

Employee Engagement as a Mediator Between High-Performance Work Practices and Extra-Role Customer Service among non-managerial employees in Travel Agencies in Western Province

Sanmugam Siyamalee Siromiya*

Department of Tourism Studies, Uva Wellassa University, Sri Lanka.,
ies.shiromiya@gmail.com

Abstract—The hospitality industry majorly depends on employee engagement for success. In the business field employee engagement can vary based on the practices implemented by the organization. Among them, High-Performance Work Practices (HPWPs) are a major concern because they impact employee engagement in a broader way. Among the HPWPs, training, empowerment, and rewards impact employee engagement largely based on previous findings. When employee engagement is higher, performance will be enlarged by working extras apart from their assigned tasks in the organization. When the HPWPs create a positive impact on the engagement of employees, it will lead to extra roles in the organization. Therefore, the main objective of the present study is to investigate the mediating impact of employee engagement between HPWPs and extra-role service in travel agencies in the Western Province, Sri Lanka. The quantitative research method was employed, and the population of the study consists of the non-managerial employees who work in travel agencies in the Western Province. The sample size of 306 travel agency employees was chosen based on the Morgan table by applying the convenience sampling method. The data gathering was done virtually by distributing structured questionnaires to employees at selected travel agencies. The data analysis was examined by using both IBM SPSS software to examine the descriptive statistics and Smart PLS version 4 to test the hypotheses. This current study developed and tested four hypotheses based on literature review. The results of the study confirmed the acceptance of the hypotheses. The primary finding of the study is that HPWPs positively impact extra-role service, HPWPs positively influence employee engagement, and employee engagement has a positive influence on extra-role service. Finally, employee engagement mediates the relationship between HPWPs and extra-role service. The present study offers practical insights to the travel agency management team to implement interventions that empower employee engagement by providing proper higher-performance work practices and improving employee engagement further, which leads to extra-role services of employees. Further, the theoretical contribution of the study is the mediating role of employee engagement between HPWPs and extra-role service. This demonstrates how HPWPs impact employee engagement, thereby providing a comprehensive understanding of employee engagement strategies. This leads to connecting the gap between theory and practice in travel agencies in the Western Province. By demonstrating the mediating effect of employee engagement, the present study provides a framework for organizations' managers to practice effective HPWPs, which not only increase engagement but also enhance motivation for employees to work beyond their assigned tasks. As a result, this research study provides a contribution to academic and practice through providing evidence-based approaches to enhance employee motivation, satisfaction, and the overall performance of the organization in the service industry.

Key Words: Employee Engagement, Extra-Role Service, HPWPS, Travel Agencies, Western Province

1. INTRODUCTION

The tourism and hospitality industry is considered one of the most important industries globally (Pastiu, Muntean, Mois, & Maican, 2014). Sri Lanka has been considered a

tourist destination for a long period because of its strategic location and uniqueness, and tourism is considered a major source of foreign income (Gunasena, 2007). Travel agencies also play a major part in the tourism context by creating lots of employment opportunities, and the employees working there also play a major role. The employees who work in travel agencies help clients make travel plans through booking reservations, assisting with destination transportation and the selection of lodging, as well as informing clients about passports and visas, as well as currency needs (Ali & Abeygunawardana, 2018). Not only that, but they work cooperatively with hotels, restaurants, and airlines, as well as sightseeing attractions, to offer better services that satisfy customers and develop sales (Räikkönen, 2014; Kaldeen & Thowfeek, 2018). However, employees are sometimes criticized for slow service, insufficient interaction, unfriendly attitudes, and providing inaccurate information (Räikkönen, 2014). As a result, implementing efficient work practices and ensuring employee engagement is significant for retaining talented employees, enhancing the quality of the services, as well as promoting extra-role behaviors that exceed customer expectations in travel and tourism agencies. The business world is often changing. Due to the uncertain economic environment, the organizations are facing larger changes in the demand for products and services, which they offer under pressure to enhance performance to attain the goals and objectives of the organizations. This increases the requirement for the organizations to enhance the way they deliver service and investigate their practices, organizational mission and goals, performance objectives, and performance measures (Begum & Mohamed, 2016). (Matzler & Renzl, 2007) noted that to improve any country's service sector, employee performance is indispensable. Employee performance is majorly influenced by organizational activities. Therefore, the organizations are following High Performance Work Practices (HPWPs) to provide positive signals to employees that the organization cares for them to enhance the employees' quality and productivity of work (Tang & Tang, 2012). These practices lead to high employee outcomes and enhanced organizational performance (Tregaskis, Daniels, Glover, & Butler, 2013). Further, to face competition in the business world, it is more vital to retain talented employees in the organizations. Retaining major-level employees in the organizations offers a vital competitive edge source for the organization. The social exchange theory, equity theory, and job characteristic model support the employee outcomes. According to the social exchange theory, employees feel happy when they feel that the organization provides care for them, which leads to performance beyond their duties through expressing their engaged behavior (Saks, 2006). According to the equity theory, the employees are motivated when they are treated fairly in the organization (Adams, 1963). The same is confirmed by the job characteristics model, which notes that it enhances employee results. Empowerment is considered a tool of high-performance practices (Hackman & Oldham, 1975). Previous studies on the theoretical framework of the relationship between high-performance practices and employee performance in various organizations used different high-performance work practices to improve the performance of employees (Afiouni, Karam, & El-Hajj, 2013). When employees are treated well in the organization, they perform extra role services by performing more tasks than their assigned tasks in the organization. Extra-role customer service is defined as the employee's optional behavior while serving customers that goes beyond their assigned jobs (Bettencourt & Brown, 1997). Engaged employees are willing to exert efforts to go the extra mile in satisfying customers' needs. Work engagement is referred to as a motivational construct, which is demonstrated through positive mental condition as well as individual fulfillment, manifested through vigor, dedication, and absorption (Schaufeli, Bakker, & Salanova, 2006). HPWPs have been demonstrated to

make employees more absorbed and dedicated, so that they become engaged in their work (Karatepe O. , 2013; Saks, 2006). Those employees become task-oriented in their workplace. Further, engaged employees demonstrate elevated levels of extra-role performance beyond in-role duties along with better customized behavior (Karatepe O. , 2013) Engaged employees feel they should repay the benefits they gain from the organization via their contextual performance as well as the best service quality (Karatepe O. , 2013; Saks, 2006; Takeuchi, Lepak, Wang, & Takeuchi, 2007). This acts as a give-and-take process, and they repay the fairness practiced with them through quality service delivery to customers .Further, engaged employees have long connections are more trusting of their employer, which can be seen in their performance (Saks, 2006). Because of this, they will perform well beyond their routine in-role tasks (Karatepe O. , 2013). Furthermore, most strategic HRM studies have focused majorly on the manufacturing industry by neglecting the important presence of other industries (Katou, Budhwar, & Patel, 2014), especially the service sector (Adeel, Nawaz, Zeeshan, & Muhammad Sadiq, 2010). The main problem is that studies related to the manufacturing sector cannot be generalized to the services sector due to its diverse characteristics, such as the concurrent production and consumption of products, the intangibility of service practices and outcomes, and clients' involvement in services delivery (Liao, Hu, & Chung, 2009). These facts require further research evidence from the services sector. Literature on HR practices and employee performance in the services sector has focused on healthcare industries (Mihail & Kloutsiniotis, 2016), flight attendants (Karatepe & Vatankhah, 2015), and the context of Western countries only (Mihail & Kloutsiniotis, 2016). Therefore, there was a need to study the relationship between high-performance work practices and employee performance in the Sri Lankan context. The travel agency sector especially provides a major contribution to employment creation, and it has played a significant role in post-economic recovery in Sri Lanka. However, a limited number of studies have empirically investigated HR practices and employee engagement in this sector. Therefore, this study mainly focuses on travel agencies in Sri Lanka to address this empirical gap and to provide clear insights applicable to other tourism economies in the South Asian context.

This scenario led to the development of the following research questions: What is the impact of high-performance work practices on employee engagement? · What is the impact of high-performance work practices on extra-role customer service? · What is the impact of employee engagement on extra-role customer service? · Does employee engagement mediate the relationship between high-performance work practices and extra-role customer service?

Furthermore, this present study aims to offer practical insights to tourism policymakers and HR professionals regarding employee engagement and service quality in the competitive travel industry in Sri Lanka. This has significant implications for enhancing national service excellence and economic sustainability.

A. Research Objectives

Based on the research questions, the following research objectives were developed.

- To identify the impact of high-performance work practices on employee engagement
- To investigate the impact of high-performance work practices on extra-role customer service
- To examine the impact of employee engagement on extra-role customer service

- To identify whether employee engagement mediates the relationship between high-performance work practices and extra-role customer service

II. LITERATURE REVIEW

HPWPs are relevant to the travel and tourism sector in Sri Lanka, as they provide service quality, and customer satisfaction has played a major role in its competitive success. Although industrial growth is occurring, studies on employee engagement and service behaviors are limited. This provides the sector with practical and theoretical value to understand how HR practices impact employee behavior. The studies regarding HPWPs and employee performance remain limited, especially in tourism-related service sectors. A lot of studies have mainly examined manufacturing and healthcare (Mihail & Kloutsiniotis, 2016; Katou, Budhwar, & Patel, 2014), while the research studies on tourism and travel agency employees are limited. Therefore, this research study fills a contextual gap through examining how HPWPs impact employee engagement and extra-role behavior in the travel sector in Sri Lanka.

A. Social Exchange Theory

According to social exchange theory (SET), relationships between people, including employees and managers, develop stronger and more trusting over time when both sides follow specific rules and procedures of give and take (Cropanzano & Mitchell, 2005). There are two types of relationships available in the workplace: economic and social exchange relationships. Economic relationships, which are tangible and appear to be more short-term, whereas social exchange relationships are considered “close personal attachment and open-ended obligations” (Cropanzano, Rupp, & Byrne, 2003). Social exchange relationships empower organizational results when organizations take care of their employees (Cropanzano & Mitchell, 2005). Further, when employees receive economic and socioemotional resources in the workplace, they tend to be obligated to repay the organization in different ways (Karatepe O. , 2013). Among the ways work engagement and positive job results are achieved is through the manner in which employees repay the advantages provided by the organization (Saks, 2006). This means employees will work in their jobs by devoting their cognitive, emotional, and physical resources with a high level of energy, being enthusiastic about their work, and fully engrossed (Karatepe O. , 2013). Further, employees repay the organization through their work engagement when they have HPWPs, which are manifested through training, empowerment, and rewards. Moreover, HPWPs enhance the social exchanges' quality between employees and employers (Takeuchi, Lepak, Wang, & Takeuchi, 2007; Tang & Tang, 2012). In the context of extra-role customer services, consistent with the precepts of SET, employee who are engaged with their work appear to have higher trust as well as stronger quality relationships with their employees, resulting in positive behaviors (Saks, 2006). As per the findings of (Karatepe O. , 2013), work engagement increases employee job performance and extra-role customer service. Therefore, HPWPs build a work environment where employees are more engaged and perform more than their assigned roles.

B. High Performance Work Practices (HPWPs)

A single definition for HPWPs is not available; however, many researchers agree that they consist of working together, including employees, managers, and employers, to develop trust and enhance communication (Kirkman, Lowe, & Young, 1999). These are

HR practices that help empower performance are known as the high-performance work practices (Huselid, 1995). For instance, they include offering bonuses, providing training, involving employees in decisions, hiring carefully, and providing work options (Huselid M., 1995; Pfeffer, 1998). These HR practices are helping enhance and improve employee knowledge, skills, and motivation (Becker & Huselid, 1998; Delery & Shaw, 2001). When employees are motivated, they feel less inclined to quit the job, which enhances the organization. HPWPs also aid organizations in becoming more flexible and efficient (Evans & Davis, 2005). In the context of creating powerful positive impact in organizations, training, rewards and empowerment (Wall & Wood, 2005), also enhances employee engagement (Christensen Hughes & Rog, 2008). Based on this scenario, the present study considers HPWPs through the aspects of employee empowerment, training, and rewards.

1) Employee Empowerment: (Forrester, 2000) declared that empowerment concerns freedom and the ability to express opinions, make decisions as well as take commitments. Further, employee empowerment, defined as job involvement, is higher when the employee's job involvement is greater (Honold, 1997). Employees are able to manage their roles, apply their own creative judgment, and offer a fair and quick response to customer complaints when they are empowered (Yavas, Karatepe, & Babakus, 2010).

2) Training: Training is used to empower employees' skills, knowledge, and abilities. Employees can perform their job roles effectively and efficiently. When employees have good interpersonal skills and technical skills, these skills can be empowered through training programs (Eldridge & Nisar, 2006). Generally, well-trained employees need less management involvement. Additionally, employees can feel unhappy at their workplace for various reasons. Training can reduce or remove the factors that create that unhappiness in the workplace (Xiao, 1996).

3) Rewards: Employees should be provided with appropriate rewards and compensation, which leads to achieving the required level of employee performance (Chand, 2010). Providing rewards for employees' efforts differs from one organization to another, noted by (Prendergast, 1999). Organization provides both monetary rewards and non-monetary rewards to motivate employees. Among the financial rewards, financial rewards help satisfy basic needs such as clothing, shelter, and food, as well as higher-level needs such as respect, belonging to a group, and attaining authority (Long & Shields, 2010). Further, organizations must provide non-monetary rewards along with monetary rewards; aspects that cannot be achieved through monetary rewards can be achieved through non-monetary rewards to motivate employees (Long & Shields, 2010).

C. Extra-Role Customer Service

Extra-role customer service is defined as the employees' optional behavior performed beyond their assigned jobs while serving customers (Bettencourt & Brown, 1997). It is important for employees to showcase their proactive behavior and adjust as the situation demands (De Jong & De Ruyter, 2004). Employee engagement is considered a key determinant of employees' willingness to develop their job roles. When employees are engaged, they perform more roles than their assigned tasks to satisfy customer needs. Therefore, it is significant to study how employee engagement relates to extra-role

customer services. According to SET, engaged employees are likely to develop strong, trusting relationships with their employers and reflect positive behaviors (Saks, 2006).

D. Impact of HPWPs on Employee Engagement

Employees who receive different kinds of resources or benefits from organizations are likely to feel obliged to repay the organization by engaging fully work and, in turn, show extra-role services and job performance (Saks, 2006). The strategic human resource management perspective demonstrates that HPWPs impact the performance of both employees and organizations (e.g., (Huselid, Jackson, & Schuler, 1997). HPWPs must motivate employees to do their jobs effectively. When employees are provided with proper training, empowerment, and rewards, they will be more loyal to the organization, and their performance or engagement towards the organization will increase. Employees who receive proper HPWPs delivery quality services successfully deal with customers.

E. Impact of HPWPs on Extra-Role Customer Service

Employees cannot provide desired results without proper training programs. Further, when employees are provided appropriate compensations, it leads to the development and survival of the organization (Dessler, 2010). Financial rewards must be connected with results (Trevor, Reilly, & Gerhart, 2012). Reward levels must varies based on employee performance, as motivation may be impacted when there are significant differences between high and low results (Aguinis, 2013). Instead of base pay, organizations should increase variable pay to maintain the justice in the organization

F. Impact of Employee Engagement & Extra-Role Customer Service

According to (Karatepe O. , 2013), employee engagement empowers the performance of employees, and engaged employees are motivated to offer extra services beyond their formal job responsibilities. In the workplace, engaged employees demonstrate positive attitudes and behaviors (Babin & Boles, 1998). (Bettencourt & Brown, 1997) noted that frontline engaged employees offer services to their customers in many ways; enhancing services' quality. In this context, engagement is not a fixed attitude; it indicates absorption as well as attentiveness to job performance (Saks, 2006). Previous studies show that employee engagement drives in-role behavior as well as employees' positive behavior (Sonnetag, 2003). Engagement impacts employee's performance, including how they are managing their roles, extra role customer services (Adeel, Nawaz, Zeeshan, & Muhammad Sadiq, 2010).

G. Employee Engagement and Extra-Role Customer Service

Work engagement act as a mediator between HR practices and employee performance, providing a strong basis observed in social exchange theory. Employees perform better through engaged behavior when provided specific advantages by the organization (Saks, 2006). Engaged employees create when they receive proper support from the organization, improving performance (Yavas, Karatepe, & Babakus, 2010). When employees are given enough benefits, they feel pleased to repay the organization by performing extra role services (Karatepe O. , 2013). Strategic HR management presents that organization performance IS strongly impacted by HPWPs (Adeel, Nawaz, Zeeshan, & Muhammad Sadiq, 2010). Particularly, (Karatepe & Olugbade, 2016) conducted the research study on the relationship between HPWPs and employee outcomes, including the mediating role of engagement. Research on frontline employees revealed that HPWPs,

manifested via management emphasis on training, empowerment, and rewards, motivate frontline employees to offer quality services, resolve complaints successfully, and demonstrate extra-role performance (Yavas, Karatepe, & Babakus, 2010).

III. RESEARCH METHODOLOGY

A. Research Design

The present study employs a quantitative research methodology to examine how HPWPs impact extra-role service among the non-managerial employees in selected travel agencies in Western Province of Sri Lanka. The quantitative approach is appropriate for the current study as it collects and analyzes numerical data, enabling the evaluation of predefined hypotheses on the relationship between variables of the study (Creswell, 2014). Further, this method gives a structured framework to evaluate the correlations by ensuring objectivity and the ability to generalize results within the scope of the study. Individual employees are considered the unit of analysis since all the data was gathered from those who worked in selected travel agencies. The study is cross-sectional, as the data were collected just once.

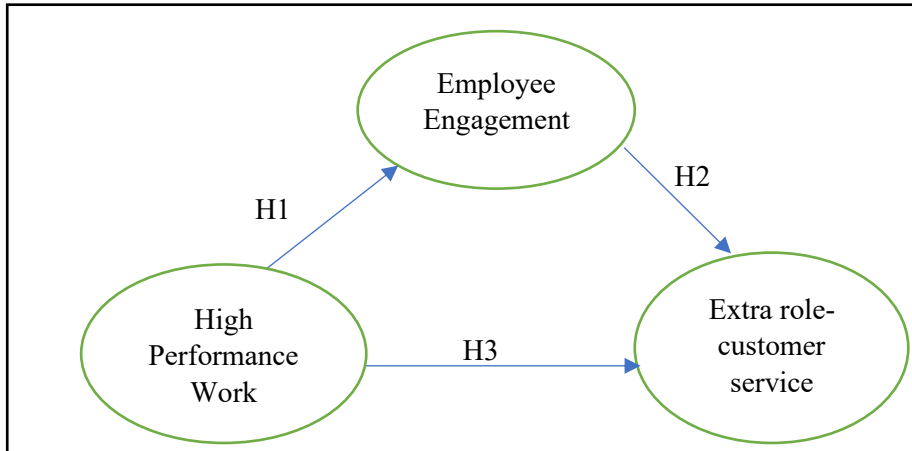
B. Research Site

The research was conducted based on the topic “Employee Engagement as a Mediator Between High-Performance Work Practices and Extra-Role Service in Travel Agencies in Sri Lanka among Non-Managerial Employees. The study focused on non-managerial employees in the Western Province of Sri Lanka. To easily make the research manageable, the researcher narrowed the broader concept to one province among nine provinces. The Western province has the highest number of travel agencies in Sri Lanka, according to (SmartScraper, 2025). The Western Province accommodates a large number of travel agencies, industry hubs and inns in Sri Lanka, providing access to various respondents and ensure data representativeness.

C. Conceptualization

The researcher focused on identifying the extra-role services and their engagement among the non-managerial employees based on the literature review. According to previous studies, the conceptual framework was developed.

Figure 1. Conceptual framework



Source: Authors' compilation.

D. Research Hypotheses

To evaluate the relationship between HPWPs, employee engagement, and extra role services the researcher developed three hypotheses.

H₁: HPWPs significantly and positively influence Employee Engagement

H₂: Employee Engagement significantly and positively influences Extra-Role service

H₃: HPWPs significantly and positively influence Extra- Role service

H₄: Employee Engagement mediates the relationship between HPWPs and Extra-role service

E. Population and Sample

The target population of the current study was all non-managerial employees who work in travel agencies in the Western Province of Sri Lanka. The number of travel agencies in the Western Province is 1488, according to (SmartScraper, 2025). However, because of the time constraints, this study only on non- managerial employees in nine selected travel agencies in the Western Province. The sample of the survey included 34 non-managerial employees from each selected agency, resulting in a total of 306 respondents. The participants were selected using a convenience sampling technique, considering their accessibility, including the individuals in a specific geographic area (Bryman, 2016; Bryman, 2016). Al though convenience sampling may limit the generalizability of the findings, the nine selected agencies provide a practical and statistically sufficient sample to yield meaningful and reliable insights. The sampling approach ensured that the study remained feasible while still allowing a representative portion of employees from the selected agencies to be examined.

F. Operationalization of Variables

The following table summary of the dimensions of the variables.

Table 4. Operationalization of variables

	Variables	Dimensions	Items	Sources
Independent Variable	HPWPs	Empowerment	6	(Hayes, 1994)
		Training	5	(Boshoff & Allen, 2000)
		Rewards	5	(Schaufeli, Bakker, & Salanova, 2006)
Mediator Variable	Employee Engagement	Vigor	3	(Hayes, 1994)
		dedication	3	
		absorption	3	
Dependent Variable	Extra role service		5	(Bettencourt & Brown, 1997)

Source: Authors' compilation.

G. Questionnaire

The questionnaires were designed with four sections: A, B, C, and D. Section A included respondents' demographic details. Section B included questions on HPWPs, Section C included questions on engagement, and Section D includes questions on extra-role customer service.

H. Data Collection

Data was collected through structured questionnaires, which were distributed as Google Forms to non-managerial employees of travel agencies. The study mainly used primary data. Structured questionnaires were distributed to employees in selected organizations. Furthermore, the questionnaires were distributed with participants' informed consent, maintaining confidentiality as well as voluntary participation.

I. Data Analysis

Data analysis was examined using IBM SPSS Statistics 25 and SmartPLS 4 software. In SPSS, descriptive statistics, including mean and standard deviation, were examined. Moreover, the sample's characteristics and central tendencies of the variables are provided as an overview (George & Mallery, 2010). Partial Least Squares Structural Equation Modelling (PLS-SEM) was examined using SmartPLS 4 software. This advanced statistical technique allowed for testing complex relationships between variables and assessing the structural model's validity and reliability. PLS-SEM was selected as appropriate for exploration models as well as its capability to manage complex mediation analysis in small- to medium-sized samples (Hair, Hult, Ringle, & Sarstedt, 2022).

IV. RESULTS AND DISCUSSION

A. Demographic Factors of Respondents

The demographic information consists of age, gender, and level of education. The sample consists of approximately 58% female and 41% males. Further, among the sample, around 59% were in the 20-30 age category. In the context of education, most of the non-managerial employees had a basic degree.

Table 5: Demographic Characteristics of Respondents

	Categories	N	%
Gender	Male	128	41.8
	Female	178	58.2
	Total	306	100.0
Age	20–30	181	59.2
	31–40	88	28.8
	Above 41	37	12.1
	Total	306	100.0
	O/L & A/L	112	36.6
education	Degree	194	63.4
	Total	306	100.0

Source: Strived from SPSS,2025

B. Descriptive Analysis

(Allen & Seaman , 2007) noted that, about the mean value, if the mean score falls into the category $1 \leq X < 2.5$, it reflects "Almost Not Accepted"; $2.5 \leq X < 3.5$ indicates "Average"; and $3.5 \leq X \leq 5$ represents " Almost Accepted." Therefore, the descriptive analysis demonstrated that all the mean values of the variables are "Almost Accepted" in the present study.

Table 2. Descriptive Analysis

Variables	N	Mean	Std. Deviation
Employee engagement	306	4.6038	.46242
HPWPs	306	4.3302	.74032
Extra customer service	306	4.2984	.66815

Source: Strived from SPSS ,2025

C. Multicollinearity

Ensuring the robustness of the results, the multicollinearity test was examined. Multicollinearity was examined by using the Variance Inflation Factor (VIF), and all values fell below the threshold of 5, which shows no significant multicollinearity among the independent available. Further, there was an absence of multicollinearity issues, as the tolerance values were above 0.2.

Table 3. Multicollinearity

	VIF
EE1	2.616
EE2	2.938
EE3	3.977
EE4	3.760
EE5	4.698
EE6	3.753
EE7	3.415
EE8	3.528
EE9	2.950
ERS1	2.932
ERS2	2.893
ERS3	2.881
ERS4	2.754
ERS5	2.267
HPWP1	2.237
HPWP10	3.819
HPWP11	2.086
HPWP12	2.181
HPWP13	2.987
HPWP14	3.977
HPWP15	2.988
HPWP16	2.305
HPWP2	2.240
HPWP3	3.392
HPWP4	3.068
HPWP5	2.188
HPWP6	3.555
HPWP7	2.779
HPWP8	2.601
HPWP9	1.932

Source: Strived from SmartPLS,2025

D. Factor Loading

Pett, Lackey, & Sullivan, (2003) revealed that factor loadings can range from -1.0 to $+1.0$, with higher absolute values indicating a stronger correlation of the item with the underlying factor. The factor loading is presented in Table 4.

Table 4. Factor Loading

	Employee Engagement	Extra Role Service	HPWPs
EE1	0.824		
EE2	0.844		
EE3	0.888		
EE4	0.882		
EE5	0.910		
EE6	0.881		
EE7	0.869		
EE8	0.878		
EE9	0.848		
ERS1		0.882	
ERS2		0.877	
ERS3		0.879	
ERS4		0.872	
ERS5		0.832	
HPWP1			0.761
HPWP10			0.867
HPWP11			0.738
HPWP12			0.760
HPWP13			0.834
HPWP14			0.880
HPWP15			0.828
HPWP16			0.763
HPWP2			0.760
HPWP3			0.852
HPWP4			0.837
HPWP5			0.764
HPWP6			0.856
HPWP7			0.817
HPWP8			0.801
HPWP9			0.719

Source: Strived from SmartPLS,2025

Table 5 represents Cronbach's alpha values, Average Variance Extracted (AVE), and Composite Reliability (CR) values. According to the table, Cronbach's alpha value is more than 0.7, which suggests that there are strong internal consistency and reliability among the measuring items. The CR values are more than 0.7, confirming that the internal consistency and coherence of each construct. Furthermore, the AVE values of all constructs exceed 0.5, indicating that a significant proportion of the variation in the observed items can be attributed to their corresponding latent constructions. These

findings confirm that the study's measures sufficiently captured the intended constructs, which increase trust in the subsequent analyses (Hamid, Sami, & Sidek, 2017).

Table 5. Confirmatory Factor Analysis (CFA)

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Employee Engagement	0.960	0.961	0.965	0.757
Extra Role Service	0.919	0.919	0.939	0.755
HPWPs	0.963	0.966	0.967	0.646

Source: Strived from SmartPLS, 2025

E. Discriminate Validity

The discriminant validity tests confirmed that the measures of variables in the study were unique and did not assess the same item. This indicates that the constructs of the study are independent of one another (Rönkkö & Cho, 2022).

F. Heterotrait -Monotrait Ratio (HTMT)

Table 6. Heterotrait -Monotrait Ratio (HTMT)

	Employee Engagement	Extra Role Service	HPWPs
Employee Engagement			
Extra Role Service	0.657		
HPWPs	0.513	0.469	

Source: Strived from SmartPLS,2025

The value of HTMT was below 0.9, which means that the variation common to any two constructs was less than the variance unique to each construct. Furthermore, this shows that the constructions evaluate distinct underlying phenomena as well as are sufficiently separate (Henseler, Ringle, & Sarstedt, 2015).

G. Fornell-Larcker

Table 7. Fornell-Larcker

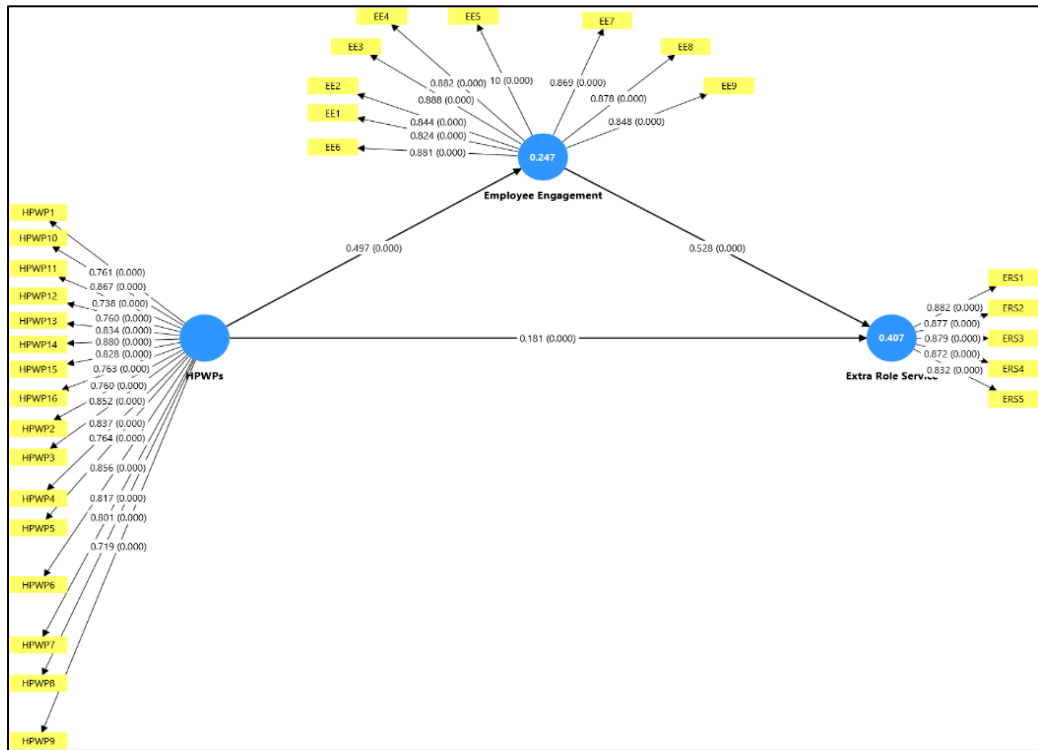
	Employee Engagement	Extra Role Service	HPWPs
Employee Engagement	0.870		
Extra Role Service	0.618	0.869	
HPWPs	0.497	0.444	0.804

Source: Strived from SmartPLS,2025

The Fornell-Larcker criteria represent that each construct's square root of AVE is greater than its correlation with any other construct. This finding provides evidence for the uniqueness of constructs (Hamid, Sami, & Sidek, 2017).

H. Mediation Analysis

Figure 2: Bootstrapping Results



Source: Strived from SmartPLS,2025

I. Hypothesis Testing

Table 8. Direct Effects

Hypotheses		Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
H ₁	Employee Engagement -> Extra Role Service	0.528	0.526	0.043	12.217	0.000
H ₂	HPWPs -> Employee Engagement	0.497	0.498	0.041	12.230	0.000
H ₃	HPWPs -> Extra Role Service	0.181	0.183	0.047	3.851	0.000

Source: Strived from SmartPLS,2025

The hypotheses H₁, H₂, and H₃ received strong statistical support as per the direct effect. According to this, the p-value is less than the recognized cutoff of 0.05. On

the other hand, these p-values demonstrate that there is extremely little likelihood that the observed connections between the variables resulted from random variation. H1 is accepted, revealing that HPWPs have a positive and significant impact on extra role service. H2 is accepted, indicating that HPWPs have a positive and significant impact on employee engagement. Further, H3 is accepted, confirming that employee engagement has a significant and positive impact on extra-role services. In all cases, the p-values are substantially less than the generally accepted cut-off of 0.05. Therefore, all three direct hypotheses were supported ($p < 0.05$). HPWPs positively impact employee engagement as well as extra-role customer service, and employee engagement significantly impacts extra-role service behavior.

J. Specific Indirect Effects

Table 6 Specific Indirect Effects

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
HPWPs -> Employee Engagement -> Extra Role Service	0.263	0.262	0.033	8.046	0.000

Source: Strived from SmartPLS,2025

The mediation analysis was conducted using SmartPLS 4 with the Partial Least Squares Structural Equation Modeling (PLS-SEM). The specific indirect effects were investigated to evaluate the mediating role of employee engagement in the relationship between HPWPs and extra-role service. The indirect effects were examined using the original sample values, standard deviation, and T-statistics. The findings demonstrated a significant mediation effect, indicating that employee engagement mediates the relationship between HPWPs and extra-role service. The mediating effect of employee engagement approached significance, demonstrating partial mediation. This indicates a strong mediating role of employee engagement between HPWPs and extra role service in travel agencies among the non-managerial employees, as shown in the results table. Furthermore, the mediation analysis confirmed that employee engagement partially mediated the connection between HPWPs and extra role service ($P < 0.05$). These findings align with Social Exchange Theory (Cropanzano & Mitchell, 2005) which suggests that engaged employees demonstrate organizational support by providing higher service quality.

V. DISCUSSION

This study addresses the literature gap by contextualizing HPWPs and engagement in Sri Lanka, where customer interaction intensity is at a higher level. The findings of the study confirmed that HPWPs have a positive and significant impact on employee engagement (H1). This aligned with the studies of (Adeel, Nawaz, Zeeshan, & Muhammad Sadiq, 2010), which demonstrated that HR practices determine employee engagement. This demonstrates that the Social Exchange Theory (Cropanzano & Mitchell, 2005) remains

valid in the travel industry context. The employees reciprocate supportive HR systems with a higher level of employee engagement here. The reciprocity indicates a psychological context in which the employees feel more valued, and hence they contribute actively to their firms.

In the context of H2, which is HPWPs, it does make a positive and significant impact on extra-role customer service, If the organizations offer these HPWPs, the employees feel valued and respond through extra-role customer service behaviors, including courteousness, proactiveness, and attentiveness (Bettencourt & Brown, 1997).

Further, the study of (Adeel, Nawaz, Zeeshan, & Muhammad Sadiq, 2010) talks about employee performance, under that extra role customer service is included as a variable. Further, this study confirmed that HPWPs, including training, rewards, and empowerment, enhance the outcomes of employees (Tang & Tang, 2012; Tregaskis, Daniels, Glover, & Butler, 2013). These findings confirm that HPWPs act as a strategic enabler, empowering emotional engagement and extra-role services of employee performance. The employees who receive proper development and recognition change into superior customer-oriented behaviors. Further, the H3, which is employee engagement, positively and significantly impacts on extra-role customer service. Work engagement is significantly related to employees' extra-role performance (Tariq, 2015) The engaged workers have a better relationship with the organization due to the sense of ownership they feel, and this is shown by their extra-role behavior further ahead (Bakker, 2011; Karatepe & Olugbade, 2016).

The findings of the study confirm that employee engagement mediates the relationship between HPWPs and extra-role service in the travel and tourism sector (H4). The employees who are more engaged in their work are found to be more energetic and do extra-role services by assisting the customers. This is confirmed by the study of (Jaiswal & Tyagi, 2020), which showed that HPWPs enhance the work engagement of employees, which subsequently leads to innovative and service-related behaviors. Similarly, engaged employees in the present study were more likely to help customers with special requests, provide accurate information, and support smooth service delivery, even when such tasks were not part of their official job roles. This provides a strong theoretical implication: employee engagement functions as a behavioral bridge that links structural HR practices to employee service outcomes, reinforcing the Social Exchange framework in a high-contact service context. In the context of tourism and travel agencies in Sri Lanka, these findings provide practical significance. Further, this study demonstrates that HPWPs can reduce the employees' problems through creating more employee engagement, and it will lead to greater dedication to customer service. Finally, this study provides a major contribution to filling the gap in the literature through focusing on the service industry, which is majorly less studied compared to the manufacturing sector (Katou, Budhwar, & Patel, 2014). Since service delivery depends heavily on direct employee-customer interaction, improving HPWPs becomes a strategic necessity. The findings suggest that well-designed HPWPs can raise engagement and encourage extra-role service behaviors, which are crucial for customer satisfaction and long-term organizational success in competitive service industries.

VI.CONCLUSION

The main aim of the present study is to investigate the mediating impact of employee engagement between HPWPs and extra-role services, to identify the impact of HPWPs on employee engagement and extra-role service, and to identify the impact of employee engagement on extra-role service in travel agencies in Western Province. The results of

the present study concluded that there were positive and significant impacts between HPWPs on employee engagement, HPWPs on extra-role service, and employee engagement impact on extra-role service, and also there is a mediating impact of employee engagement between dependent and independent variables. All the hypotheses of the study are accepted according to the statistical analysis. Through validating these connections in the Western province context, the study expands the social exchange theory application here.

VII. IMPLICATIONS

A. Theoretical Implication

The findings of the study provide a contribution to HRM theory via empirically validating Social Exchange Theory in the travel sector. It shows that the study offers breadth to the knowledge by finding out the positive impact of HPWPs on employee engagement and extra -role services and carrying out the study in Western Province on a high-earning travel agency. This present study demonstrates that HPWPs, including training, empowerment, and rewards, positively impact employee engagement and motivate employees to perform extra-role customer service apart from their formal roles. In the context of implications, theoretically, the results support Social Exchange Theory, demonstrating that when employees feel supported, treated fairly, and encouraged, they are encouraged to contribute to the organization's positive side. The research study contributes regionally through offering evidence from Western Province in Sri Lanka, which is an emerging market with a service-oriented economy, thereby addressing a gap in Western Province.

B. Practical Implication

The practical implications of the findings offer proper guidance to travel agency managers by demonstrating that implementing efficient HPWPs could empower employee engagement, which enhances service quality and enhances customer satisfaction. Further, engaged employees remain with the organization, and it reduces employee turnover and offers a competitive advantage. The HR managers in travel agencies must recruit employees who are skill-based and have recognition programs to strengthen service behaviors, which directly impact customer satisfaction and retention. As a whole, a supportive work environment and proper HR practices provide advantages to both employees and organizations through enhancing performance and motivating discretionary efforts apart from assigned roles.

C. Limitations and Future Research

This research study was limited to the Western Province in Sri Lanka on travel agencies; due to this, the findings are not generalized to other provinces or sectors. The future research study can extend the model by incorporating non-financial rewards or organizational culture as derating factors.

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