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## Article

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Article

# SHRM Practices Employee and Organizational Resilient Behavior: Implications for Open Innovation

Khaliq Ur Rehman <sup>1,2,\*</sup> , Mário Nuno Mata <sup>3,4</sup> , José Moleiro Martins <sup>3,5</sup> , Sabita Mariam <sup>6</sup>, João Xavier Rita <sup>3</sup> and Anabela Batista Correia <sup>3</sup>

<sup>1</sup> School of Management, Wuhan University of Technology, Wuhan 430070, China

<sup>2</sup> School of Business and Economics, University of Management and Technology, Lahore 54782, Pakistan

<sup>3</sup> ISCAL-Instituto Superior de Contabilidade e Administração de Lisboa, Instituto Politécnico de Lisboa, 1069-035 Lisboa, Portugal; mnmata@iscal.ipl.pt (M.N.M.); zdmartins@gmail.com (J.M.M.); jmrita@iscal.ipl.pt (J.X.R.); ambatista@iscal.ipl.pt (A.B.C.)

<sup>4</sup> School of Management and Technology (ESGTS-IPS), Polytechnic Institute of Santarém, 2001-904 Santarém, Portugal

<sup>5</sup> Instituto Universitário de Lisboa (ISCTE-IUL), Business Research Unit (BRU-IUL), 1649-026 Lisboa, Portugal

<sup>6</sup> Department of Business Administration, Government College Women University, Faisalabad 38000, Pakistan; sabitamariam@gcwuf.edu.pk

\* Correspondence: khaliqcheema@gmail.com; Tel.: +92-30-6848-4392

**Abstract:** The primary objective of this research is to investigate the role of strategic human resource management practices in developing resilient organizational behavior. This research aims to test the mediating function of individual resilient behavior between strategic human resources management practices and resilient organizational behavior. Data was collected from 780 managerial level employees working in small and medium Chinese enterprises in Hubei Province through a self-administrated questionnaire. The Smart partial least square structural equation modeling technique was used for data analysis. The analysis showed a significant positive relationship among SHRM practices, employee resilient behavior, and resilient organizational behavior. Results also show that employee resilient behavior partially mediates the relationship between SHRM practices and resilient organizational behavior. Individual resilient behavior is needed when an organization is in crisis, restructuring, transformation, turbulent, and unfavorable conditions. Without individual resilient behavior, it is difficult for an organization to be resilient. Therefore, strategic human resource management practices are essential to develop an employee's resilience. This research contributed to the body of knowledge by bringing new concepts together. The main contribution was testing the role of individual resilient behavior between strategic human resource management practices and resilient organizational behavior.

**Keywords:** organizational resilient behavior; individual/employee resilient behavior; strategic human resource management practices; open innovation; SMEs of China



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## 1. Introduction

The term “resilient behavior” was adopted from microbiology and cell regeneration studies, material processing, and other engineering aspects into the organizational sciences [1,2]. In organizational studies, resilient behavior was first introduced in psychology, economics, and financial management, especially in managing risks during financial crises and stock exchange crises [3,4]. Several authors defined resilient behavior in its parent school of thought and its adoption into organizational studies. However, for the sake of simplification and operationalization, this research takes the concept of resilient behavior as “The maintenance of positive adjustment under challenging conditions” [5]. This research is designed to look into how strategic human resource management (SHRM) practices can develop an individual's resilient behavior, which may further lead to organizational resilient behavior.

Resilient behavior is the ability or capacities of a person to revert/overcome a challenging situation. Organizational resilient behavior is the ability of an organization to overcome the problem of crises. Resilient behavior is also needed in organizations at times of transformation [6]. The resilient behavior of employees and organizations allows companies to develop new learning methods, implement new routines, and have better use of their resources under uncertain conditions [7,8]. Uncertain conditions can come to any organization; the top-level management has to make decisions to overcome these uncertain conditions by implementing strategic planning. Failure to adapt can lead organizations towards complete disaster [9]. One of the main reasons for failure in businesses/organizations is the doubt and non-belief of the employees towards their ideas and capabilities. This uncertainty and lack of trust in their abilities lead the organizations towards irrecoverable loss [10,11]. An organization's resilient behavior or ability to respond to challenging situations is a strategic aspect of the organization. SHRM is described by [12] as a strategic collaborator of an organization in designing and implementing the organization's strategies for growth through strategic level human resource management activities, i.e., recruitment, selection, training, compensations and benefits, and sharing ownership with personnel. Resilient organizations do not only respond to specific crises or momentary losses. They can also anticipate upcoming changes and prevent their businesses from being adversely affected by those changes. An organization is resilient when building the future rather than defending the past [13,14].

### 1.1. Objective of This Study

This study was designed to achieve the following objectives: The primary aim of this study was to investigate the role of SHRM practices/systems in developing resilient organizational behavior. The second aim of this research was to examine the mediating role of individual/employee resilient behavior between resilient organizational behavior and strategic human resource management practices in small and medium Chinese enterprises.

### 1.2. Research Questions

What is the relationship between individual resilient behavior and organizational resilient behavior?

What is the relationship between individual/organizational resilient behavior and strategic human resource management?

Does individual resilient behavior mediate the relationship between organizational resilient behavior and strategic human resource management practices?

## 2. Literature Review and Hypothesis Development

This section briefly discusses the available literature related to the variables used in the current research study, i.e., organizational resilient behavior, individual/employee resilient behavior, and SHRM practices in organizational settings. In addition to exploring the available body of knowledge, this section also discusses the relationships between the variables of the current research.

### 2.1. Strategic Human Resource Management Practices

The sustainability of organizations is considered the most important topic of research in organizations [6]. In most cases, the sustainability of an organization is misunderstood or misinterpreted as financial stability. The reason behind this misconception is because when an organization goes through a phase of instability, the symptoms of the instability show up in the finances. However, organizational sustainability or survival is not only dependent on effectively managing the finances. It is also linked with other strategic aspects like leadership and personnel management in organizations [7]. Therefore, organizations need to implement a comprehensive set of human resource management practices that are strategic, enhance employee performance, and help the organization achieve sustainability in the long run [8]. The researchers' specific human resource practices, i.e., training,

employee participation, employment security, job description, performance-oriented appraisal, internal career opportunities, and profit sharing, that can help the organization in long-term survival are called SHRM practices. This claim is now supported by a large body of research and recent meta-analysis [9–11]. The phenomenon of SHRM practices describes adopting a group of key human resource (HR) practices that enhance the knowledge, skills, and abilities (KSAs) of employees through which organizations can achieve sustainable performance, which ultimately creates value for the organization [12]. SHRM practices help individuals to build a resilient attitude that leads organizations towards higher and sustainable performance as long-term sustainability and survival of an organization are only possible if the organization is resilient [13].

This study focuses on the strategic human resource practices that help employees and organizations in developing resilient behavior. In today's era, the success of an organization lies in its unique resources, as they allow the organization to create value. According to the resource based view (RBV) of the firm, the resources of an organization that are intangible (valuable, rare, hard to imitate and non-substitutable) contribute to organizational stability [14,15]. Human capital (HC) is an intangible resource that is considered a unique resource and the heart of "intellectual capital" and defined as knowledge, skills, and abilities (KSAs) that are required to achieve specific outcomes [16].

China is a developing country with a scarcity of HRM research. An ineffective and maladaptation of strategic HRM practices potentially reduces the manufacturing performance in China. It is to be noted that an organization's performance depends on employee skills, behavior, and motivation, and that such skilled behavior of well-motivated employees is an outcome of SHRM practices [17]. Strategic HRM is an approach that defines how an organization's goals will be achieved through people by means of HR strategies and integrated HR policies and practices. These practices are considered to develop the resilient behavior of employees by enhancing their knowledge, skills, and abilities (KSAs) and motivate them to contribute towards the competitiveness and sustainability of the organization, especially at times of crisis in organizations [18]. Based on the above discussion, the researchers propose the following hypotheses.

**Hypothesis 1 (H1).** *Strategic human resource management practices have a positive relationship with individual resilient behavior.*

**Hypothesis 2 (H2).** *Strategic human resource management practices have a positive relationship with organizational resilient behavior.*

## 2.2. Employee Resilient Behavior

The term "resilient behavior" as an employee's psychological capacity has recently been highlighted in positive psychology literature. A critical element of a positive view of resilient behavior involves viewing adverse events as an opportunity to develop and become a better person [19]. A review of the previous measures and theories of resilient behavior shows this perspective is largely missing and suggests possible dimensions. Survival, high tolerance, adaptation, and "bounce back" are amongst the synonyms for resilient behavior that have been adopted in recent psychological and organizational studies [20].

Resilient behavior in the psychological capital model is characterized as "having the ability to bounce back from difficulty, disappointment or even positive yet apparently overpowering changes, for example, expanded duty" [21]. Previous studies have recommended that resilient behavior is a typical human adaptation reaction and is "described by great results notwithstanding genuine dangers to adjustment or advancement" [22]. Masten further highlighted that building resilient behavior is required to improve organizational procedures (counting psychological and learning forms) [23]. Adding to the versatile procedure, both a clear impression of reality that takes into account the powerful and discerning reactions to given conditions and the ability to look for or make significance of occasions, permit them to "manufacture spans from present-day hardships to a more full,

better built future" [24]. Unfortunately, very few scholars have studied resilient behavior in the working environment [25,26]. However, there is impressive proof that resilient behavior, once accepted to be an uncommon dispositional quality, is state-like and open to advancement [27].

Resilient behavior is an individual's behavior that can be reflected in adaptive organizations. A resilient employee utilizes the available resources in such a way that benefits the individual and the organization. Resilient behavior is an individual characteristic that depends on contextual factors, and the cultural adversity of the organization contributes to exploring the resilient behavior of the individuals. As a result, employee resilient behavior contributes to the continuous process of organizational resilient behavior development [28]. Employee resilient behavior helps the organization in crisis management; however, the resilient behavior is not dependent on adverse events but can be explored in crises and challenging times. Studies also indicate that resilient behavior can be developed through a social process lead by the organization's top management [29]. This process may involve valuing employees by honoring them for their contributions to the organization. Top-level management can also appreciate employees by implementing strategic human resource management practices in the organization. In turn, they will work hard for the organization. Thus, the relationship between resilient employee behavior and resilient organizational behavior is mutually exclusive [30,31]. Based on the above discussion, the researchers propose the following hypotheses.

**Hypothesis 3 (H3).** *Individual resilient behavior has a positive relationship with organizational resilient behavior.*

**Hypothesis 4 (H4).** *Individual resilient behavior mediates the relationship between strategic human resource management practices and organizational resilient behavior.*

### 2.3. Organizational Resilient Behavior

From Vieira's [32] point of view, resilient organizations are those that can adapt to change by fitting the trends and being able to change the generation of profit. Authors like Lyons-Ruth [33] and Lewis and McCann [34] relate resilient behavior to an organization's strategic agility and performance. Lengnick-Hall [35] points out that an organizational ability to develop resilient behavior can be enhanced by incorporating a set of policies and reforms. In the organizational context, resilient behavior is studied in crisis management and positive organizational scholarship literature [36–41]. In the organizational field and competition scenarios, the success of organizations depends on the ability to understand and adapt to the nature and dynamics of the business environment. These elements are related to competition, technology, costs, taxation, policies, and customer expectations [3,42]. Adaptive management is an integrated and multidisciplinary approach to address uncertainty, which is necessitated by the recognition that the managed resources are changeable due to human intervention, that surprises are inevitable, and that new uncertainties will emerge [43].

Organizational resilient behavior can be defined as "the capacity of an organization to respond in a manner that suited the situation and to make changes to reduce the impact of any surprises that may threaten the company" [10]. It is further argued that resilient behavior helps organizations respond appropriately to environmental changes and minimize those changes. Organizations may face different kinds of challenges, but organizational resilient behavior-related crises and problems are not limited to the ecological challenges and may also include financial crises, supply chain issues, or human resources related issues. Organizations need to be resilient to overcome these issues. Employee resilient behavior can only help the organization deal with resources-related human problems, and the organization needs to be resilient for other matters. Organizational resilient behavior as a field of research has gained attention more recently since most of the publications on organizational resilient behavior are from last two decades.



Several studies have been conducted in the last decade explore the concept of resilient organizational behavior from different perspectives. Building organizational resilient behavior was studied by Linnenluecke [44], improving and enhancing resilient behavior in organizations was studied by Crichton [45], and a comprehensive framework to develop organizational resilient behavior was discussed by Limnios [46]. Additionally, Ortiz-de-Mandojana [47] discussed the long-term benefits of resilient organizational behavior, and how to measure resilient organizational behavior was proposed by Somers [48]. Likewise, several other studies were also conducted on organizational resilient behavior in last two decades.

Previous researchers have studied the concept of organizational resilient behavior from different perspectives. In their research, McManus and Seville [49], explained the three dimensions of organizational resilient behavior, which include organizational adaptability, vulnerability management, and awareness regarding the situation. Lengnick-Hall and Beck [10] also developed three dimensions of resilient organizational behavior: the behavioral dimension, the contextual dimension, and the cognitive dimension. Their study also highlighted the role of strategic human resources management in developing organizational resilient behavior. According to their research, strategic human resources management plays an important role in influencing employees to contribute to organizational capacity building. Another measure of organizational resilient behavior was developed by Kantur [50], which consisted of three dimensions: agility, integrity, and robustness. Another instrument was developed by Lee [51] to measure and compare organizational resilient behavior capacity with other organizations. Their model comprises four dimensions: adaptive capacity, situation awareness, resilient behavior ethos, and vulnerability management. Chen [52] also came up with a comprehensive model or resilient organizational behavior, which warns organizations about impending crises or demanding situations early. It comprises of five dimensions: shared vision, cooperative awareness, willingness to learn, work enthusiasm, and adaptation ability. The current study has also used their models to measure organizational resilient behavior. Although a significant amount of work has been done on resilient organizational behavior, very few studies have been conducted to study SHRM or SHRM practices with resilient organizational behavior. As such, the present research took this opportunity to examine the nexus between SHRM practices and organizational resilient behavior. In addition, the current study also explores the mediating role of employee resilient behavior in relation to SHRM practices and organizational resilient behavior.

Based on the above-cited available literature on resilient organizational behavior and SHRM practices, the current research has developed this conceptual model (Figure 1) to measure resilient organizational behavior:

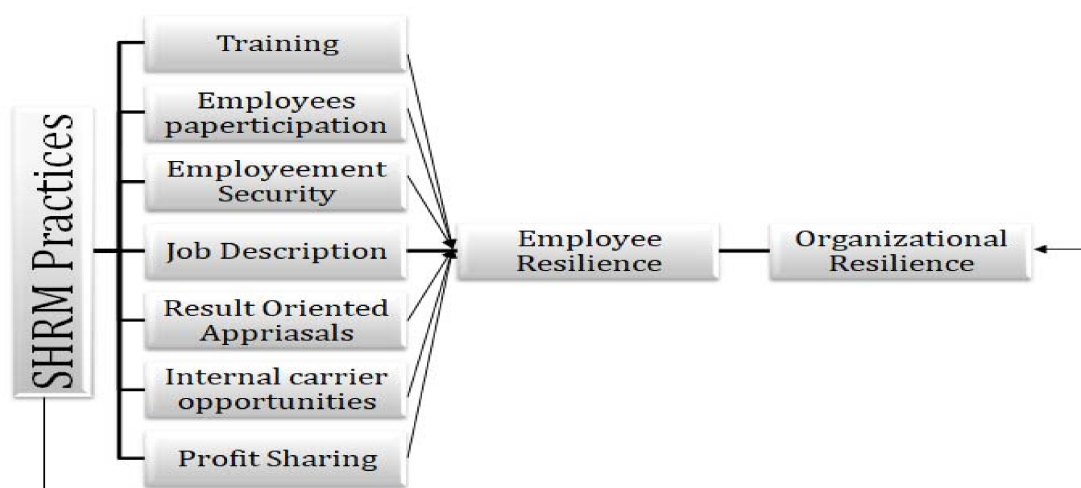


Figure 1. Research framework.

### 3. Materials and Methods

This research is positioned in the positivist paradigm. Since this research describes and explains the relationships between variables, this study is not only descriptive but also explanatory in nature. This research adopts a quantitative strategy as it is more efficient for hypothesis testing and empirical investigation. The target population of this research is middle and top-level managerial employees working in service providing small and medium enterprises (SMEs) in Hubei Province, China. Detailed demographics of the respondents are given below in Table 1. Hubei province was selected because of the large portion (18%) of SMEs operating in this province as it is considered an industrial hub with three industrial zones. The nature of the study, available time, available funds, and available information are the factors viewed as having an impact on the sampling decision [53,54]. Contacting the respondents in China was very difficult as the participants did not have much time to respond to the research questions. The best possible way to communicate with the respondents in this situation was to adopt convenience and snowball sampling. A self-administered questionnaire was used to collect the data. Questionnaires are viewed as a more reliable instrument than interviews because there is less researcher bias towards the respondents, something to which interview techniques are very susceptible to [55,56]. The current study investigates the relationship between three different variables, and to measure those variables, the following questionnaires were adapted: A15-item scale was adapted from Chen [52] to measure organizational resilient behavior. A sample item for organizational resilient behavior is “your personal success depends on the development of your company”. To measure employee resilient behavior, a 13-item scale was adapted from Näswall et al. [23] A the sample item for which is I tend to find positives from most difficult situations at work”. Finally, to measure strategic human resource management, a comprehensive scale was adapted from Akhtar [57], which comprises of 24 items and seven dimensions, a sample for which is “Employees are provided the opportunity to suggest improvements in the way things are done”. SmartPLS was mainly used to analyze the data using PLS-SEM, as this technique was better suited to the predictive objective of the present study. PLS-SEM is a complete package of statistical analysis, including reliability, validity, and hypotheses testing on the basics of regression, moderation, and mediation analysis.

**Table 1.** Demographics.

Variables	N = 780
Gender	
Female	44.8%
Male	55.2%
Marital Status	
Single	43.7%
Married	56.3%
Education	
Undergraduate	4%
Graduate	68.4%
Postgraduate	27.6%
Designation	
Manager	44.8%
Senior Manager	36.4%
Head of Department/Unit	16.3%
CEO/Owner	2.5%

**Table 1.** *Cont.*

Variables	N = 780
Work Experience	
Less than a Year	7.4%
1–10 years	22.8%
10–20 Years	37.3%
Above 20 years	32.5%
Monthly Income	
Less than RMB 5000	5.4%
RMB5000–RMB7000	22.2%
RMB7000–RMB9000	33.4%
RMB9000–RMB12000	26.6%
Above RMB15000	12.4%

1 RMB = 0.16 United States Dollar. 1 RMB = 0.11 Pound sterling. 1 RMB = 0.13 Euro.

#### 4. Results

PLS-SEM analysis was performed in a two-step process; initially, the measurement model was assessed for reliability and validity as per the prescribed criteria. After establishing the soundness of the measurement model, the structural model was assessed.

##### 4.1. Measurement Model

##### 4.1.1. Convergent Validity

The first stage in the measurement model is to assess the reliability and convergent validity of constructs through Cronbach's Alpha and average value extracted (AVE) with a threshold limit of 0.70 and 0.50, respectively. Alpha values are above the threshold value of 0.70. To establish strong convergent validity, AVE should be greater than 0.50 [58]. Results (Table 2) revealed that the AVE for ER, OR, and SHRMp was 0.546, 0.578, and 0.507, respectively.

**Table 2.** Construct reliability and validity.

	Cronbach's Alpha	Average Variance Extracted (AVE)
Employee Resilience	0.784	0.546
Organizational Resilience	0.746	0.578
Strategic Human Resource Management Practices	0.817	0.507

##### 4.1.2. Discriminant Validity

After establishing reliability and convergent validity, the next stage is to assess the discriminant validity for the measurement model by using both the Fornell–Larcker criterion and HTMT as suggested by [59]. The results depicted in Table 3 show that both the Fornell–Larcker and HTMT tests pass the minimum threshold of 0.60–0.90 to establish the discriminant validity of the model.

**Table 3.** Discriminant validity.

	Fornell-Larcker Criterion			Heterotrait-Monotrait Ratio (HTMT)	
	1	2	3	1	2
Employee Resilience	0.688				
Organizational Resilience	0.763	0.760		0.893	
Strategic Human Resource Management Practices	0.755	0.639	0.712	0.845	0.697



#### 4.2. Structural Model

Before analyzing the structural model, it was assessed for multi-collinearity issues. The Variance Inflation Factor (VIF) values were obtained by running the partial least squares (PLS) Algorithm with a “path weighted scheme”. It was observed (Table 4) that all VIF values were below the threshold value of five, which means that there is no collinearity issue in the model, and the researchers could continue with the structural model evaluation.

**Table 4.** Multi-collinearity.

Dimensions	VIF
Adoption Ability	1.131
Cooperative Awearness	1.453
Employee Perception	2.342
Employeement Security	1.981
Internal Career Opportunities	1.455
ER1	1.409
ER2	1.243
ER3	1.214
ER4	1.144
ER5	1.070
ER6	2.249
ER7	3.475
ER8	2.948
Profit Sharing	1.518
Result Oriented Appraisal	1.776
Shared Vision	2.120
Training	2.374
Willingness to Learn	2.059

After checking the structural model for any collinearity issues, a four-step approach was adopted for the assessment of the structural model. In the first step,  $R^2$  was assessed for each latent variable to establish in-sample predictive power.  $R^2$ , or coefficient of determinant value, expresses how much variance in a targeted variable is explained by the independent variables linked to it in a structural model. The threshold values for  $R^2$  are considered 0.19 (weak), 0.33 (moderately strong), and 0.67 (substantially strong). All  $R^2$  values in the present study (Table 5) fall between the moderately and substantially strong ranges.  $R^2$  calculation revealed that strategic human resource management practices and employee resilience collectively explains 59% of the variance in organizational resilience. These  $R^2$  values show the high in-sample predictive power of the model.

**Table 5.** Results of  $R^2$ ,  $f^2$ , and  $Q^2$ .

	R Square	F Square	Q Square
Employee Resilience	0.570	0.448	0.191
Organizational Resilience	0.592		0.33
Strategic Human Resource Management Practices		1.324	0.023

In addition to assessing and evaluating the  $R^2$  value for all endogenous constructs in the structural model, it is also recommended the evaluation of the change in  $R^2$  when a specified exogenous construct is omitted from the structural model and the evaluation of whether the omitted construct has a significant impact on the endogenous construct. This change in  $R^2$  by omitting a specified exogenous construct is referred to as  $f^2$  or effect size [60]. The value of 0.02 represents small, 0.15 represents medium, and 0.35 represents the large effect of the exogenous constructs. F square ( $f^2$ ) values (Table 5) revealed that employee resilience (0.448) has a large effect size on organizational resilience, whereas SHRMp (0.023) has a small effect.

Furthermore, for structural model assessment,  $Q^2$  was calculated through blindfolding. “In PLS-SEM, a  $Q^2$  value of greater than zero for a specific endogenous reflective construct indicates path model’s predictive relevance for a particular dependent construct and when the structural model shows predictive relevance, it accurately predicts data not used in model estimation” [58]. According to previously quoted author, as a rule of thumb, a  $Q^2$  value of above zero, 0.25, and 0.5 shows small, medium, and large predictive relevance, respectively. In the present study, the  $Q^2$  values of both employee resilience (0.191) and organizational resilience (0.033) showed small predictive power. Below, Table 5 summarizes the results of  $R^2$ ,  $f^2$ , and  $Q^2$ .

After checking for collinearity issues, model strength, and quality, and path coefficients (hypothesized relationships) and their significance were tested through bootstrapping. The results of the direct relationships are presented in Table 6 below.

**Table 6.** Results of the direct hypothesis.

	Coefficient	T Statistics	p Values	2.5%	97.5%	Hypothesis	Result
ER->OR	0.652	11.866	0.000	0.543	0.767	H3	Accepted
SHRMp->ER	0.755	28.160	0.000	0.704	0.806	H1	Accepted
SHRMp->OR	0.147	2.430	0.015	0.020	0.263	H2	Accepted

ER = Employee resilience. OR = Organizational resilience. SHRMp = Strategic human resource management practices.

The present study has followed the mediation approach suggested by [61], as this approach is considered the most suitable approach for PLS-SEM. The Sobel test [62] is traditionally used to test the significance of mediation relationships. However, there are statistical shortcomings in the Sobel test, and it is recommended to use bootstrapping to test the significance of relationships. Therefore, the bootstrapping technique was used in this study to check the significance. The results in Table 6 revealed that path coefficients are positive (ER->OR = 0.652, SHRMp->ER = 0.755, SHRMp->OR = 0.147) and significant (on the basis of T statistics > 1.96,  $p$ -value < 0.05, and the confident interval does not contain zero). On the basis of the above-mentioned results, we were able to accept Hypotheses One, Two, and Three. Although the path coefficient for Hypothesis One is on lower side, we also accepted it on the basis of significance.

After testing the direct hypothesis, the next stage was to test the mediating hypothesis. The results of the mediation analysis are presented in Table 7 below.

**Table 7.** Results of the mediation analysis.

		Coefficient	T Statistics	p Values	2.5%	97.5%	Hypothesis	Result
Direct	SHRMp->OR	0.147	2.430	0.015	0.020	0.263	H1	Accepted
Indirect	SHRMp->ER->OR	0.492	9.924	0.000	0.403	0.598	H4	Partially accepted

The results of the mediation test revealed that employee resilience partially mediates the relationship between SHRM practices and organizational resilience. The coefficient of the direct relationship among the said variables shows that SHRMp is responsible for the variation in organizational resilience by 14.7%. However, when the same relationship is studied through the mediating mechanism of employee resilience, it increases the relationship to 49.2%, which is a greater variation. Although the direct relationship remains significant even after introducing the mediating interaction term, the explanation was able to be described in more detail. As such, we can claim that as this analysis fulfils one of the conditions of mediation, as it partially mediates the relationship among strategic human resources management practices and organizational resilience.

## 5. Discussion

The current study results highlight the mediating role of employee resilient behavior in the relationship between SHRM practices and resilient organizational behavior. Resilient behavior is needed more in the time of crisis and phases of instability [63]. Organizational resilient behavior is an organization's capability to act in response to uncertain situations. Suppose the top leadership of an organization is interested in developing a resilient organization. In that case, they should build resilient behavior in employees by adopting a high-performing work system. Organizational leadership and the organization's human resources department need to align their goals. Organizations need to be open to innovation and accept rapid change due to the complexities in their internal and external environment. Adopting and implementing strategic human resource management practices in an organizational setting is necessary to survive at times of turbulence and complexity. Organizations need to be open to and adapt to the changes and have to respond to the situation in a better way [64]. The current study has investigated the role of strategic human resource management practices in developing employees and resilient organizational behavior.

Very few recent studies that studied the role of SHRM practices in developing resilient organizational behavior were available. Results of the current study highlight that SHRM practices play a vital role in resilient organizational behavior. Results are in line with [65] which claims that SHRM practices can boost the organizational capability to respond to challenging situations and develop innovative ways to deal with their problems. Another study conducted by [23] in the Tanzanian context also highlights the role of SHRM practices in building resilient organizational behavior. The current study claims that the organizational capability to respond to tough times and disaster situations can be enhanced by implementing SHRM practices.

In recent decades, researchers' interest in resilient employee behavior has increased, especially the study of it in organizational settings and how it further leads to resilient organizational behavior. However, very little research that investigates the contribution of SHRM practices towards employee resilient behavior and resilient organizational behavior is available. The current study revealed that SHRM practices play an essential role in developing resilient behavior among employees. There are minimal studies available that have studied employee/individual resilient behavior in an organizational context, so it is challenging to compare the results with other studies. However, there are some studies available, e.g., [66] which studied the relationship of employee resilient behavior with high-performance work systems or high performing human resource practices, which are somewhat relevant to SHRM practices.

## 6. Conclusions

Creating a capacity for resilient organizational behavior, as described previously, requires more than simply implementing a set of high-performance work practices. Furthermore, a configurational perspective implies that a combination of multiple HRM practices can be used. Based on the available literature and the results of this research, the following conclusions can be drawn: Individual resilient behavior is fundamental in organizations, especially during crisis management, transformation, and turbulent conditions to be more resilient. Individual/intrapreneurial action is needed in organizations. While several employee contributions, HR policies, and HR practices are proposed to underpin a capacity for resilient behavior, it would be helpful to empirically examine which specific activities are more strongly associated with particular dimensions of a firm's resilient behavior. Individual resilient behavior impacts resilient organizational behavior, and to develop resilient behavior in individuals, organizations should adopt a high-performance working system in which they apply strategic human resource management practices for their true potential.

### 6.1. Contribution of Research

This research brings entirely new concepts together. First, this research tries to validate and expand the theory of resilient behavior for individuals/employees and organizations. The current research is unique because the researchers have tested this theory in an organizational setting, specifically in the context of strategic human resource management practices. The second significant contribution of this research is that this research tested the mediating role of individual resilient behavior between strategic human resource management practices and resilient organizational behavior. Organizational resilient behavior comes from an organization's employees because if the employees cannot cope with and avoid difficult situations, it is challenging for organizations to regain stability. Strategic human resource management practices are the strategic part of organizations, and they play a vital role in developing resilient behavior among employees. The results of the current study are consistent with previous studies. Although the research model was never tested in its current form, some studies have independently studied the relationships among the different variables used in the recent research.

### 6.2. Implications

The current research highlighted the importance of resilient behavior in organizational settings, especially in times of crisis. Resilient behavior at both the organizational and individual levels is required for survival in turbulent times. Organizations can develop resilient behavior among employees by possessing or implementing a unique set of strategic human resources management practices. Ultimately, they will lead to resilient organizational behavior. Top-level management can gain insights from the current research findings to develop beleaguered actions related to implementing strategic human resource management systems to enhance resilient behavior among employees and the organization. This research can also help them make better decisions based on knowledge surrounding the precise effects of SHRM practices on resilient behavior dimensions. Service sector organizations are more vulnerable to crises, as these types of firms are relying on human capital. We realize that any research cannot be specific towards an industry or generalized to all sectors. However, the current study results are generalizable to small and medium enterprises in the service sector in developing countries like Malaysia and Pakistan because a significant contribution of gross domestic products (GDP) comes from small and medium enterprises.

### 6.3. Limitations and Future Study

The current research was conducted by utilizing a sample of managerial-level employees of SMEs working in the Hubei province of China. This shows that the recent study results are generalizable for SMEs in developing countries like Pakistan, Malaysia, and other countries that share the same characteristics. Future research can be conducted by using a sample size from large-scale organizations. Furthermore, further studies can extend this research by using the different dimensions of resilient behavior.

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**Data Availability Statement:** The current research was conducted in Chinese SMEs, and data confidentiality was promised to the organizations and individuals. However, if any of the data is needed for further research, it is available upon request through contact with the corresponding author.

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