

Improving Employee Experience in a Medium-sized Retail Chain through Quality Human Resource Management Practices: Does Bifurcation Bias in Family Firms Moderate the Nexus?

— *Review of* —
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ABSTRACT

This mixed-method research explores the propensity of bifurcation bias in a family business to either amplify or diminish the effect of human resource management practices on employee experience. To perform this task, the researchers polled 235 employees of a medium-sized department store chain in the Philippines using instruments adapted for the study. The company owners and a human resource management expert were interviewed afterwards in order to cross-validate observed data. Survey results revealed that the quality of most human resource management practices in the company is satisfactory and that employee experience was assessed to be very good by those who were polled. Unsurprisingly, bifurcation bias which favored family over non-family members was adjudged to be prevalent according to the respondents. Moderated regression analysis conducted also confirmed the moderating effect of bifurcation bias, indicating that only when bias is reduced can the effectiveness of human resource management practices lead to enhanced employee experience. All expert respondents were largely unsurprised by the survey results suggesting that they were expected from a family business of this size. The company was recommended to upgrade specific human resource management practices as well as reduce bifurcation bias by recruiting family members based on competence.

Keywords: Human resource management practices; Employee experience; Bifurcation bias

1. BACKGROUND OF THE STUDY

Family business research through the years has largely focused on key issues regarding succession, innovation, internationalization, and governance (International

Family Enterprise Research Academy, 2018; Juwita, 2019). Extant literature on family firm management hardly surprises in this regard since those are critical concerns which have been found to either perpetuate or doom the most prevalent type of business organization in the world (Nordqvist, Melin, Waldkirch, & Kumeto, 2015). But a growing number of scholars are determined to bring human resource management issues at the forefront of family business research since it is emerging as a formidable predictor of important outcomes among family-owned enterprises (Combs, Jaskiewicz, Shanine, & Balkin, 2017). This study was an attempt by the researchers to enrich the modest repository of literature regarding human resource management practices in the context of family firms.

The importance of human resource management vis-a-vis other functional areas like finance and marketing is no longer debatable. Evidence of its dichotomy as both an art and a science is seen through the prism of key activities which make it unique among other functional areas: the sourcing, empowerment, and maintenance of human capital. However, the pivotal role of human resource management in transforming family businesses into engines of growth, innovation, and prosperity can sometimes be blurred by their espoused values of preservation, legacy-building, and intergenerational succession. For instance, numerous articles have suggested that family businesses tend to exercise unfair human resource management practices in their workplaces by offering preferential treatment to family members (See for instance Chua, Chrisman, & Bergiel, 2009; Cruz, Larraza-Kintana, Garcés-Galdeano, & Berrone, 2014; Kellermanns, Eddleston, & Zellweger, 2012; Zientara, 2015; Samara & Arenas, 2017). But each family business is unique and the firm used in this investigation may manifest unique attributes that could defy convention and subsequently liven up the conversation among management scholars.

This study is primarily a calculated effort to assess the quality of human resource management practices in a medium-sized family business. Additionally, the researchers were also cognizant of the need to detect outcomes which might arise from the interaction between these practices and any bias shown by the owner towards family members. Ultimately, the locus of attention by the researchers shall be on the quality of an employee's overall experience in light of the distinct practices that make family-owned enterprises truly unique.

In testing the wherewithal of bifurcation bias to moderate the effect of human resource management practices on employee experience, the researchers were guided by these 2 main research questions: (a) *Does bifurcation bias moderate the impact of human resource management practices in the areas of staffing and recruitment, training and development, compensation administration, and employee relations on employee experience?* (b) *Is employee experience significantly influenced by specific HRM practices concerned with staffing and recruitment, training and development, compensation administration, and employee relations?*

2. REVIEW OF RELATED LITERATURE

2.1 Human Resource Management Practices

Human Resource Management is an organizational function which gives attention to the recruitment, management, and establishment of direction for a company's most valuable resource: its employees. In addition, this functional area provides the necessary knowledge, tools, training, administrative services, coaching, legal and management advice, and talent management oversight that an organization utilizes in maximizing performance quality (Heathfield, 2017). These resources, in turn, provide employees with a set of goals which they are expected to accomplish using their skills and expertise. But management must look beyond what type of job best matches an employee's skill set; human resource managers must also be able to identify and address the needs of employees through effective recruitment and selection, training and development, compensation administration, and employee-employer relations. This is to ensure that employees work in an environment which genuinely cares for their development, welfare, and upliftment (Clet, Guerrero, Kaziras, & Olano, 2015). The recruitment and selection practices is essential in the success of a firm since choosing the right employee from a pool of vetted applicants can help the firm in attaining its short- and long-term goals (Richardson, 2012). Organizations have also given critical importance to training and development since this activity sharpens an employee's level of skill and subsequently increases their potential to achieve success and execute the company's strategic plans (Australian HR Institute, 2018). In addition, compensation administration is said to have the most impact in an organization. However, it is one of the challenging function to design in human resource management since it is known to influence firm profitability and overall performance (Clet, Guerrero, Kaziras, & Olano, 2015). Lastly, implementing best practices in employee-employer relations can help the company have a strong and productive workplace. Loyalty and morale are boosted by investing in employees' continuous learning and welfare which consequently leads to the strengthening of their propensity to attain organizational objectives (Craig, 2017).

2.2 Bifurcation Bias

Bifurcation bias is known as any kind of preferential treatment given by an owner or manager to their own kin, giving them positions based solely on kinship ties rather than their skills, experiences and achievements (Cruz, Firfiray, Gomez-Mejia & Neacsu, 2018). Family business owners have a natural tendency to employ their next of kin and to treat them more favorably than non-family members since they are regarded as "stewards" who will safeguard family values and help attain the clan's goals in the long term (Verbeke and Kano, 2012). Crucial decisions by untrained family members may have a lasting effect which the company may not recover from easily at least in the interim (Gagliarducci and Manacorda, 2016). Although bifurcation bias may sound harmful, it can be managed depending on the real reasons for hiring and trusting family members. In order to bifurcation bias family firms must be able to implement specific economic mechanisms in order to safeguard against the dysfunctional behavior (Daspit, 2016). In order to fully manage bifurcation bias, founders and successors must implement merit-based hiring and promotion, clear role allocation practices, skills training for family members, structuring and formalization of HR processes, as well as rigorous and objective measurement of performance (Verbeke and Kano, 2012).

2.3 Employee Experience

Employee experiences are the views or opinions of employees during the entire stay in the company, and the experiences that was acquired through interacting with the organization. Positive employee experience also improves work performance, retention, and discretionary effort. Employee engagement and experience are linked together because when employees are more engaged and have more positive experiences, they tend to be more passionate about work. (IBM and Globoforce, 2016). Trust in leadership refers to the capability of the leader to delineate the organization's values, strategies, culture, vision and mission to the employees (ForeSee, 2014). Meaningful work is measured by the relevance between the employee and employer. Employees should also be selected on the basis of their suitability for the chosen position so that they can subsequently be given freedom to control certain aspects of their assigned task. This will help the employees have a better and more meaningful work which eventually contributes to the improvement of their organizational experience (Bersin, Flynn, Mazor, Melian, 2017). The support of the manager in terms of recognition and feedback, as well as the fairness in treating the employees also help in making them feel more satisfied with the job and ultimately improves workplace engagement. This shows that the management are key influencers in such outcomes as job satisfaction and engagement. (ForeSee, 2014). Positive work environment is the feeling of the employee about the mood and tone of the workplace. It may also be about the physical perks that the organization provides which shows the humanistic workplace that the organization provides, and also the culture and work environment that helps develop and enhance employee experience (Morgan, 2015). Growth opportunity is the effort made by the employer to support the professional growth of an employee. Improving the knowledge and skills of the employees help build the professional growth of the employee. It is also stated that employees perform best when there is an opportunity for growth in an organization (Lipman, 2015).

3. THEORETICAL FRAMEWORK

Current literature is replete with empirical studies on formal human resource management practices in family firms (see for instance Kidwell, Hoy, & Ibarreche, 2012; Baskurt & Alintag, 2017; Combs, Jaskiewicz, Shanine, & Balkin, 2018; and Ransburg, Sage-Hayward, Schuman, 2016). Adding value to this wealth of information is an emerging consensus among many scholars that the degree to which these human resource management practices are actually implemented by family business owners vary depending on several organizational configurations like firm size, degree of specialization, family dynamics, and complexity (de Kok, Uhlaner, Thurik, 2004; Paul & Kleiner, 2017). A framework that consolidates the wide variety of human resource management practices which family firms are known to adopt was proposed by Clet, Guerrero, Kaziras, and Olano (2015) when they measured employee engagement using a medium-sized family owned business in the Philippines. Key activities in the human resource management function were clustered around four factors: (a) Staffing/Recruitment, (b) Training & Development, (c) Compensation Administration, and (d) Employee Relations. Ideal practices to adopt in staffing/recruitment include formalized methods of screening and selecting applicants as well as thoughtful onboarding activities which are designed to integrate a new employee into the firm. Continuous learning and support, capacity building, and performance management are some of the activities that constitute good practices in training and development. Additionally, ideal activities to perform under the compensation administration cluster

include the design of an equitable wage and incentive scheme plus the development of an employee health and wellness program. Finally, the employee relations factor include practices which foster retention and may include the establishment of policies that address organizational communication, discipline, and grievance management.

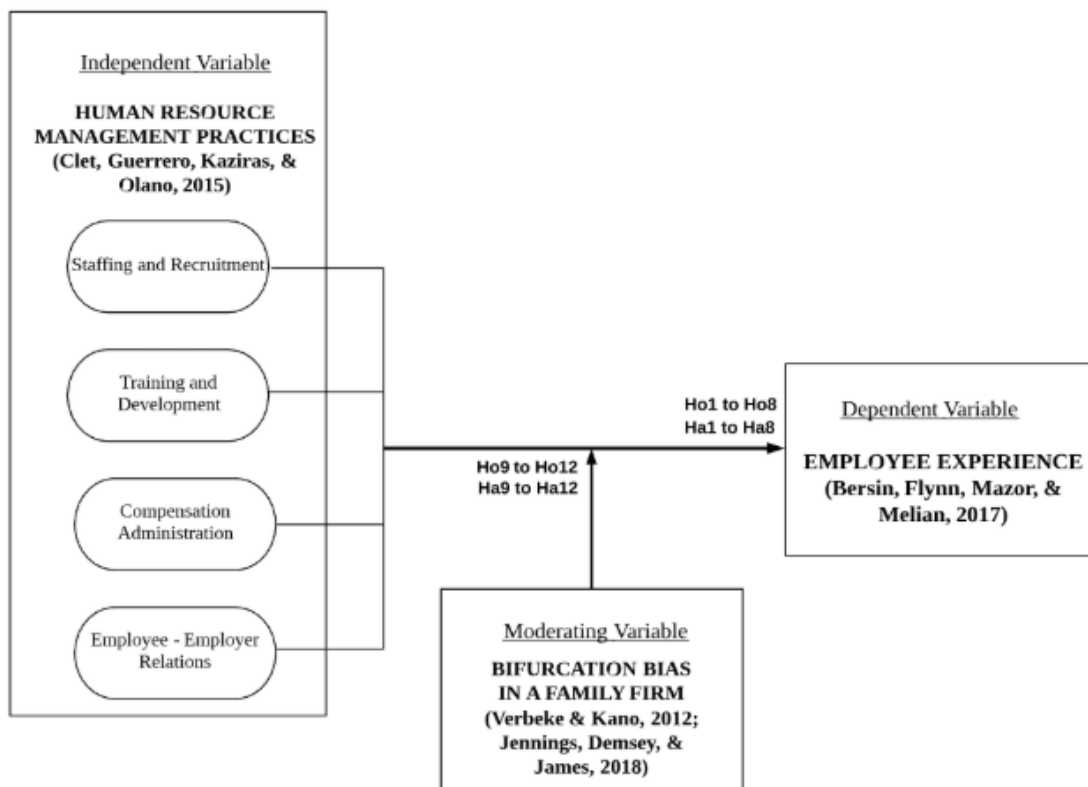
Meanwhile, providing theoretical basis for the presence of bias in family firms were Jennings, Dempsey, and James (2018) as well as Verbeke and Kano (2012) who all expressed their belief in the presence of bias by default among family firms since family members who are hired in the business are natural stewards who demonstrate loyalty, commitment, and effort regardless of their actual levels of skill, commitment, and uniqueness of contribution to the firm. But this belief contributes to the dysfunction of the firm, particularly in the human resource management function (Kidwell, Eddleston, Kellermans, 2018; Samara and Arenas, 2017), if uncorrected in the long run. Verbeke and Kano (2012) offers 2 types of bifurcation bias demonstrated in family-owned enterprises: asymmetric altruism which refers to the tendency for the firm owner to be more generous to family members, and amoral familism which is the manifestation of distrust for non-family members who work for the firm.

The final framework to fortify the theoretical foundation of this study was provided by Berzin, Flynn, Mazor, and Melian (2017) of the global consulting firm Deloitte. Just as marketing teams have moved beyond customer satisfaction to focus on the total customer experience, business owners and human resource management experts have refocused their efforts on enhancing workplaces, developing programs, designing strategies, and forming teams which bring together all the essential components that impact people on the job; the target now is to provide an employee experience that improves upon the shortcomings of the job satisfaction and employee engagement constructs. Meaningful work is provided when occupations are relevant to the job holder, employees have the tools and the freedom to succeed, and that they are selected on the basis of their fitness for the position. Supportive management must also be constantly present to guide, support, and align their organizational members. A positive work environment is also needed to elevate the employee experience since it ensures that the workplace fosters health and wellness, inclusiveness and fairness, as well as recognizes employees for a job well done. Growth opportunities are likewise important in creating a superior employee experience since staff feel empowered when their employers make deliberate efforts to prepare them for more important tasks ahead. Lastly, trust in leadership is the dimension that binds the construct together since it represents the clarity of vision, sense of purpose, and unwavering integrity of the firm which earns them the faith and confidence of their employees.

The operational framework shows a detailed representation of the variables being investigated. Aside from showing the postulated interactions between the variables which the researchers tested, the operational model also indicates the dimensions under which the constructs were evaluated. The diagram shown in Figure 1 reveals that the framework for evaluating the quality of human resource management practices in a family firm designed by Clet, Guerrero, Kaziras, and Olano (2015) was used to assess the independent variable. Meanwhile, the team composed of Bersin, Flynn, Mazor, and Melian (2017) from consulting firm Deloitte provided the framework under which the employee experience construct was assessed. Finally, bifurcation bias as the study's

moderating variable was measured using the dimensions proposed by Verneke and Kano (2012) as well as by Jennings, Dempsey, and James (2018).

Figure 1: Operational model to assess the role of bifurcation bias as moderator to the human resource management practices - employee experience nexus



4. HYPOTHESES OF THE STUDY

The first 8 hypotheses statements were premised on the work by researchers at the IBM Smarter Workforce Institute and at Globoforce's Workhuman Research Institute who jointly developed an Employee Experience Index which identified key human resource management practices as antecedents of employee experience. Bersin, Flynn, Mazor, and Melian (2017) as well as Plaskoff (2017) acknowledged that many well-known human resource management practices are considered drivers of employee experience. Meanwhile, the remaining 4 pairs of hypothesis statements were largely anchored on the results of these empirical studies. Almost by default, some degree of bias is argued to be prevalent in almost all family firms according to Jennings, Dempsey, and James (2018) as well as by Verbeke and Kano (2012). This can contribute to the dysfunction of the firm especially in the human resource management function says Kidwell, Eddleston, and Kellermans (2018) as well as by Samara and Arenas (2017).

H₁: Staffing and recruitment practices are significantly related to the quality of employee experience.

H₂: Training and development practices are significantly related to the quality of employee experience.

H₃: Practices in compensation administration are significantly related to the quality of employee experience.

H₄: Practices in employee relations are significantly related to the quality of employee experience.

H₅: The quality of employee experience is significantly influenced by staffing and recruitment practices.

H₆: The quality of employee experience is significantly influenced by training and development practices.

H₇: The quality of employee experience is significantly influenced by practices in compensation administration.

H₈: The quality of employee experience is significantly influenced by practices in employee relations.

H₉: Bifurcation bias moderates the impact of staffing and recruitment practices on employee experience.

H₁₀: Bifurcation bias moderates the impact of training and development practices on employee experience.

H₁₁: Bifurcation bias moderates the impact of compensation administration practices on employee experience.

H₁₂: Bifurcation bias moderates the impact of employee relations practices on employee experience.

5. METHODOLOGY

In order to maximize data credibility, all 235 regular employees across the 14 branches of the department store were polled for this study.

Section 1 of the self-administered questionnaire measures the quality of the company's human resource management function through the prism of 4 key areas and each has 12 items describing specific practices that are known to be ideal in most organizational settings. Respondents used a 5-point Likert scale to indicate their level of agreement or disagreement to each statement. All items under each of the 4 areas in human resource management were adapted from a similar study conducted by Clet, Guerrero, Kaziras, and Olano (2015) when they studied the human resource management practices of a medium-sized, Filipino-owned family business.

Section 2 of the survey instrument contains 2 dimensions to measure the extent at which bifurcation bias is prevalent in the department store. The dimensions of amoral familyism and asymmetric altruism are further appraised using a total of 11 items that describe instances when bias is practiced in a family business and respondents can either confirm or dispute the statements using a binary scale (Yes/No). The dimensions were adapted from a study conducted by Verbeke and Kano (2012) while the items under each dimension were developed by the team based on a study completed by Jennings, Dempsey, and James (2018).

Finally, *Section 3* contains 20 improvised items which the team developed themselves based on the employee experience framework proposed by Bersin, Flynn, Mazor, and Melian (2017) of the global consulting firm Deloitte. The dimensions of meaningful work, supportive management, positive work environment, growth opportunity, and trust in leadership are each represented by 5 items that typify specific situations at work which are known to enhance employee experience. Respondents are then given the chance to report its frequency of occurrence using a 5-point scale.

To interpret all mean scores generated from the survey, improvised scoring indices were used by the research team.

Finally, the researchers also designed an interview guide to aid in qualitative data collection in compliance to the requirements of a sequential explanatory mixed methods research design. 2 separate interviews were done in order to gain a better appreciation of the survey results through the lens of the company owners and of a human resource management expert. The team noted the reaction, comments, and insights of the owners upon seeing the survey results. The company owners and the human resource management expert subsequently enlightened the team on specific outcomes which need further explanation such as those that are unusual, surprising, or distinct.

6. KEY FINDINGS

6.1 Results of Descriptive Statistics

The team personally administered the questionnaires in all 14 branches of the department store. A total of 235 forms were deployed and all 235 of the questionnaires were returned. Upon close inspection of each survey form retrieved, all were found to be usable for the study.

Table 1: *Summary of descriptive statistics results*

Variable	Grand Mean	Verbal Interpretation
Human resource management practices in staffing & recruitment	3.40	Quality of human resource management practices concerned with <i>staffing & recruitment</i> is very good .
Human resource management practices in training & development	3.30	Quality of human resource management practices concerned with <i>training & development</i> is satisfactory .

Human resource management practices in compensation administration	3.24	Quality of human resource management practices concerned with <i>compensation administration</i> is satisfactory .
Human resource management practices in employee relations	3.28	Quality of human resource management practices concerned with <i>employee relations</i> is satisfactory.
Bifurcation bias	1*	Bifurcated HR practices are prevalent in the company.
Employee experience	3.42	Quality of employee experience is very good .

* *Mode*

Although respondents largely agreed that most of the specific practices listed under the 4 main functional areas of human resource management are demonstrated in the company, there is still room for improvement. These results may be the emerging norm as family firms begin to formalize their practice of the human resource management function (Kidwell, Hoy, & Ibarreche, 2012; Baskurt & Alintag, 2017; Combs, Jaskiewicz, Shanine, & Balkin, 2018; and Ransburg, Sage-Hayward, Schuman, 2016). Also, the degree to which these human resource management practices are implemented by family business owners vary depending on firm size, degree of specialization, family dynamics, and complexity (de Kok, Uhlaner, Thurik, 2004; Paul & Kleiner, 2017). All interviewees validated the survey results, citing the slow but sure rise of more formalized human resource management practices by family-owned firms. For the company owners, they've taken the task of formalizing their HR practices rather seriously because it is the only way by which employees can be managed effectively and efficiently. Still, the owners of the establishment can interpret these results as an opportunity to build upon the small gains they've made as a family business so that those areas where respondent ambivalence were recorded can be improved.

Meanwhile, Jennings, Dempsey, and James (2018) as well as Verbeke and Kano (2012) all believe that bias appears by default among family-owned firms since family members who are hired in the business are believed to be natural stewards who demonstrate loyalty, commitment, and effort regardless of their actual levels of skill, commitment, and uniqueness of contribution to the firm. This belief is clearly manifested in the perception of employees who were polled for this study since they unanimously believe that members of the owning family receive preferential treatment in areas such as recruitment, training, promotions, and compensation.

Employee experience, on the other hand, was assessed to be very good by those who were polled. But this was obtained under the shadow of items which were both frequently and occasionally manifested at the department store. The owners need to see these mixed results as an opportunity to further improve those areas pertaining to the employee experience dimensions of meaningful work, supportive management, positive work environment, growth opportunity, and trust in leadership (Bersin, Flynn, Mazor, and Melian, 2017).

6.2 Results of Inferential Statistics

After performing a causal test using both simple and multiple linear regression, the 4 independent variables were all found to be significant predictors of employee experience. Tables 2 and 3 highlight the results of the team's inferential statistical analysis.

Table 2: *Summary of simple linear regression results*

Variable	<i>B</i>	<i>p</i>	Multiple <i>R</i>	Adjusted <i>R</i> ²
Staffing & Recruitment	0.909	< 0.001	0.849	0.720
Training & Development	0.888	< 0.001	0.868	0.752
Compensation Administration	0.871	< 0.001	0.875	0.766
Employee Relations	0.879	< 0.001	0.875	0.764

Table 3: *Summary of multiple linear regression results*

Model	<i>B</i>	<i>p</i>	Multiple <i>R</i>	Adjusted <i>R</i> ²
Regression Equation	-	< 0.001	0.892	0.793
Intercept	0.335	< 0.01	-	-
Staffing & Recruitment	0.269	< 0.01	-	-
Training & Development	0.003	< 0.01	-	-
Compensation Administration	0.360	< 0.01	-	-
Employee Relations	0.301	< 0.01	-	-

Significant relationships and influences were also found between staffing and recruitment practices and employee experience ($R = 0.849$, $p < 0.001$), between training and development and employee experience ($R = 0.868$, $p < 0.001$), between compensation administration and employee experience ($R = 0.875$, $p < 0.001$) and between employee relations and employee experience ($R = 0.875$, $p < 0.001$). Once again, all interviewees validated the survey results citing key human resource management practices led by compensation policies as established drivers of employee experience particularly in the Philippines where money is seen as a primary motivator among employees.

To further validate the propensity of compensation to affect employee experience, the study of Resurreccion (2012) revealed that performance management and compensation, particularly employee benefits, were all significant predictors of organizational competitiveness. The study also revealed that Filipino MSMEs are giving more emphasis on employee compensation to support its thrust of achieving competitiveness, further suggesting that employees are more motivated to perform if flexible compensation schemes are adopted by their employer. The same level of importance was given to compensation through anecdotal evidence provided by Ramos (2017) and Osorio (2014) both of whom believe that Filipinos' views on the importance of compensation as a strategic HR issue has formidable potential to shape their motivation, performance, productivity, and overall satisfaction at work.

Meanwhile, the moderated regression analysis performed revealed that only by reducing (or even eliminating) bifurcation bias can quality human resource management

practices across all 4 areas improve employee experience ($AdjR^2 = 0.794$; $p < 0.001$). Bifurcation bias, therefore, moderates the effect of all 4 human resource management practices on employee experience. Table 4 illustrates this point succinctly.

Table 4: *Results of moderated regression analysis*

Model	B	p	Multiple R	Adjusted R²
Moderated regression equation	-	< 0.001	0.891	0.794
Intercept	0.423	< 0.01	-	-
Human resource management practices in <i>staffing & recruitment, training & development, compensation administration, and employee relations</i>	0.941	< 0.001	-	-
Bifurcation bias	- 0.075	< 0.01	-	-
Interaction between HR practices & bifurcation bias	- 0.003	< 0.01	-	-

This outcome is consistent with studies conducted by Chua, Chrisman, and Bergiel (2009), Cruz, Larraza-Kintana, Garcés-Galdeano, and Berrone (2014), Kellermanns, Eddleston, and Zellweger (2012), Zientara (2015), as well as by Samara & Arenas (2017) all of whom suggested that the preferential treatment given to family members can diminish the effectiveness of human resource management practices in family-owned firms. Furthermore, the HR expert interviewed confirmed that family business owners tend to favor their next of kin and while this is unavoidable, its long-term impact on employee morale may be negative especially if family members who are employed demonstrate incompetence. Interestingly enough, the firm owners also stated that even if bifurcation bias was said to negatively affect employee experience, the benefits of hiring family members outweigh its cost since the owners can have peace of mind knowing that they have someone whom they can trust especially in their absence.

6.3 Hypotheses Testing

Results obtained from conducting inferential statistics necessitated the rejection of the study's null hypotheses and the acceptance of all alternative hypotheses.

7. CONCLUSIONS

Subsequent analysis of all quantitative and qualitative data obtained from the study corroborated evidence from extant literature regarding the pivotal role played by key human resource management practices in improving overall employee experience. Furthermore, the propensity of bifurcation bias to strengthen or reduce the effect of human resource management practices on employee experience was also manifested in the study's research locale. It was revealed that only by reducing bias can efforts to deliver quality HR practices lead to improved employee experience.

8. KEY RECOMMENDATIONS

Highlights of recommendations made by the team included the following: (a) improving the person-job match by thoroughly understanding the job and matching it with applicants' competencies as well as inherent motivational strengths, (b) provide capacity-building programs designed to upgrade knowledge and skills of employees in consideration of their long-term career goals, (c) formalizing the link between compensation design and employee performance management, (d) forging closer, stronger ties between owners and employees through meaningful team building programs that highlight similarities in aspirations rather than those which threaten to divide, (e) reducing bifurcation bias by professionalizing key positions in the firm or by hiring family members based on their competencies.

APPENDIX: Questionnaire Items

Human Resource Management Practices in Staffing & Recruitment ($\alpha = 0.82$)

1. Selection criteria are consistent with job requirements.
2. Job specifications do not discriminate against applicants unless a specific requirement is legitimately required for the position.
3. Many applicants are reached with the chosen method of posting job vacancies.
4. The application form is simple, clear, and asks for relevant information only.
5. Employment tests match the requirements of the job.
6. Job interviewer ensures consistency and fairness in questioning.
7. Only questions which assess the qualifications of the applicant for the job are asked.
8. Information gathered from the application form, tests, interview, and other screening steps are evaluated accurately in order to identify the best applicant.
9. Important job details like the salary, benefits, working hours, and job location are discussed during the employment interview
10. Applicants are cleared of any illnesses or potential health risks either through a medical examination or a medical certification.
11. The decision to hire an applicant is based on legitimate selection criteria.
12. Newly-hired employees are properly socialized so that they are prepared to perform their jobs effectively and they learn about the organization more quickly.

Human Resource Management Practices in Training & Development ($\alpha = 0.93$)

1. Trainers are fully aware of training needs before implementing any learning program.
2. Employees are encouraged to identify their own training needs so that they can participate in designing their own learning plan.
3. Training programs clearly identify how it will achieve organizational objectives.
4. Trainers make an effort to familiarize themselves with each trainee so that individual learning styles are accommodated.
5. A variety of techniques such as on-the-job training, lectures, and coaching are used by the trainers in order to effectively deliver the training program.
6. Positive reinforcement such as praises and compliments are used by the trainer to enhance knowledge acquisition and retention.
7. Supervisors and employees regularly give and receive both positive and negative feedback regarding performance.

8. A climate of openness in performance evaluation is created when both employees and supervisors can question, challenge, and discuss performance standards together.
9. Performance evaluation results are communicated to all employees as soon as they are available so that improvements can be made if needed
10. Performance evaluation results are closely associated with pay increases, incentives, and promotions.
11. Adequate training and supervision is provided to all employees so that they can excel at their jobs and thus become eligible for pay increases, incentives, and promotions.
12. Employees are given specific information on how they can further develop and move up the organization.

Human Resource Management Practices in Compensation Administration ($\alpha = 0.91$)

1. Wages reflect what the job is worth based on its true value for the company.
2. There is a written agreement indicating the job to be performed and the wage to be paid in exchange for services provided.
3. Compensation is commensurate with the employee's duties, hours worked, responsibilities, and job expectations.
4. Wages in the company are positioned at a level which encourages employee retention.
5. The overall compensation plan is designed in such a way that it motivates employees and gives them an impression of equity and fairness.
6. A performance-based compensation plan is in place to boost productivity.
7. Important benefits like health insurance coverage and retirement plans are extended to eligible employees.
8. Other compensation items like commissions, bonuses, leaves with pay, and company outings are provided to supplement the wages paid.
9. Wages and benefits received are comparable if not better with other similar business establishments.
10. The company's compensation plan is regularly updated so that it can continuously attract the job market's best and brightest to join its ranks.
11. Personal fitness and a healthy lifestyle are promoted in the company as a remedy for high healthcare costs.
12. Employees are given a general sense of how wage rates and benefits are determined in the interest of transparency and accountability.

Human Resource Management Practices in Employee Relations ($\alpha = 0.89$)

1. The HR Department is accessible to employees and may be consulted on matters related to wages, benefits, and other workplace issues.
2. An open communication line is maintained with upper management so that employees are free to ask questions and exchange ideas with superiors.
3. Job satisfaction levels of employees are regularly monitored through a variety of techniques like focus group discussions, surveys, and one-on-one conferences with supervisors and employees.
4. Matters that cause dissatisfaction in the workplace are identified and corrected with the support of the business owner.
5. Employees are recognized for a job well done.
6. Management makes an effort to learn about employees' family, interests, professional goals, and other aspirations.

7. The company's disciplinary process is fair and equitably administered to all without fear or favor.
8. For each succeeding offense which an employee commits, he/she is given an incrementally greater penalty and warned that future infractions may result in increased discipline.
9. Grievances raised by employees are not ignored and are dealt with fairly and consistently by management.
10. Adequate time is spent by management to settle complaints raised by employees and decisions are handed down as quickly as possible.
11. While many grievances can be settled informally, employees in this company are still given the opportunity to raise a formal grievance if they wish.
12. Managers and supervisors are approachable and accessible to all employees.

Bifurcation Bias (KR20 = 0.67)

1. Are family members more likely than non-family members to become managers and executives in this company?
2. Are applicants who are family members preferred over those who are non-family members?
3. Is the training of employed family members considered more critical to the attainment of goals than training given to non-family employees?
4. Are the decision-making powers of managers and supervisors who are family members unrestricted compared to non-family members who occupy the same position?
5. Are most managerial and supervisory positions filled with family members than non-family members?
6. Are family members who are employed in the company more satisfied with their compensation compared to non-family members?
7. Are family members who are employed in the company paid more than non-family members?
8. Are the standards for computing wages more favourable for family members who are employed in the firm compared to those who are non-family members?
9. Do employed family members receive less strict performance evaluations than non-family employees?
10. Do employed family members receive better opportunities for professional growth and development compared to non-family members who work for the firm?
11. Are managers who are family members promoted farther, given greater responsibilities, and granted more decision-making rights?

Employee Experience ($\alpha = 0.84$)

1. I am allowed to exercise independent judgement and discretion in performing my duties. (Autonomy)
2. My skills are appropriate for the work that I was hired to do. (Select to fit)
3. I am encouraged to work in small teams with co-workers who think creatively and work collaboratively. (Small, empowered teams)
4. I am given the opportunity to relax when not at work. (Time for slack)
5. I know what is expected of me and how my accomplishments contribute to the attainment of company goals. (Clear and transparent goals)
6. I receive adequate guidance and support from my supervisor. (Coaching)

7. I believe that this company invests both time and money in the training of its supervisors and managers. (Investment in the development of managers)
8. I receive regular and timely feedback regarding my job performance. (Agile performance management)
9. My work schedule is flexible enough to fulfill both my job and personal responsibilities. (Flexible work environment)
10. My workplace allows me to feel good about myself and optimistic about my potential to succeed in life. (Humanistic workplace)
11. I am recognized by my superiors for a job well done. (Culture of recognition)
12. This company strives to maintain a fair and inclusive workplace by hiring, developing, and retaining employees based on skill and competence. (Fair, inclusive, diverse work environment)
13. I am given the opportunity to become better at what I do through proper in-house training. (Training and support on the job)
14. I am given the opportunity to perform other duties in the company in order to know if my skills are better suited elsewhere. (Facilitated talent mobility)
15. I am allowed to take the initiative in identifying my strengths and weakness at work so that I can help design the training activity best suited for me. (Self-directed, dynamic learning)
16. There is sustained pressure from this company to increase competence and improve job performance. (High-impact learning culture)
17. I believe that the company's core values are consistent with my own beliefs in life. (Mission and purpose)
18. This company believes that it must always invest in the continuous development of its most important asset: its employees. (Continuous investment in people)
19. This company consistently acts with integrity when dealing with its internal and external stakeholders. (Transparency and honesty)
20. This company inspires me to be the best at what I do. (Inspiration)

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