. For this reason, it is also proposed a combination of group rewards and individual rewards in order to promote team satisfaction (Campbell-Allen et al., 2008).

Studies have shown that a reward system can drive important organization's results, changes in organizational culture and maybe, more important, bring employee satisfaction, affective commitment, reducing turnover rate (Campbell-Allen et al., 2008). According to the previous survey mentioned by SHRM (Society for Human Resource Management, 2020b), employees considered that poor reward system like weak compensation/pays as the main and first reason (56%) to leave the organization. So this HR reward practice could make a difference between satisfaction and dissatisfaction and their effect in the decision to leave or stay within the organization. This become more critical when the survey shows that the second reason is 'benefits, the overall package' (29%) followed by job security (25%). It is also important to highlight that the first reason to stay in the organization was compensation/pay (44%), opening opportunities and challenges to the organization. A recent report conducted within Irish organizations about their HR priorities for 2020, compensation and benefits was pointed like one of the most important by 22% of the surveyed (IBEC, 2020, p. 12). Therefore, it would seems that extinct rewards tend to be very strong in relation to impact on job satisfaction or dissatisfaction.

However, SHRM, in its Implementing Total Rewards Strategies report (Society for Human Resource Management, 2019a), considers that not only compensation rewards (monetary) are part of this system, which includes also benefits such as health, welfare, retirement programs and personal growth such as training and career development. (Non-monetary) training appears

not only as a HR practice but as part of the intrinsic reward system. In “2018 Employee Benefits: the evolution of benefits” (Society for Human Resource Management, 2020c) SHRM pointed that benefits as a reward are important and have an effect in employee satisfaction. By 2018, organizations increased their benefits in health-related (51%), wellness (44%) and professional and career development (32%). Moreover 86% of employees indicated that professional and career development benefits were important to overall job satisfaction. The emphasis in the intrinsic reward.

Other studies have focused on the effects of pay-level satisfaction to employee satisfaction. To build a committed employee the organization must first ensure a pay-level employee satisfaction. But it is almost impossible or at least quite difficult that organizations meet all the pay-level expectation of all their employees, thus, instances of low pay-level satisfaction would be inevitable for organizations (Schreurs et al., 2013). This is certainly true especially for small organizations which may not have the enough financial budget as bigger companies to face this issue. However, another finding on Schreurs study was that a decision-making environment mitigated the negative effects of low pay-level satisfaction. The low pay-level satisfaction did not disappear but its negative effects were less pronounced in high decision-making environment organizations (Schreurs et al., 2013).

This lead to the point that there are no only one set of HR practices applicable in order to get employee satisfaction. One objective of this study is to explore the set of HR reward practices implemented by the case-study company in the Peruvian insurance context. Therefore in an investigation of job satisfaction, it is quite complex to understand which factors truly affect job

satisfaction. If they are extrinsic rewards such as compensation or intrinsic ones such as training and development.

2.3 High Performance Work Practices effect on Job Satisfaction

Employees have attitudes about different aspects within the organization, such as the work they do, salary, career path, reward system, top management, co-workers' relationship, recognition, etc. But probably one of the most important attitudes within any organization is job satisfaction, which is a general attitude toward the job. It is believed that dissatisfied employees have negative attitudes towards their jobs while high level of job satisfaction in employees bring positive attitudes towards the job. When employees face high levels of stress, especially in the current uncertain economic landscape due to the COVID-19 pandemic, satisfaction in the workplace become a key element of employee motivation (Jarupathirun and De Gennaro, 2018).

Moreover, dissatisfaction in the work place or the lack of job satisfaction could drive turnover intentions affecting organization performance. To avoid this situation, the role of management is crucial in creating a work environment or well-being that conduct and encourage job satisfaction (Villanueva and Djurkovic, 2009). Diverse studies reinforce the mentioned by Villanueva and Djurkovic, job satisfaction not only could predict a low turnover rate but a lower level of absenteeism as well (Hailu Merga and Tilahun Fufa, 2019; Ma et al., 2016; Ran Xiong and Yuping Wen, 2020), allowing the organization to save resources and improve the organization's stability and continuity (Ristovska and Eftimov, 2019). Their study highlights that high level of productivity and profits can be driven by motivated employees.

From the studies mentioned above, it is possible to identify the relationship between employee job satisfaction and its effect on organization's performance. But how organization can achieve employee satisfaction?

Diverse theories have been conducted about this topic in order to understand and identify employee's motives and needs because motivation could generate positive workplace behavior. Herzberg was concerned about the relationship between work and job design on motivation, he considered it was possible to improve employee's motivation through job satisfaction. Herzberg (1968) in his 'dual factor theory of work motivation' considered there are factors that produce satisfaction and dissatisfaction in the workplace, if the organization has the ability to build a job that bring employee satisfaction then it will achieve high level of performance.

The implication in Herzberg's model is that he considered that high level of job satisfaction could be achieved only promoting motivator factors such as achievement, recognition, work itself, responsibility, advancement and growth; and ensuring that job context factors (salary, supervision, interpersonal relations, policy and administration and working conditions) were appropriate. In other words management has only one tool to achieve job satisfaction, the job content factors. But there is some criticism about this assumption, even when these job context factors (according to Herzberg) cannot provide satisfaction, instead only decrease the level of dissatisfaction.

Following this line, there are several studies about the effect of HR practices on employee job satisfaction, each of them with their particular characteristics. For example, a study in Bangladesh founded that the HR practices implemented impacted on job satisfaction in different

ways between private commercial banks and state-owned banks (Aktar, 2016). In the same sector but in Serbia, Bozovic defined job satisfaction as “an emotional response that will results in broad behavioral actions towards working environment” (Božović et al., 2019, p. 69). She studied the correlation between HR practices (nine set HR practices were used in her model) to job satisfaction in the Serbian banking employees. In spite of the important number of HR practices included in her model, she pointed that one limitation was to cover all the HR practices of the organizations that were part of the study. This led her to point that there are different set of HR practices that organizations can build according to their context in order to achieve employee job satisfaction.

Raina and Britt conducted their study in the insurance industry in India, focusing on communication as HR practice and its effect on job satisfaction. In a country where the government has just liberalized the insurance industry in March 2000, communication has a key role in an organizational setting, for example, taking “advantages” of employee’s suggestions regarding how to improve different procedures or solving-problem. The study highlights that positive perceptions in relation to communication can boost employee job satisfaction, increase trust in the firm, and gain more supportive employees toward organization’s goals and actions. Therefore this positive correlation between these two variables could drive results such as promoting employees’ involvement, improving their performance and loyalty to the organization as well as decreasing employee turnover (Raina and Britt Roebuck, 2016).

Some HR practices do not necessary involve expenses but an organizational culture, such as communication which has just been described or non-financial rewards. Haider in his study

found out a positive correlation between rewards and employees job satisfaction, he explained that employee job satisfaction has a prodigious importance because motivated workforce is a crucial assets for companies. Moreover,, non-financial rewards supports to create a gratified employee come in the way of participate in decision making, job significance and autonomy as well as recognition. Additionally, it was found that nonfinancial rewards such as flexible working hours or additional holidays within others, improve employee motivation, encourage a positive culture and loyalty to the firm (Haider et al., 2015).

On the other hand, recently studies have shown that for example salary or compensation factors are becoming “increasingly influential on job satisfaction and motivation” (Evans and Olumide-Aluko, 2010; Roy, 2019; Rynes et al., 2004). According to Cristen et al. (2006) organizations in their aim to maximize financial performance seek to achieve employee job performance, which could be affected by employee effort and ability. One way to improve employee effort and ability is through some HR practices such as compensation, that at the end potentially will affect employee job satisfaction (Christen et al., 2006). Moreover, (IBEC, 2020) highlighted compensation/pay as the first reason given by employees to stay in the organization related to their satisfaction within their workplace.

This led us to an interesting debate about what really improve employee job satisfaction, in one side academic authors such as Herzberg and others (Haider et al., 2015; Raina and Britt Roebuck, 2016), found out the intrinsic factors as the most important and effective in order to promote employee satisfaction, but Practitioners showed that actually employees achieved

satisfaction in their work and even a reason to stay based on extrinsic such as job security, compensation, pay satisfaction and benefits (IBEC, 2020).

To summarize it is important to highlight that those studies have their own limitations, but encourage and opens up several new avenues for HRM research. Not only to confirm their finding in relation to the impact of HR practices on job satisfaction but in exploring new relationship considering a variety of set variables.

Finally, job satisfaction have a crucial role in the current uncertain economic environment, where the COVID-19 represents challenge not only for employees but for organizations taking the right practices and measurement in order to ensure a healthy and safe work place to their employees. For example 68% of organizations mentioned that probably or definitely will implement broader work from home practices or policies (Society for Human Resource Management, 2019b). This action could impact on employee satisfaction, then talent strategies will be required to reflect pros and cons of remote working. (Deloitte, 2020b) highlight the impact of COVID-19 on the insurance industry's profitability and one of the implications would be "digitalization, cloud and automation agenda", this digital transformation will have effect on employee satisfaction in their level of stress or job security just to mention something. On the other hand 51% of HR professionals feel their work is more appreciated than before the pandemic (Society for Human Resource Management, 2019b) that could be consider as a "positive effect".

Therefore, the challenges to achieve job satisfaction are in constantly changes especially in the insurance industry, the identification and used of the best high performance work practices is probably one of the biggest challenge for the HR leaders in this industry.

2.4 High Performance Work Practices effect on Well-being

The High performance work practices have positive effects on employee well-being because these practices send a message of the employee importance and value by the organization, creating an environment where employees fell enhanced and motivated (Ogbonnaya et al., 2017).

In the last years there has been an increasing global interest about well-being as well as well-being at work. Within the business world, well-being has awakened the interest because its importance in both individual and organizational implications. According to the last HR practices in Ireland report surveyed considered employee well-being as strategy issue with 48% of senior leaders keeping it on 'agenda', been an important increase from 33% in 2019 (CIPD, 2020a), but on the other hand only 22% of organizations have a formal strategy in place in relation to well-being, while 48% do not have any strategy at all (IBEC, 2020, p. 24).

Due to the diverse disciplines involve, provide a simple definition can be a challenge, some studies define it as a multi-disciplinary area (Kowalski and Loretto, 2017), other as multi-dimensional phenomenon (Van Horn et al., 2004) this conceptualized in different ways raise as a reason of lack consensus of definition.

For purposes of this study it will be considered the definition given by The Chartered Institute of Personnel and Development (CIPD) which defines well-being at work as 'creating an

environment that actively promotes a state of contentment, benefiting both employees and the organization' (CIPD, 2020b). To sustain this mutual beneficial well-being, it is necessary to identify which HR policies or practices will be implemented and evaluated in order to understand how this well-being achieve employee satisfaction and engagement and vice versa . To achieve employee satisfaction and therefore good performance, organizations have to create value and necessary conditions/environment through the promotion of their employee well-being, but even when there is some evidence of HR practices – employee well-being relationship, there are some gaps in understanding a high quality work definition and its relation with well-being.

According to 2020 Health and well-being at work survey report (CIPD, 2020c), three-fifths of organizations in UK had seen an increase in the number of common mental health cases in the workplace, such as anxiety and depression, among employees within the last year. These numbers have been increasing over the past 10 years and facing a global recession due to the COVID-19 the probability is that this number will be even higher. This situation has led to an increased awareness of the importance of employer well-being practices in order to improve the psychosocial and physical aspects on employees' health and well-being.

A study conducted by Wright and Cropanzano tested their hypothesis that the happy-productive worker deliveries a higher performance. They found that “psychological well-being was shown to be more predictive of performance than job satisfaction... job satisfaction provides less of a test of happiness, because job satisfaction scales typically do not contain any items that directly assess happiness” (Wright and Cropanzano, 2000, p. 91). They did not find enough

support of the relationship between well-being and job satisfaction but suggested to carry out additional research.

One of these studies was conducted in The Netherlands, well-being was described as a multi-dimensional phenomenon structured in five dimension: affective, professional, social, cognitive and psychosomatic, from the first two dimensions (affective and professional well-being) it was found a strong relationship between well-being to satisfaction, organizational commitment, competence and autonomy; concluding that affective well-being was the most central aspect of occupational well-being (Van Horn et al., 2004). It is in this terms that the present study explored well-being and its relation with employee satisfaction and engagement.

These studies have converged on social, physical and psychological as the three core dimensions of well-being. The psychological dimension include Employees' satisfaction related with workplace practices (Grant et al., 2007). Grant in his study examined the way managerial practices can lead to well-being, focusing on: enriching tasks (Work Redesign Practices), increasing rewards (Incentive Compensation Practices), improving relationships (Team-Building Practices) and enhancing health (Safety Practices). It is very interesting the suggestion that these practices could cause well-being tradeoffs by improving one aspect of well-being, while decreasing another. For example enriching tasks enable employees to get feelings of meaningfulness, autonomy and personal responsibility; increasing the level of job satisfaction but at the same time these new challenges could lead to strain, stress or fatigue, affecting their well-being. For this reason, measuring the effects and effectiveness of the HR practices is a key point within HPWP in any organization.

Another interesting study is the one proposed by Nanda and Randhawa, whom based on the psychological approach introduce Emotional Intelligence (EI), exploring its relationship with three dimensions of psychological well-being: job satisfaction, affective organizational commitment and emotional exhaustion. This review concluded that there is a strong correlation between EI with well-being and these sub-constructs of well-being, moreover the study found that these sub-constructs are related to some characteristics of Employee behavior such as Job performance, turnover intentions, organizational citizenship behavior and counterproductive work behavior. This theoretical model proposed is valuable not only because confirm the relationship between well-being, job satisfaction, commitment, job performance and turnover; but the role of EI as a new different variable. This show that there is more to research in this topic, variables such as Artificial intelligence and automation will impact on jobs in the future, impacting employee well-being and performance. However, there are implications for the future related to the changing nature of work and workplace even in the short-time, due to the change of some conditions such as home office due to the COVID-19, this has implications for well-being as well.

2.5 Line Managers

Organizations have realized the key role of their human capital in order to compete in the global market. Thus, HR department is seen as part of the “top decision-making bodies” (Andolšek and Štebe, 2005, p. 311). In that line a trend has been observed in the last years, an increase participation of the line managers in the HR implementation within organizations, many studies have been conducted about this topic (Andolšek and Štebe, 2005; Bowen and Ostroff, 2004; Kehoe and Han, 2020; Mahmood et al., 2017; Perry and Kulik, 2008; Trullen et al., 2016).

In order to avoid centralization of HR tasks or functions, some of these tasks need to be transferred to line managers in a decentralization process. Hoogendoorn and Brewster (1992) called this process as “devolution”. According to some researchers this process has two important effects, HR get a more strategic role and “traditional” HR tasks move to non-specialist line managers (Andolšek and Štebe, 2005). Apart from their strategic decisions and leadership, line managers may be involved in HR-related tasks such as selection process, identifying trainings needs, performance appraisal, etc.; playing an important role in the successful implementation of HR practices (Boada-Cuerva et al., 2019).

But, what is the importance of real effect of this “devolution” to line managers, Mahmood found out interesting conclusion in his research such as HR practices implementation have a positive impact on work performance due to the work in the different area within an organization are enhanced when these HR practices are implemented by line managers increasing employee’s commitment because they feel more supported. Moreover, through the line managers’ HR practices implementation, job satisfaction is positively affected because they feel comfortable with their jobs, finally line managers have a key role in work environment and increase work unit performance (Mahmood et al., 2017).

In their study, Bowen and Ostroff pointed out: “the success of HRM systems ... depends largely on top management support, including top managers’ beliefs about the importance of people, investment in human resources, and involvement of HRM professionals in the strategic planning process” (Bowen and Ostroff, 2004, p. 209).

On the other hand, there are some critics about this devolution process because it means leaving HR function in hands of managers who may have any formal training or expertise in HR, focusing mainly in their business goals instead of the HR concerns spending insufficient time in the HR tasks or ambiguous performance between financial performance and human outcomes (Hailey et al., 2005; Perry and Kulik, 2008).

Finally, according to (PricewaterhouseCoopers, 2019a) 72% of HR leaders in Ireland consider line manager capability as a key blocker in order to improve effectiveness of HR practices and policies, in practice this show the importance of line manager in the HR organization strategy.

2.6 Effectiveness and future Challenges

2.6.1 Measurement

In a business world where all the resources are limited and in order to position HR as a strategy partner within the organization, it is important to capture the impact of the HR practices and strategies on business performance. Under the premise that high performance work practices make a difference in organization results, playing important role such as “(1) building critical organizational capabilities; (2) enhancing employee satisfaction; and (3) improving customer and shareholder satisfaction” (Yeung and Berman, 1997, pp. 321–322), the next step is to build HR measures to support the HR function in its contribution to the organization ‘success. The implementation of a HR measurement tool is crucial to achieve that.

People or talent management activities are characterized by a continuous evolution of definitions, methods or instruments of application, been the final aim the optimization of human

resources. In this line by 1992, “The Balanced Scorecard: Measures that Drive Performance” was published in Harvard Business Review, by David Norton and Robert S. Kaplan, but some critics have argued that what is important cannot always be measured and that HR has more to offer to success of the organization than helping to sustain and grow financial performance. This is a challenges of HR leaders, moreover when is job satisfaction what is wanted to be measured.

Managing data is crucial to HR strategies such as talent planning, people management workforce engagement and retention or even performance management to identify what is working and what isn't, measure the effects and effectiveness of the HR strategies implemented is a concern for organizations, especially when HR leaders pointed that 74% of them do not have this capability at the moment with their HR function, but 56% plan to increase their budget in HR tools and technology in the short time (PricewaterhouseCoopers, 2019a, p. 7). In this report, when HR leaders were asked about the way they measure the effectiveness of their talent management programs the main two indicator mentioned were ‘strength and depth of internal talent pipeline’ (54%) and ‘retention metrics/turnover rates of talent’ (52%) but there was an important number that responded ‘Don't currently measure the effectiveness’ by 11%, this is a better number considering that in 2017 this was responded by 39%, it would be important to understand what have change.

Another significant report showed that Irish organizations are measuring the return on investment of wellbeing initiatives in relation to levels of employee retention and absenteeism (IBEC, 2020, p. 24). The report mentioned that employee satisfaction and engagement remain as one of the most popular with 26%, only behind feedback from staff with 36%, following by

absenteeism and employee turnover with 24% y 23% respectively. Finally this figures highlight the correlation between wellbeing and productivity from the point of view of organization with 10% of return.

2.6.2 Automation / Digital Transformation

In 2017, the PwC report “The economic impact of artificial intelligence on Irelands ‘economy” showed that Artificial Intelligence (AI) will boost Ireland’s GDP by 11.6% or €48 billion in 2030(PricewaterhouseCoopers, 2019b). There are different types of AI, but Irish business leaders should identify them in order to implement them in an effectively way considering as an economic opportunity. PwC report conclude that Irish leaders acknowledge that AI will transform every aspect of their businesses in the next five years (PricewaterhouseCoopers, 2019b).

A recent report of PwC, it mentions that the new normal is digital functions and organization must ensure this transformation takes place across the entire business (PricewaterhouseCoopers, 2020). To face this speed technological change such as automation and artificial intelligence, organizations should support in their HR practices in order to attract, development and retain their future workforce creating and promoting satisfaction and well-being in the workplace

Since COVID-19, work from home or telecommuting has arisen, it has benefits for both employees and employer such an increase in job satisfaction, staff retention and productivity; and promote work-life balance. But there are some disadvantages such as isolation, long work hours, etc. (Savić, 2020).

This new normality, has brought digital transformation into focus, even when it is a concept that has been development in the previous years, due to the COVID-19 seems an unprecedented speed, the PwC report, when the Irish CEO's were asked about the business functions in their organizations were undergoing or had completed their digital transformation process, the outcomes were: IT (74%), Finance and accounting (59%), Operations (55%), Customer service (43%), Sales and marketing (41%), Human resources (27%) and Research and development (18%) (PricewaterhouseCoopers, 2020). these results show that the transformation is happening across the organization without exception, even Human resource is affected (27%) by this change. It will be important that organization be aware of the effects of these changes on employee work, satisfaction and well-being.

Work is being increasingly automated and digitized, nearly half of jobs would be computerized over the next 20 years, and then the challenge is to identify the role the employees will play as they will be required to work alongside rather than just ensuring if the organization has the right systems in place (PricewaterhouseCoopers, 2017).

Deloitte, in its report "The four trends that define insurance in 2020", mentioned that even the progress of the industry in this topic, it is still trailing behind other sector of the economy. Been an opportunity to create a digital organization with the challenge of include the whole organization on board (Deloitte, 2020c).

In the context of this study, it is important to consider the effect of the digital transformation in the company and industry on employee work experience and satisfaction.

3. Methodology

3.1 Methodology Introduction

In this chapter it will be developed the concepts such as research philosophy, research approach and the research strategy. It will be explained the reason because the researcher chose a specific methodology over the others. It is important to mention that the choices of the methods to carry out the present study are based on the “research onion” (see Figure 1) developed by (Saunders et al., 2015) which describes the different stages in the research process. This is a key step in the research in order to justify the reason of the choice made in relation to the methodology.

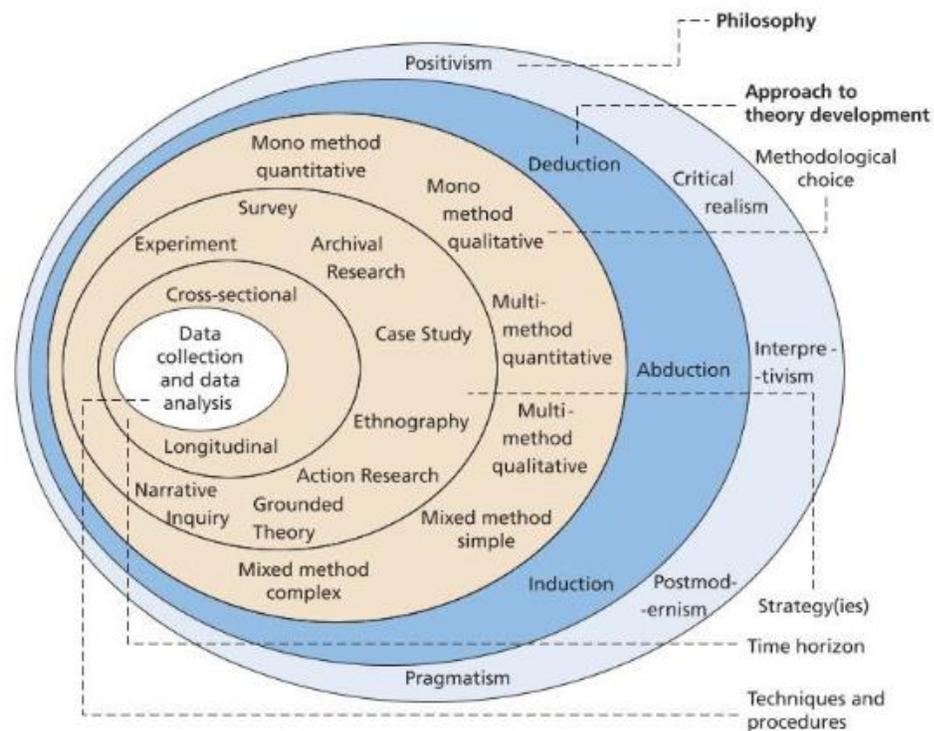


Figure 1. The Research 'onion'

(Saunders et al., 2015, p. 124)

3.2 Research design

3.2.1 Research Philosophy

The aim of this study is to understand and identify the HR practices implemented by the company in the Peruvian insurance industry context and their impact on employee job satisfaction, therefore, the research philosophy behind the present dissertation is interpretivism.

This philosophy argues that due to the fact that human beings make different meanings about their social reality according to different factors such as cultural backgrounds, different times and different environments it is not possible to develop “universal laws that apply to everybody” (Saunders et al., 2015, p. 140). This is aligned with some studies in relation to no agreement in a set of HR practices to fit to every organization due to the fact HR is a complex field (Ferris et al., 2004).

Despite the diverse theories reviewed, the researcher did not started with a determinate idea a priori like Positivism or Critical realism which consider just one true reality or structures respectively; through Interpretivism, this research expects that these ideas or concepts emerge as part of the findings within a particular context. This study try to understand the effect of HR practices implemented in the context of the insurance industry, this effect may or may not be different if a different sector/industry is analyzed.

Through interviews this study try to undertake multiple statements and interpretations in relation to HR practices in the insurance industry context.

3.2.2 Research Approach

There are three known approaches: deductive, inductive and abductive. According to (Saunders et al., 2015, p. 145), deductive approach generalize from the general to the specific while the data collection is used to test hypotheses of existing theories. On the other hand abduction approach uses premises to achieve testable conclusions. In both cases, both approaches try to find general, universalistic and tested rules. Finally, inductive approach uses premises to find out untested conclusions, it goes from the specific to the general and its data is collected to explore a phenomenon and create a theory usually in the form of conceptual framework.

This research will be conducted by an inductive approach because the intention is to create a conceptual framework of the HR practices in the company within the insurance industry context in particular. The findings of this study may not be applied to another company in different context such a different industry. Moreover, this kind of approach is associated with interpretivism philosophy.

3.2.3 Research Strategy

There are three ways to design the research: exploratory, descriptive and explanatory or even a combination of them. This study has taken an exploratory design as this kind of design allow the researcher to clarify the understanding about an issue or phenomenon (Saunders et al., 2015); in this case the researcher wanted to understand the HR practices implemented by the company and their effect in the company's employees satisfaction.

There are different ways to conduct this exploratory research, one to highlight is holding interviews with experts in the topic through in-depth individual interviews, in this case the expert is not only the HR manager but some of the line managers of the company in order to find out similarities and/or disparities in their perception of the HR practices implementation and effects.

As the purpose is exploring and understanding the different HR practices implemented and their effect in the company, a case study strategy is the approach chosen (Saunders et al., 2015, p. 184) mentioned that a case study could refer to a person, a group, an organization, an association, etc. In this study as it has already been mentioned before, therefore the case study was developed for this particular case in the Peruvian insurance industry context.

There are different methodological choices, and in this study as it has been mentioned before in-depth interviews were needed to be held with the line managers of the company, then the mono method qualitative is highly suggested due to the fact that a single data collection technique is used, semi-structured interviews. Qualitative data could provide a richer and comprehensive understanding of the subject studied in the company through the collection of deep information from the line managers about the HR practices implemented in the company and the effect of these practices on achieving employee job satisfaction. It is important to highlight that this information is related to a specific time, then the cross-sectional study approach has been chosen in this case, due to the time horizon only allowed the researcher to explore this subject because of time constraints.

3.2.4 Sample

This study aims to understand the HR practices within the Peruvian insurance industry context. Thus, sampling techniques enable the researchers to access to the data or information from a sub-group. (Saunders et al., 2015, p. 274) argues some advantages of small number of cases to be collected such as the researcher has more time to spend analyzing the data and means collected or the detailed level of information collected. In this line, the case study strategy has been chosen, therefore the study focused on a Peruvian insurance company.

There are two sampling techniques, probability sampling and non-probability sampling. This study considered to use a non-probability sampling technique as the researcher has chosen case study strategy as well there may be some issues to access to all the data available. Within non-probability technique, purposive sampling has been chosen to carry out this research. This strategy is highly recommended when working with small samples like in a case study strategy (Saunders et al., 2015, p. 301). Moreover, a typical case sampling technique is conducted with the intention to provide an illustrative profile of representative case (Saunders et al., 2015, p. 302).

Following the mentioned in the previous paragraphs, a Peruvian insurance company has been chosen, this is a multinational company operating in Peru in the credit insurance business has around 100 employees. The main office of this company is settled in France with more than 50 years in the global market and with offices in more than 70 countries, this point provide a broader perspective to the result to be found in the research because provide different scenarios for HR management and their effects.

3.3 Data Collection Process and Tool

The research's data was collected using one to one virtual semi-structured interviews due to the coronavirus limitations and the physical distance because the interviewees were located in Peru and the interviewer in Ireland. The researcher prepared in advance key questions covering the main topics or themes following the Literature Review. The advantages of holding semi-structure interviews are they are more flexible, interactive and allow the interviewer to have a friendly approach to the interviewees. Moreover, open-ended questions are more associated with Qualitative data.

Four line managers from the company were interviewed voluntarily include the HR manager through semi-structured and in-depth questions, open-ended questions. Participants held the interviews from their homes without need to move, this guarantee their safety and comfort within the time the interviews were conducted. Their participation was for around one hour and half for each interview through the application Zoom. The aims of these interviews were to identify and understand the way the company manages its human capital through the implementation of HR practices and analyze the effect of them on their employees.

Instead of provide a questionnaire to the interviewers, the researcher conducted the interviews with a list of themes based on the literature review and the research questions. The researcher kept the same themes and questions to all interviewers in order to ensure consistency.

The interviews were recorder with a video recorder with the previous participants' approval, this study guarantee the confidentially and remain participants' name anonymous.

Anonymity is crucial in this research because the HR manager and/or leaders shared confidential information of the organization.

3.4 Research Ethics

In a research process there are several ethical issue in the different stages, this stages are mainly: designing the research and gaining access, data collecting process and analyzing the data collected and reporting the results. (Saunders et al., 2015, p. 250) highlighted some general ethical issues such as integrity and objectivity, respect, avoidance of harm, voluntary participation, participants' right to withdraw, confidentiality, anonymity, safety, responsibility in analyzing and reporting, etc.

The researcher avoided partiality, all the stages were conducted with honesty and integrity. Researcher treated all participants with respect and avoiding any harm. In reference to the data collection process, through the Information Form and Consent Sheet (Appendix 1) the participants declared their voluntary participation without coercion, taking knowledge of the privacy of those taking part of the study and their right to withdraw their participation at any time. Moreover, participants were guarantee about the confidentiality of the data collected and anonymity of their names.

In relation to the ethical responsibility in the analysis of data collected and reporting the results or findings, the researcher took care of not altered or falsified the information, keep all the time integrity and objectivity position.

4. Data analysis and findings

Four manager of the company include the HR manager were interviewed through the same semi-structure interview questions (Appendix 2) In order to keep anonymities of the participants only name of the positions were used instead of their names, the order in which are presented is following a chronology according to the date the interview was held.

In order to analyze the data collected, which is qualitative data, the Thematic analysis is high suggested because its flexibility. Even when there is not agreement about what thematic analysis is, it could be said it is a method through which identify, analyze and report themes within data, qualitative data, in great detail in order to a much better understanding of the phenomenon under investigation (Braun and Clarke, 2006).

A theme represents some patterned between the responses given by the participants or the data collected. This study has conducted a theoretical thematic analysis, because the themes had a strong relation to the questions asked to participants during the interviews; moreover because there was an engagement with the literature or academic framework before analysis.

Following, Braun and Clarke (2006) six steps of thematic analysis the researcher did the transcriptions by himself in order to familiarized with the data, after that generated the codes (see Table 1), linking these codes with the potential themes even modifying some of them in the review process of these. Finally, the researcher set up the themes' names, ten themes were identified; and started writing the findings report.

Table 1. Study Codes

Categories	Sub categories 1	Sub categories 2
Impact of HR practices (IPP)	Importance of HR (IPP-IMP) HR Role (IPP-HRR) Practices (IPP-PRA)	Pro-employee (IPP-PRA-PPE) Productivity strategy (IPP-PRA-PPS)
HR practices in Organization (HRP)	Employment security (HRP-PES) Targeted selection (HRP-PTS) Workplace teams (HRP-PWT) Reward system (HRP-PRS) Employee training (HRP-PET) Horizontal Organization (HRP-PHO) Information sharing (HRP-PIS)	
Training Programs (TRP)	Training Importance (TRP-TRI) Training Outcomes (TRP-TRO)	
Reward system (RES)	Reward importance (RES-REI) Reward Monetary (RES-REM) Reward Non-Monetary (RES-REN)	
Job Satisfaction (JS)	Causes (JS-CAU) Effects (JS-EFF) Job Satisfaction practices (JS-JSP) Training & Reward (JS-T&R)	
Well-being (WEL)	Well-being importance (WEL-WEI) Well-being practices (WEL-WEP)	
Lines Managers (LMS)		
Measurement (MEA)	Indicator (MEA-IND)	

4.1 Findings

In this sections the findings are exposed following the codes mentioned before, at the end of this section there is a summary of the findings (see Table 2)

4.1.1 Impact of HR practices

The interviewees were asked four question in order to describe how they see the role and approach of HR to support the achievement of the organization's objectives.

HR Manager: Previously the importance of HR was not seen as a supported within the organization, the interviewed said that the objectives came from hear quarter office, "HR does an accompaniment of those objectives and in some strategic planning according to the year it can have a more participative role". Additionally, the HR manager said: "The objective is to become an active strategic part". Moreover, the interviewed mentioned that the there is a balance in the company about the HR policies in their approach between pro-employee practices and policies and pro-business/ productivity focus. At an industry level, the HR manager consider there is a similarity with the company level about the approach of HR practices, it was mentioned that companies who take care of their human capital then they will achieve good level in their performance: "if you do not have satisfied employees, they will not generate productivity"

Manager 2: She emphasized the importance of the different process where HR is involved, she highlighted that the HR function is crucial and their interaction with the different areas of the company, "it is vital that the different areas were associated with HR, I consider HR 100% as a strategic partner." In relation to the role of HR department, she mentioned that the strategic

objectives are given by head quarter office but recognized the supportive role of HR in the implementation of the different activities or practices. About the approach of HR practices, “I think the company is one of the companies with the highest number of employee-oriented policies and benefits, it is balanced with productivity, but the market does not tend to be like this... not only in Peru but at a regional and global level, it is the policy of the company in general.” On the other hand, at the industry level she considered the approach is focused on numbers in reference to financial or productivity strategic more than pro-employee practices.

Manager 3: The role of HR is important in order to support and identifying gaps or needs of the human capital. Human factor is consider as one of the drivers of companies, which “in the long term impact the performance of the company.” HR has an implementing role due to the strategy chosen by the company which is defined mainly by numbers. In relation to the approach of HR practices, he considered that the organization tend to be more pro-employee, “The Company has initiatives focusing on employee’s well-being”, but these initiatives should be more structured because he sees more actions than policies. At an industry level he found a balance in the approach according to his previous experiences in other insurance companies, he even highlighted the two companies where he used to work achieve good position in a survey conducted every year in Peru called ‘Best place to work’ focusing on employee’s satisfaction and well-being, “I understand that through this well-being they (the insurance companies) seek to increase productivity within the organization, so it is not only a focus on employees but a combination of both.”

CEO: HR has a key role in any organization, especially to build a good workplace climate or environment, in the organization HR has an active participation in the strategic planning at head quarter level, “there is no decision that is not taken in coordination with HR”. The respondent affirmed that the HR approach is mainly pro-employee, “The organization has a policy very oriented to the well-being of the employee without neglecting productivity and quality indicators” with an important focus on quality of life for their employees. At the industry level he said there has been an important change in the last 10 years, from a financial and productivity focus to a management team oriented, “that today there is no insurance company in Peru that is not with a modern approach to HR management”.

4.1.2 HR practices in the organization

The interviewed were asked to give their opinion about the HR practices through ranking a number of HR practices proposed from the most important to the less development in the organization.

HR Manager: the participant highlighted training as the most important practices in the organization, “For the company, the relevance is in training and development, we have policies and plans”, followed by communication (information-sharing) and selection process due to the importance to attract the best talent. A reward system, job security and promote team working follow in that order in the list cited. Finally she pointed out horizontal organization related to reduction of status differentials in the organization. All the practices proposed are currently been implementing in different level within the company.

Manager 2: In her opinion, the most important practice implemented in the company is communication, “the company's strength at the global level is communication”, the company has open channels to everyone access to senior management without restrictions. Then, the second practice was selection process and the third one was team work. After them, reduction of status differentials and job security, with a special emphasis in the last one due to the COVID-19 context and how together with a strong communication the organization could successfully do an adjustment in the number of employees without affecting the workplace climate survey conducted in the middle of that complex context. Finally, she pointed out training and compensation, she consider them important practices but important change must be done.

Manager 3: The participant highlighted that company has strong focus on communication, followed by training and team work. Reward system, selection process, job security and horizontal organization complete the list in that order.

CEO: Teamwork was considered the most important HR practices by the respondent, followed by horizontal management and communication. The fourth position was to training, then reward system and finally, selection process and job security. The interviewed mentioned “Right now the organization is very focused on training and development.” Showing the importance of this HR practices for the organization, which at the moment is under development.

4.1.3 Training programs

Through two questions interviewees were asked to comment the importance of training and an assessment of the training programs and outcomes.

HR Manager: training is very important because it is the way employees can increase their knowledge. The company has an annual training plan to cover the needs of the different areas and positions according to previous assessments. Additionally the company has a program for the best employees, “The Talent review, a development program for high potentials employees”. She mentioned that after the training they carry out some tools in order to measure the outcomes or benefits of those trainings, “the performance evaluation of the trained group is carried out in order to evaluate if the trainings had an effect in productivity”. Finally the participant pointed out as the main outcomes of this practice are having “satisfied employees” and saving costs in learning curve.

Manager 2: She considered there are two kind of training, “external” related for example to financial trainings, and “internal”, training about the tasks of each position; she found a lack or gap in the last one and suggested the company should have a special training department. She has been working in the company for 7 months and she did not see the structure of a training plan. Outcomes are more related to improve the performance of the tasks development by the employees.

Manager 3: “Training is a practice that is becoming more important, employee turnover means losing of knowledge”, there are two kind of trainings, regulatory and oriented to the operation, and these different needs are structure in an annual plan. He consider training has a positive

effect covering some gaps that employees could have avoiding failures in their processes, having an effect in efficiency.

CEO: Training is one of the main 2019-2020 objectives in the company and seeks the teams to know how to performance their functions. He considered that “periodic training is absolutely necessary” but by the employee side as well, because it is a way to get knowledge and get benefits from the organization. Trainings are structure in an annual plan and there two kind of trainings, from head quarter seeking to “align the knowledge and culture” and local trainings with focus on quality and productivity. The company carry out evaluations of the training effects, “we were able to measure exactly how investment in training provided benefits in terms of quality and productivity”

4.1.4 Reward system

The interviewees were asked to describe the reward system of the company and comment the most used rewards and their effectiveness.

HR Manager: Company has a reward system, the compensations and benefits are evaluated every year and it is formed by monetary and non-monetary rewards. She considered there is a balance between both of them due to the commercial team the most important is the monetary ones but in general the non-monetary are very appreciated, specially the health insurance, "the most valued benefit is the health insurance for themselves and their families.", she pointed out this one in order to achieved a greater level of satisfaction in employees due to not all the companies offer this benefits to its employees.

Manager 2: Company has monetary and non-monetary reward scheme, but the system needs to be modified making it more accessible to everyone specially in the operation area. There is a balance between the two kinds of compensations. Company has “My Voice” committee were some employees are part of. Finally she highlighted the non-monetary rewards: “I believe that these types of activities or benefits are better than monetary rewards because the possibility to be achieved by everyone”

Manager 3: The Company has a reward system and is evaluate according to the employee’s performance. He said the most important are the non-monetary such as recognition, young people beginning their professional career, a millennial generation, so I think recognition is an important theme for them” the average of age within the company is 25 to 30 years.

CEO: There is a structure reward system by position and even by functions. Monetary rewards are mainly divided in variable commission for commercial teams and bonus for operation area and managers. On the other hand, non-monetary such as flexibility in working hours or mobility even to position abroad of the country. He mentioned the most important are non-monetary, monetary ones are no the main drivers

4.1.5 Job Satisfaction

Interviewees were asked about the main reason of dissatisfaction in the company and in the insurance industry; and provide some initiatives implemented by the company in order to achieve the employee satisfaction.

HR Manager: main point that create dissatisfaction are disrespectful treatment, unfair salary, lack of policies, procedures and motivation and poor communication. The main impact is the

company could face high turnover rate. The company conducts an Annual workplace climate survey to identify the factors where company must emphasize its efforts. She highlighted the last year they had a very important improvement in engagement. She agreed about training and rewards system are associated to job satisfaction, "The survey include questions related to satisfaction in their training and in their compensation".

Manager 2: Remuneration, at company and industry level, for that reason rewards are important to be a complemented. Dissatisfaction impact on quality and productivity. "My Voice "committee was considered as an indicatives taken by the company to achieve the satisfaction due to it is a space where employee can be heard. She agreed about training has an important effect on job satisfaction, "highly appreciated by the employees". In relation to reward system, the p[participant had a position about this HR practices may be modified in order to improve the perception of the different teams and achieved the objectives not only of the company but the result expected by HR in the implementation of this practice. "I think that the condition to achieve these rewards must be clear and achievable for all employees"

Manager 3: He mentioned lack of opportunities as the main factor to get dissatisfaction in the employees, and a second minor point he mentioned remuneration even when at industry level it is not considered a main factor. The interviewed pointed the direct relationship between a satisfied employee and company's benefits or achievements. The effect of dissatisfaction are the possibilities to generate a bad workplace climate affecting the behavior and attitudes of other colleagues, moreover he thinks the committed of internal fraud. About the initiatives taken by the organization, recognition, communications and training were pointed as the main ones.

Additionally the participant consider that surveys such as the workplace climate have an important role, “the surveys where employees can give their opinions”.

CEO: Lack of clear objectives of expectation from employees. The risk of dissatisfaction is the possibility to affect or influence negatively on the rest of the team, specially in culture like Peruvian where people trend to form groups, it is not an individualistic culture. On the other hand he considers this could be an opportunity, “due to this contagion or closeness a person can be positively influenced by the environment and recognize things that perhaps individually they are not recognizing”. In relation to the actions taken in the organization to promote job satisfaction, the participant mentioned communication and recognition, with a main focus on communication in this pandemic context, reinforcing this channel not only locally but at regional level within the organization. Finally the interviewed agreed about the association between training and reward with job satisfaction. “Permanent training not only on business issues, but also on leadership or business trends, issues that may be useful to them in their future”. In relation to reward system he said it is important to employees count on “emotional compensation” not only monetary ones.

4.1.6 Well-being

The participants were asked to describe the initiatives taken by the company to promote the employee well-being and comment if this is strategic or not to the organization.

HR Manager: The Company has implemented a numbers of practices seeking the well-being of its employees such as health life training, recreational activities, and count on an in-house doctor in the office site to support physical or psycho-occupational issue. The participant pointed out

that the employee well-being is strategic for the organization and due to this achievement the company can reach productivity.

Manager 2: Due to the pandemic context, the company has emphasized the physical factor that could affect its employees, providing all the facilities to employees at the moment they work from home in order to reduce levels of stress such as keep their ergonomic chair from the office, count with “active pause” and completely open communication channel at all time. The respondent mentioned that the lack of well-being in the organization affect quality and productivity specially in the area she is in charge as an operational or back office area.

Manager 3: The participant highlight the role of recognition to the employee and his contribution to the organization, “recognition to the employee gives them a welfare of the value of their work”. On the physic well-being he mentioned one initiatives taken and promote by HR department, the use of the bike as transport and in compensation, the company after a number of days using the bike give a day off to the employee. Promoting the care not only of health but environment as well. Finally the interviewed said well-being is strategic for the company and in that line HR has development different activities specially in the pandemic context. “I consider the employee's well-being is important to the company because the lack of that will affect its performance.”

CEO: The company count on some employees with disabilities and in that line they have enabled accessibility for them, it does not existing discrimination in the organization’s culture about this topic even when this condition affect employee performance, the company seek to provide constantly support and other abilities and values are appreciated. Another measure taken by the

company is “an in situ doctor in the office who often meets with teams and medical stress breaks are provided if needed”. Finally the interviewed mentioned the company provide to all employees a health insurance for them and their families, “with this we take care of an important gap that is access to good health service”. Moreover, other actions implemented are support to access to some kind of education through agreement with some institutions and other such as “integration activities, which share common interests, dance and food competitions, certain celebrations, recognition of the best employees of the month, etc.” Finally the participant highlighted the key role of employees’ health to the organization. “It is definitely important, because the level of stress that the employee may have directly affects their productivity in addition to the personal problems they may have”, even they are working to modify their business model in order to improve their employees well-being.

4.1.7 Line Managers

Participants were asked to assess the role of line manager in the implementation of HR practices, job satisfaction and well-being.

HR Manager: The role of the manager is very important, and they are involved in the implementation of the HR practices in their areas in charge through an annual performance evaluation to all the employees, from their 100% of objectives to achieve as leader or managers within the year, between 5 to 10% of them are related to their contribution an support to achieve the HR goals reflected in the workplace climate. "They are the ones who work day to day to their teams, they have to promote closeness and trust and with this the employees can generate ideas or initiatives that can help the organization to constantly improve". In relation to their role

improving job satisfaction and well-being, she said a lack of their role could lead to dissatisfied employees and they could be looking for another opportunities outside of the company, “The negative effect is that I have a potential employee to leave the organization”.

Manager 2: Important role because they are the first information collector to the organization and HR in order to take decision about their employees’ perceptions. The managers are able to identify in advance any factor or issue that could be affecting the workplace climate, satisfaction and well-being of their teams. She highlighted that HR department has an important supportive role but manager are the direct implementers of all the policies and practices in each area.

Manager 3: He considered satisfaction in the company depends on achieving satisfaction first in each area of the company , “The work environment issue is under the responsibility of each manager or leader”, the participants highlighted that manager are the direct responsible of the implementation of the different practices, policies or initiatives taken by the organization. “HR provide guidelines, but in practice those who execute and maintain the work environment are the leaders of each area.” Finally he said that all the leaders and managers are taking also their own initiatives in order to improve their teams’ satisfaction and a good workplace climate.

CEO: the participant said: “A dissatisfied employee with his job is dissatisfied with his boss” pointing the key role of the managers in implementing the HR practices in order to achieve the satisfaction in their teams. In that line, he considered that manager can get many ideas from their teams which could support an improvement in the workplace climate, they have to take advantage of their close position with their teams to understand and identify their feeling and

needs in order to assist them. Finally the participant mentioned that the organization in the last years has invested in leadership programs for their line managers, recognizing their key role.

4.1.8 Measurement

Interviewees were asked to mention the way HR contribution (through practices) is measured in their objective to promote job satisfaction and well-being.

HR manager: She pointed out there are many way to measure the HR contribution in the company, the first one mentioned it was the Annual workplace Climate survey following by the interview or survey that HR department hold every time an employee leaves the organization in order to understand the reason of his/her decision of leaving. Turnover is another indicator of the effect/contribution of HR practices implementation. Additionally there are others such as selection processes or training indicators/evaluations. The participant mentioned that through all these tools and measurements HR department was allowed to reduce the organization turnover but most important identify the reasons of that turnover and support their decision making process. She finally considered that the achievement of the goals by each area is the contribution and combination of different actions and efforts such as leader role, training, recruitment, well-being, etc.

Manager 2: She mentioned the Annual workplace climate survey, “but honestly I don't know if that tool measures the impact or contribution by HR, but rather it is a global measurement”. From the participant point of view, indicator such as turnover or interviews/survey at the moment one employee leaves the organization, are the best to measure the efficiency, results and effect of the HR practices.

Manager 3: The interviewed consider that measurement is not been taking at the moment for local practices or initiatives implemented, he mentioned one activity implemented by HR which after a while it was not carry out anymore and the decision to stop it was not share it at line managers levels, he said it may be reviewed my HR and General Manager, but for him it was not clear the effects (positives or negatives) of that particular activity. On the other hand, he mentioned that the company conducts the Annual workplace climate survey, “but I think these measurement are broad and not focused on measuring initiatives or practices one by one, especially local ones.” The participant found a lack in the measurement on the local initiatives and sharing the results, he suggested the measurement of the training and its effects in order to identify clearly its effectiveness.

CEO: The interviewed mentioned that this is a very particular issue in the company at the moment because due to the size of the HR team sometimes the administrative tasks demands most of the time of the department. But due to this situation they have implemented My Voice committee where some employee participate as well and it is an important tool in order the organization hears and understand the employee’s needs, get some ideas from them and implement practices and activities in order to assist them. The participant considered two main indicator in order to measure the HR contribution and effectiveness, turnover rate and engagement level.

4.1.9 Automation / digital transformation

Through two questions the interviewees were asked about digital transformation processes in the organization, trends in the industry and its effect on HR practices and job satisfaction.

HR Manager: At the organization level and particularly in the HR department an E-learning platform was implemented in order to provide all the internal training process to all the areas, she highlighted this development specially in a pandemic context. The company, with more than 50 years in the global market, has a strong approach in relation to IT investment, she mentioned that many process in the organization are already automatized. At the level industry, she consider the trend is to go into digital process and leave behind manual process. She sees benefits from this transformation in HR tasks, reducing time and obtaining results and indicator in a faster way to improve satisfaction.

Manager 2: We have already some request to head quarter about the automation on some processes but we depends of their time. These process are very important saving time and avoiding monotonous tasks. The interviewed said most people are afraid to be replace but machines but she consider these transformation could support the companies in order to increase the number to tasks and activities to be done, “this would generate a greater volume of work and they would not have to feel that the machine it will replace them but they will have more time to do my work.” Finally the participant consider that the use of artificial intelligence or automation process help companies improving job satisfaction because you take way the “boring “processes and leave “funny” and challenge one to the teams.

Manager 3: some of the processes are already automatized, but as the company’s head quarter is in France, many of the project depends on them. At the level industry the digital transformation is quite development, many process such as invoicing, digitalization of policies, underwriting, etc., and in this context the pandemic has accelerated this process. Finally the participant

consider that this digitalization is crucial in the pandemic context when majority of people are working from home, “In the quarantine context, the job satisfaction has focused on issues of open and constantly communication between teams and managers”

CEO: At the level industry many processes have migrated to digital process and tools, at the company level this process of digitalization is quite complex because the business model of the company; the participant explained that in their case flexibility is necessary. But he highlight the trend is to use all these technologies, “These automation and digitization processes will mainly impact banking and insurance.” Through technology is possible to simple and agile processes, avoiding manual processes, saving time and improving productivity and quality, then job satisfaction is impacted by them in a positive way, “All this creates a better work environment for employees because you give employees high-value functions and take away from them operational or repetitive functions with little added value in the processes” He considered that the value of digitalization is by far bigger than any possible contingency.

4.1.10 Challenges

The participants were asked to give their opinion about HR challenges at company and industry level in the future.

HR Manager: At company level workplace climate and improve engagement are the main topic as well as retention of talent and developing opportunities for employees; and at industry level, interviewed considered improvement in reward system must be done. She think pro-employee practices are a “must” more than ever now that employees are working from home.

Manager 2: In the company Career path is the most important challenge in the company as well as some adjustment in its rewards system and job descriptions. Due to the pandemic context, the way of working has change and she consider that HR department has to be more flexible in procedure, “I think a reinvention of the practices that have been done for years.”

Manager 3: the biggest challenge is keeping a good workplace climate at company and industry level specially in the pandemic context. Another important point is HR digitalization process which help and support its interaction with employees. Participants consider HR practices will focus on employee retention due to the majority of them are millennial, focus should be on avoiding high turnover rate.

CEO: At the industry level, attraction, training and retention of talent are the most important challenges. While at company level is development practices of recognition. In relation to evolution, he considered that HR practices will have to be more flexible because the employee’s need has change due to the pandemic and many things are more valuable now such as flexible schedule or working from home.

Table 2. Summary of Findings

Categories	HR Manager	Manager 2	Manager 3	CEO
Importance and role of HR	HR aims to become an active strategic part, with balance in pro-employee/ business strategy practices. Impact on productivity	HR is strategic partner. Company has employee-oriented policies, industry focus on numbers	HR important support role identifying gaps in human capital to impact in performance. Pro-employee approach	Key role, strategic planning role, with pro-employee oriented but not missing financial indicator. "modern approach to HR management"
HR practices in the organization	1. Training 2. Communication 3. Selection process	1. Communication 2. Selection process 3. Team work	1. Communication 2. Training 3. Team work	1. Team work 2. Horizontal management 3. Communication
Training Programs	Very important, increase knowledge. Annual training plan. Outcomes: satisfied employee, saving costs and productivity	Lack of training related to position's tasks. No training plan. Outcomes: improve performance	Very important reduce gaps, two types of trainings: regulatory and operative. Annual training plan. Outcomes: improve efficiency	It is an important objective increasing knowledge, two types: culture and operative. Annual training plan. Outcomes: quality and productivity
Reward System	Balance monetary and non-monetary. Non-monetary more appreciated, health insurance	Balance monetary and non-monetary. Non-monetary more appreciated.	Balance monetary and non-monetary. Non-monetary most important, recognition	Balance monetary and non-monetary. Non-monetary most important.
Job Satisfaction	Dissatisfaction: disrespectful treatment, unfair salary, poor communication; impacting on turnover. Initiatives: Annual workplace climate survey. Training and reward associated to satisfaction.	Reason dissatisfaction: remuneration at company and industry; impacting on quality and productivity Training and reward associated to satisfaction.	Dissatisfaction: lack of opportunities; impacting on workplace climate and internal fraud. Initiatives: recognition, communication and training. Training associated to satisfaction.	Dissatisfaction: lack of clear objectives; impacting on workplace climate. Initiatives: communication and recognition. Training and reward associated to satisfaction.

Categories	HR Manager	Manager 2	Manager 3	CEO
Well-being	In-house doctor, physical and psycho-occupational support. Strategic for the employee's health but productivity also.	HR keeping developing different actions. Affect quality and productivity	Recognition, promote bike scheme. Strategic due to affect performance	Supporting employee with disabilities, in-house doctor, and health insurance. Strategic affecting not only employees but productivity
Line Managers	Key role: new ideas. Lack of this role led to turnover rates	First information collectors for HR, direct implementer of HR practices	Direct responsible implementing HR practices. "get employees satisfaction, achieving satisfaction in each area"	Key role, getting ideas from their teams. "dissatisfied employee because dissatisfaction with his boss"
Measurement	Annual workplace Climate survey, leaving interviews and turnover rate.	Turnover rate and interview/survey when employees leave the company	Annual workplace climate survey. Lack of measurement in local initiatives	Turnover rate and engagement
Automation / Digital transformation	Focus at company and industry level. E-learning platform by HR department. Outcome: reducing time, improving satisfaction	Important avoiding manual processes, improving employee satisfaction development only challenge tasks no "boring" ones.	Industry very advanced in this point. Company depends on head quarter decisions. Important use of technology to achieve satisfaction	Important avoiding manual process, saving time and improving quality and productivity impacting satisfaction and workplace climate
Challenges	Workplace climate and engagement	Career paths and adjustment in reward system and job descriptions	Workplace climate	Attraction, training and retention talent in the industry. Recognition practices in the company level.

5. Discussion

In this chapter, the results of the collected data is reviewed, interpreted and contrast to the academic literature reviewed with the aim to answer the research questions. This discussion is presented following the themes in the analysis phase.

Impact of HR practices

There is a general agreement in relation to the importance of HR role in the organization as a strategic role or partner, this fit with some academic studies such as (Schuler and Jackson, 2005) whom pointed HR should be at the strategic decision making level in the organization. But even when the CEO highlight that HR has an active participation in the strategic planning at headquarter office level, the other managers include HR manager considered HR has an strategic partner role in order to implement the different practices and policies to achieve the organization's goals. This does not mean HR is not important in the organization, because even as implementer, its role is crucial in the organization.

It seems that there is a difference between the role in headquarter office and locally in Peru, unless under the line managers' understanding. This may be a lack in the HR communication and relationship with the line managers and employees. This may be one HR's weaknesses or a challenges for this department in the company.

On the other hand, there is an agreement in the approach of HR practices and policies, the company implements pro-employee practices rather than practices looking for only productivity or financial outcomes. The CEO mentioned that without neglecting productivity or

quality the HR approach is mainly employee-oriented with a focus on quality life. It seems there is a balance between the “Harvard Model” (Beer et al., 1984) more pro-employee practices and “Michigan Model” with more focused on financial outcomes. The company fits with Beer criticism of the narrow financial focus that sometimes the HR practices could take (Beer et al., 2015).

Moreover, this kind of mix between fit and best practices in the company support Monks (2013) study, where she describes HR philosophies, mainly Commitment-base configuration and Productivity-base configuration. She highlights both configurations provide outcomes but the last one is the most dislike by employees (Monks et al., 2013) while the first one development HR practices such as job design, training , reward system, etc.

HR practices in the organization

This approach led us to the practices, there was no agreement in the order of importance of the HR practices implemented by the company, but it is possible to highlight that from the top three practices mentioned by the managers, Communication was mentioned by all of the them, describing it was the strength of the company at the global level, it seems such as the culture of the organization, they highlighted its importance more than ever due to the pandemic context. The other two more common practices mentioned were training and teamwork. These answers allow us to identify a strong presence of the organizational culture, interviewees commented the key role of sharing information with employees in order to build strong links between them and the company.

Following the comments of the participants and the strategy of the HR department in the company, the organization focuses on HPW practices or best practices approach, implementing all the HR practices proposal in different level, this is an important finding because contradict some criticism about best practices approach due to the lack of definition of one system or mix of HR practices (Combs et al., 2006), moreover the financial cost of carry out this approach; but the company has a clear best practices approaches using all the practices at the same time with different emphasis and outcomes but focusing that at the end all of them support the objective of HR in order to achieve job satisfaction and workplace climate. This findings drive us to identify the practices implemented by the company in order to achieve employee satisfaction, important highlight this point because it is one of the research questions.

Training programs

As part of the study, following the HR practices, interviewees were asked about the relation between training and job satisfaction. There is a clear importance of training within the company, this was pointed out by the four interviewees. Even the CEO highlighted it as one of the main objective of the organization for the period 2019-2020. The company has different kind of training such as internal or external, regulatory or from its headquarters office. The HR manager mentioned that training is based in a previous assessment of needs and structured in an Annual Program covering all the units of the organization; this is a point highlighted by Suttapong, this assessment is important in order to identify employees 'strengths and weaknesses and aligned their needs with the company strategy (Suttapong et al., 2014). But there was one manager that did not know about the structured training plan, this could be because she

just recently joined the company. Something interesting by this manager it was the possibility to implement a specific training area in order the company keep the knowledge and implemented standards procedure in the induction and training sessions.

The outcomes pointed by the interviewees were satisfied employees, saving cost in learning curves and improvement in employee performance. Following this findings it may be possible to answer our second research question in relation to the way these HR affect satisfaction. The line managers of the organizations recognize the importance of training as a tool to achieve employee satisfaction, this has been study in previous research in different countries and industries finding a positive relationship between training and satisfaction, there may highlight the study conducted in private banking sector (Chopra, 2017), which is close to insurance industry, both in the financial sector of the economy, and also the effect of employee satisfaction in foreign firm operating in Russia (Fey et al., 2000), considering that the company is operating in Peru but based in France.

Manager 3 considered through this HR practice is possible to avoid losing of knowledge due to a high turnover, moreover, strong positive effects in efficiency covering some gaps that employees could have, this may be one of the way HR practices affect employee satisfaction. This is in line with the PwC report which collected the concern of 75% of HR Irish leaders in relation to suffer talent constraints (PricewaterhouseCoopers, 2019a).

Besides, the CEO highlighted the improvement in quality and productivity as benefits of the implementation of this practice, this is clearly highlight by previous studies in the importance of this HR practice to achieve higher levels of productivity and build competitive advantages

(Berber and Slavić, 2016; Birdi et al., 2008; Falola et al., 2014; Morley et al., 2016; Slavic and Berber, 2019). Finally, the interviewees mentioned a mutual benefits in the implementation of this HR practice, not only by the company side, but employee as well because they increase their knowledge, and this might impact positively on their satisfaction.

Reward system

The company has a reward system with monetary and non-monetary benefits, in other words, the company has implemented intrinsic and extrinsic rewards; the interviewees considered there is a balance between both of them and there was an agreement in pointing the non-monetary as the most important and valuable reward by employees.

The HR manager mentioned that the health insurance was the most important non-monetary reward or benefit, which is very appreciate by employee because through this benefits they gave access to a good health service in the private sector. This helps to increase their level of satisfaction due to the fact that not all the companies provide this reward to their employees. Some surveys showed that the lack of compensation or reward are the main reason to leave an organization (56%) or the main reason to stay(44%) if the company provide a good packet of benefits (Society for Human Resource Management, 2020b). It was also mentioned that recognition is one of the most important non-monetary reward because the average of employees is between 25 to 30 years old, and to millennial recognition may be very important.

The CEO said that monetary rewards are no the main drivers but the non-monetary, this contradict Martono's study which found a strong positive influence of remuneration on employee performance and satisfaction (Martono et al., 2018), on the other hand, it supports

practitioners such as the “2018 Employee Benefits: the evolution of benefits” report, which found out that reward related to health, wellness and career development are important affecting employee satisfaction (Society for Human Resource Management, 2020c).

Moreover, one of the managers considered that the scheme implemented in the company should be modified in order to be accessible to everyone and be a tool to motivate all employees. Moreover, the necessity of communicating clear the process to achieve the rewards and why somebody desert it. This point is highlighted by (Bragg, 2000), the importance of clarifying what is recognized, why, when and by whom in order to achieve effectiveness of this HR practice. Bragg suggested that reward system must promote team work. Moreover, some studies suggest a combination of individual and group reward is proposed to promote team satisfaction (Campbell-Allen et al., 2008), at the moment company does not have any group reward scheme.

Job Satisfaction

Disrespectful treatment, unfair salary, lack of reward system, lack of opportunities and poor communications were pointed as the main reasons of dissatisfaction. Communication is a very interesting point in the organization, which was considered as one of the most important HR practices implemented by the company. The study by (Raina and Britt Roebuck, 2016) conducted in the insurance industry in India support this statement, their study found out that communication can boost employee satisfaction, increasing trust in the company and promoting employee’s support toward to organization’s objectives and decisions. Then communication became an important tool to improve employee performance and loyalty; and decreasing

employee intentions to leave the organization. Then, how HR practices affect job satisfaction can be answered.

Unfair salary was mentioned also as one of the causes of dissatisfaction, recently researchers have found salary or compensation increasingly influential on satisfaction and motivation (Evans and Olumide-Aluko, 2010; Roy, 2019; Rynes et al., 2004). Moreover, another important report has pointed compensation and salary as the first reason to stay in the company (IBEC, 2020).

Dissatisfaction impact negatively on the organization in the way of high turnover rate, poor quality and productivity, create a bad workplace climate even possibility to committed internal fraud. Villanueva and Djurkovic discussed in their study the effect of lack job satisfaction, they pointed out that employees may develop turnover intentions, moreover, affecting the company performance (Villanueva and Djurkovic, 2009). In this line (Ristovska and Eftimov, 2019) concluded that trough motivated employees the company can achieve high level in productivity and profits or financial outcomes.

To avoid dissatisfaction and promote employee satisfaction, the company is taking some actions such as its HR practices: communication and training or another initiatives such as conduct its Annual workplace climate survey in order to identify weaknesses and listen to the employees' opinion and perception. The company has implemented "My Voice" which is a committee to discuss different topics not only between line managers but employees participate in this committee as well, bringing up new themes and ideas.

Another important practice taken by the company in order to improve the satisfaction is recognition, the study conducted by (Haider et al., 2015) provide support to this statement, in their study they found a strong positive correlation between rewards and employees job satisfaction. Moreover, a non-financial rewards such as recognition has a crucial role in order to not only increase satisfaction but improve employee motivation and loyalty to the company.

Well-being

It can be seen from the above analysis that the company has special emphasis in the implementation of its HR practices in order to achieve employee satisfaction and as a consequences the employee's well-being; this has relation to the previous discussion mentioned by (Ogbonnaya et al., 2017) about the message send by company to its employees in the importance of their well-being. The company has a packet of initiatives to support the well-being of its employees such as proving them a private health insurance, a permanent doctor in their office, relaxing activities in and out doors, etc. This is an action to prevent stages such as the ones reported in UK, where the number of common mental health cases in the workplace has increased (CIPD, 2020c). This is an important measure in the Codiv-19 context due to the possibility of risen cases; (Grant et al., 2007) study support this statement as they mentioned that enhancing heath led to well-being.

All participants mentioned that well-being is strategic to the company, a study published by CIPD support this statement as well-being was considered as strategy by 48% of surveyed and this number have been increasing over the years (CIPD, 2020a), that may be the reason of the implementation of different action in order to take care of its workforce psycho and physique.

Some of the employees have some kind of disabilities and the company did the efforts to support their growth in the company as well as their well-being.

The importance of the well-being not only from the employee side, but also the company get some benefits from this employee's well-being specially positive effects in productivity, quality and performance. These results support Wright and Cropanzano, their study found relationship between well-being and performance (Wright and Cropanzano, 2000).

Line Managers

There is a general appreciation of the key role of line managers in success implementation of the HR practices to achieve job satisfaction and well-being in the company, this is the trend observed in the recent years in some studies (Andolšek and Štebe, 2005; Bowen and Ostroff, 2004; Kehoe and Han, 2020; Mahmood et al., 2017; Perry and Kulik, 2008; Trullen et al., 2016).

Similarities in relation to the opportunities in collection new ideas from the teams in order to improve the work environment; moreover, Manager 2 considered line managers as the first information collector for HR and important position to identify in advance any kind of situation that could affect the workplace climate as well as employee satisfaction. Additionally, the HR Manager mention that the lack of line managers' role could led to employees' dissatisfaction and this can affect the company due to an increase intention of leaving the organization. Expression such as "a dissatisfied employee with his job is dissatisfied with his boss", "workplace climate is line managers' responsibility", "achieving satisfaction in each area you achieve satisfaction in the organization" show the organization's recognition of this important role. These appreciation have a direct relation with the conclusions of Mahmood, which found out job satisfaction is positively

affected when HR practices are implemented directly by the line manager improving not only the feeling of comfort by the unit performance (Mahmood et al., 2017).

Managers realize they are the implementers of all the HR practices and policies, for this reason between their objectives they have around 10% of them related to their contribution to achieve workplace climate as a way to involved them in the HR practices implementation, the company is carrying out a process call “devolution”, which basically is to transfer HR tasks to the line managers (Andolšek and Štebe, 2005). Criticism of this process is that line managers have no expertise in HR focusing on their own business goals (Hailey et al., 2005; Perry and Kulik, 2008). Something important to highlight is the fact that the company has implemented leadership programs to the line managers in order to support them in this responsibility.

Measurement

The company has implemented some measurement in order to measure the effectiveness of their HR practices or policies. This is an important point to highlight from the company due to this is a concern at the moment for many HR leaders, according to PwC report, 74% of HR leaders do not have that capability in their organization.

The main indicators are based in its Annual workplace Climate survey and turnover rate, additionally the company conducts interviews when employees leave the organization in order to identify the reasons and take action if necessary. There are some similarities between the company indicator and others collected in PwC report, when HR leaders were asked for the way they measure the effectiveness of their talent management two indicator were pointed for the majority, ‘strength and depth of internal talent pipeline’ (54%) and turnover rates (52%)

(PricewaterhouseCoopers, 2019a). The fact the company has implemented different measurement in order to ensure if there practices are effective is a positive action taken due to still be some organization with a lack on this topic, 11% according to the same report. Moreover, CEO consider the engagement as one of the main indicator of effectiveness.

Manager 3 considered there is a lack of measurement in local initiatives and in the communication of their effectiveness. From his point of view the effort are hold in the practices implemented following the headquarter culture or decision, but there is some work to do when you talk about local initiatives and measure their effectiveness.

Something important mentioned by the CEO it was the size of the HR department due to sometimes the administrative tasks are high time demanding. This might have relation to the fact that 74% of HR leaders suffer kind of lack in measurement capabilities (PricewaterhouseCoopers, 2019a).

Automation

All the interviewees mentioned that many of the process of the company are already automatized but also highlighted the fact that these improvements depends on its headquarter office in France. The HR manager pointed that in specific for HR department has implemented an E-learning platform avoiding the manual training process, and this tool has a very special importance due to the pandemic context because all the employees are able to keep taking their training from home according to the company Annual Plan.

Participants agree in the benefits of development automation in the company, such as saving time, avoiding monotonous task, improving productivity and quality and impacting positively employee satisfaction because avoid manual process and give high value function to be done by employee.

Finally, all this stage at the company level is the same at industry level from the point of view of the interviewees across the organization. This follow the global trend as it was mentioned in PwC report (PricewaterhouseCoopers, 2020).

Challenges

There are some similarities when Managers think about HR challenges at company and industry level. At company level they agreed in creating and promoting a good workplace climate as the most important, flexibility was another important point they highlighted specially in the pandemic context when many processes have been affected and “new normality” has come to stay for a while. Retention and developing talent was another important challenges mentioned, specially when the majority of the workforce are millennial and HR has to implement practices in order to satisfied their need and support their growth. Additionally, just adjustment to the reward system and even the interaction with HR department were mentioned as well.

6. Conclusion / recommendations

The aim of this study was identify and understand the HR practices carried out by the company in the Peruvian insurance context to increase its employee satisfaction. Due to the fact that the researcher undertook a case study, the analysis of the qualitative data collected revealed some interesting findings, the fact that the organization is a multinational company operating in Peru played an important role and impact on the development of its HR strategies.

After the analysis of the findings, this study suggests a conceptual framework (see Figure 2) which shows the relation between the high performance work practices and other external factor with job satisfaction, moreover the framework allow us to see the effect or outcomes of their success implementation. This framework has been built as a result of the interviews with the participants and supported by previous studies observed in the literature review.

Through the interviews was possible to identify strong employee-oriented policies and practices in the company, most of participants considered the key role of HR as a strategic implementer partner. This approach may be driven by the fact that the headquarter office is based in Europe, the organizational culture may influence this approach observed in the company.

Although the respondents agreed with the seven HR practices proposals by the researcher, they highlighted communication was one of the most important, followed by training, teamwork and reward system. The company provides structured annual training plans and an important non-monetary reward packet, paying emphasis in the teamwork between teams and line managers with a policy of open and constant communication channels. The

company has achieved a good mix of complementary high performance work practices to improve not only employees' capabilities and performance but employee's satisfaction. But it was observed a lack of knowledge for some participants about important actions taken by HR such as the implementation of the Annual Training program, as it was mentioned before, this may be a challenges to HR department.

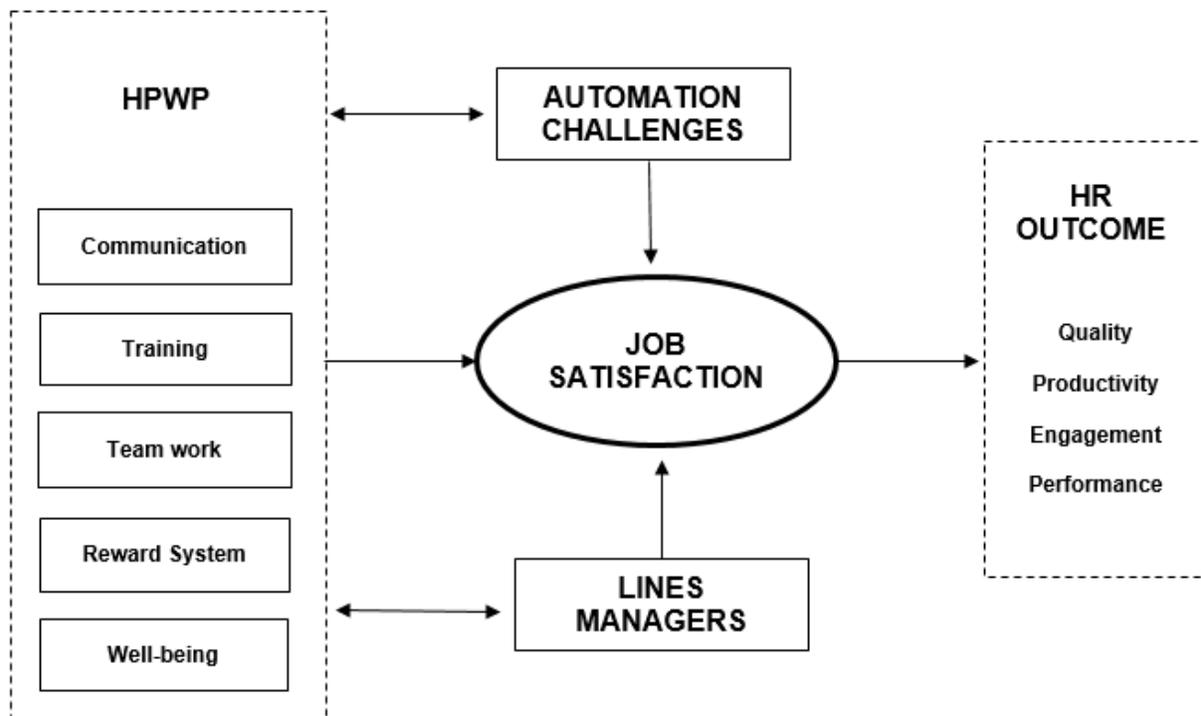


Figure 2. Conceptual Framework

These practices affect positively job satisfaction because they created a feeling of belonging and loyalty between employees and company due to the fact they feel comfortable in their workplace and enhanced quality of life. And in relation to quality of life, another important

finding of the study is the fact that well-being is strategic for the company which provides health insurance, a permanent doctor in its office and other initiatives. In the conceptual framework it can be observed well-being as a high performance work practice implemented by the company to impact employee satisfaction.

Moreover, the company has strategically involved the front line managers as direct responsible of the HR practices implementation in their units. But at the same time the company provide them support with leadership training programs because it is understood they are no specialist in HR. This shows that the company has a clear understanding about the line managers' role not only in the successful implementation of these practices but in employee satisfaction. The conceptual framework supports the statement that outcomes such as quality, productivity, engagement and performance can be achieved with job satisfaction as a link between these HR practices and these outcomes.

Finally, some HR's challenges were identified. Promote a good workplace climate is the most important challenges following by flexibility, HR department has to be more flexible in a constant changing world. Furthermore, achieve the employee's engagement become one of the most important objectives for HR leaders. Attracting, training and retaining talent is another challenges for HR department due to the fact that the majority of the workforce are millennial. Moreover, HR must be aware of the digital transformation process not only because these processes could affect the way HR implements its HR practices, but to take advantages from them as well, specially when the HR team is a small one.

Through the findings, this study recommends that the company continue with their mix of HR practices, specially communications which has brought some positive results. Keep and improve the emphasis in the non-monetary rewards which are more appreciated by the employees and much easier to be sustainable in the time by the company. On the other hand, a lack in communicating the HR efforts and actions has been identified in the company, it is suggested to improve these communications between HR and line managers as a way to emphasize the contribution of HR to the different units and the organization. Communicate their measurement and achievements are crucial to highlight its role and contribution in the company.

This study has significant theoretical contributions to increase HPWP literature such as giving job satisfaction central focus in future studies. However, it is important to note the limitations of this study. The relation between HR practices and job satisfaction has been studied in terms of one company, further research with more companies in the insurance industry is needed to be able to establish generalizations. Therefore, future research should examine the effects of HPWP on employee satisfaction through longitudinal research in the Peruvian insurance industry. In this study, it was analyzed the local approach of HR, but its headquarter office is based in Europe. Research is needed to establish the role of organizational culture, and how this influence on the way that HR implements its practices and policies.

Due to the pandemic, this study held interviews with line managers; research is needed to collect and analyze teams' perception of the HR's practices implemented in the company and how those impact on their satisfaction or dissatisfaction.

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8. Appendix

Appendix 1

Information Form and Consent Sheet

INFORMATION SHEET FOR PARTICIPANTS

PROJECT TITLE: Understanding HR practices in the Peruvian insurance context and their effect on employee Job Satisfaction.

You are being asked to take part in a research study on understanding the Human Resource practices operating within the company in the Peruvian insurance context and their effect on employee job satisfaction. This research is conducted by Fernando Antonio Ames, enrolled as a Master of Business Administration (MBA) postgraduate student at Dublin Business School (DBS) and supervised by David Wallace, lecturer at DBS.

In this study, you will be asked to hold an interview in order to answer some questions related to the Human resources practices implemented in your organization, the effect and effectiveness of these practices on employee satisfaction. The aims of this interview is to understand the diverse activities carried out by human resource in the company, as well as the challenges in the short-term.

TIME COMMITMENT

The study will be conducted by interviews, each participant will be required to hold an hour recorded interview.

PARTICIPANTS' RIGHTS

You may decide to stop being a part of the research study at any time without any explanation, required from you. You have the right to ask that any data you have supplied to that point be withdrawn / destroyed. You have the right to omit or refuse to answer or respond to any question that is asked of you. You have the right to have your questions about the procedures answered (unless answering these questions would interfere with the study's outcome). If you have any questions as a result of reading this information sheet, you should ask the researcher before the study begins.

CONFIDENTIALITY/ANONYMITY

The data I collect does not contain any personal information about you and the only purpose regarding the use of the data collected is to complete the course requirements by DBS. Any participant of organization's name will not be identifiable.

FOR FURTHER INFORMATION

I or / and David Wallace will be glad to answer your questions about this study at any time. You may contact my supervisor at david.wallace@dbs.ie

INFORMED CONSENT FORM

PROJECT TITLE: Understanding HR practices in the Peruvian insurance context and their effect on employee satisfaction.

PROJECT SUMMARY: Through interviews with managers of the company, this study aims to understand and identify the HR practices implemented by the organization in the Peruvian insurance context and how these practices affect employee behaviours such as Job Satisfaction.

All the information collect in the interview is strictly confidential and used only for an academic purpose.

By signing below, you are agreeing that: (1) you have read and understood the Participant Information Sheet, (2) questions about your participation in this study have been answered satisfactorily, (3) you are aware of the potential risks (if any), and (4) you are taking part in this research study voluntarily (without coercion).

Participant's signature

XXXXXX

Information Manager

Student name

Student Name signature

Date 31/07/2020

Appendix 2

Questionarie Interview

1. How important do you think HR is for your organization? How does it impact on organization performance?
2. Does HR have a strategic position within the organization or does it have an implementing role in the objective decided by the organization?
3. Do you think you have pro-employee HR policies/practices rather than pro-business/productivity strategy?
4. Do you think the emphasis in the insurance industry is focused in productivity and financial performance instead or worker satisfaction employee experience?
5. Here are a number of practices, Can you tell me which if they are implemented in your organization? Additionally, can you rank them or prioritized or tell me, in which you invest more?
 - a) employment security
 - b) targeted selection
 - c) workplace teams and decentralization
 - d) reward system
 - e) employee training
 - f) reduction of status differentials
 - g) business information-sharing with employees
6. Is training important in your organization? Could you describe the training programs provided by the company?
7. What are the outcomes of the application of training as a HR practice in the organization?
8. Do you have a reward system in the organization? Could you assess this system?
9. What are the most used/effective rewards, the monetary or non-monetary in your organization?
10. What do you think the primary causes of Job Dissatisfaction in the insurance industry are?
11. How does employee dissatisfaction/satisfaction affect the organization?
12. What are the most important practices to promote employee Job Satisfaction in the organization?
13. Do you agree these variables are associated to Job Satisfaction? Training and Reward
14. Well-being understood as social, physic and psychology dimensions in the work place. What are the practices implemented in the organization to promote the employee well-being?
15. Is the employee well-being strategic for your organization? Why?
16. What is the importance or role of lines managers in the implementation of HR practices to achieve employee job satisfaction and well-being?

17. How do you measure the contribution of HR and effectiveness of its practices in the achievement to increase employee satisfaction and well-being?
18. Which business functions in your organization are under or have completed a digital transformation? What do you consider is the trend in the insurance industry?
19. How does technology/digital transformation affect HR practices and Job Satisfaction?
20. In the coming years, what are the biggest challenge to HR within your organization and in the Insurance industry?
21. How do you think HR practices will evolve in your organization and in the insurance industry in the coming years?