


# Human capital management practices, employee image and university social responsibility: Basis for building competitive advantage framework

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## ***Abstract***

This study aimed to assess the Human Capital Management Practices, Employee Image and University Social Responsibility in China that can be basis for building competitive advantage framework. Specifically, it aimed to determine the human capital management practices in universities in China in terms of leadership and management, employee health and safety, and employee training and development; described the employee image in view of professional ethics/moral principle, professionalism/conduct, and service spirit; determined the university social responsibility in terms of responsibility to customers, community; and environment. It also tested the significant relationship among human capital management practices, employee image and university social responsibility; and come up with a framework that will build competitive advantage of the university. This study used descriptive type of research, utilizing questionnaire, from 400 responses of that employee' respondents were collected, interpreted and tallied. It was found out that the respondents moderately agreed on the human capital management practices in view of leadership and management, employee health and safety, and employee training and development; the employees moderately agreed in the employee image in view of professional ethics/moral principle, professionalism/conduct, and service spirit; the employees moderately agreed on the university social responsibility in terms of responsibility to customers, community; and environment. There is a high significant relationship among human capital management practices, employee image and university social responsibility; and finally a framework for building competitive advantage of the university was developed.

***Keywords:*** human capital management practices, employee image, university social responsibility, building competitive advantage framework

## **Human capital management practices, employee image and university social responsibility: Basis for building competitive advantage framework**

### **1. Introduction**

In today's rapidly evolving higher education landscape, universities face increasing pressure to differentiate themselves and maintain a competitive edge. This competitive landscape demands not only academic excellence but also a strong focus on internal talent and its impact on external perception. Colleges and universities are the implementation base and main body of national higher education in China which is tasked to train senior specialized talents with innovative spirit and practical ability, develop science, technology and culture, and promote socialist modernization. With the development of economy and society, all countries are exploring how education can better promote the improvement and increase of economic productivity.

Schooling improves reading, numeracy and basic cognitive skills. But success in school is not just about intellectual investment, but also about attention, willingness, and other good qualities. The core idea of the human capital theory, which arose in the middle of the 20th century, is that education enable individuals to acquire cognitive and non-cognitive abilities, knowledge and skills. Once these abilities are applied to the labor market, they will improve the output of services provided per hour in the production process in the future, and thus be paid high rewards. The practice of human capital management is regarded as an important means to improve national competitiveness. At the same time, the employee image is of great significance to the university's brand building and social reputation. A positive employee image can enhance the visibility and reputation of the university in the market (Backhaus et. al.,2019) thus creating a competitive advantage for the university. In addition, university social responsibility is also an important factor affecting the competitive advantage of universities. By understanding how strategic talent management fosters a positive employee image and a strong sense of social purpose, universities can attract top talent, enhance their brand reputation, and contribute meaningfully to society.

This research has the potential to equip universities with valuable insights for achieving a sustainable competitive advantage. This study is expected to promote the reform and development of China's higher education and contribute to social progress and prosperity by putting forward targeted and practical policy suggestions. This will help the education administration and policy makers to better understand the formation mechanism of the competitive advantage of colleges and universities, to formulate more scientific and reasonable higher education policies.

**Objectives of the Study** - This study aimed to assess the Human Capital Management Practices, Employee Image and University Social Responsibility in China that can be basis for building competitive advantage framework of the Universities and Colleges in China. Specifically, it aimed to determine the human capital management practices in universities in China in terms of leadership and management, employee health and safety, and employee training and development; describe the employee image in view of professional ethics/moral principle, professionalism/conduct, and service spirit; determine the university social responsibility in terms of responsibility to customers, community; and environment; tested the significant relationship among human capital management practices, employee image and university social responsibility; and come up with a framework that will build competitive advantage of the university.

### **2. Methods**

**Research Design** - A descriptive study design was used to fully and accurately interpret the findings. A descriptive research method is a study that obtains facts, data, and information relevant to the current state, providing an accurate profile of a situation, person, or event. Descriptive research aims to study and monitor

generated feelings that cannot be recognized by impartial factors.

**Participants of the Study** - The researcher randomly collected responses from 400 from the relevant departments of 3 top universities in Gansu Province, China, In order to ensure the representativeness and comparability of the survey objects, this study adopted the Delphi method to select three universities as samples according to the type, scale and development status of universities, and takes some typical employees as sample characteristics.

**Instruments of the Study** - In this study, questionnaire survey was used to collect data. The questionnaire is divided into four parts. The first section describes the demographics of the respondents. The first section describes the demographics of the participants, including age, gender, years worked, family members, etc. The second part is the product image, reflecting the function of the product, packaging, to meet the needs of the content. The third part is the employee image, reflecting the employee image, including professional ethics, professionalism, appearance, service attitude and so on. The fourth part is the corporate social image, including corporate culture image, organizational image, environmental image, community image and so on. Below is the result of the reliability test conducted using 30 samples. Most of the Cronbach's Alpha coefficients are above 0.80, which is considered good however, dimension 1B (Employee Health and Safety) and dimension 3B (Responsibility to the Community) have coefficients of 0.814 and 0.895 respectively, which are on the lower end of the "good" range. This shows that the questionnaire has inter internal consistency and can be used to gather data.

**Data Gathering Procedure** - The researcher started with the conduct of preliminary survey of the Universities that will be used as respondents of the study. First is the inquiry if the university is open for the conduct of survey. In-depth interviews have been conducted with key personnel involved in the university's social responsibility initiatives. This provides more qualitative data and insights into the university's practices. Approval was sought from the targeted university before the conduct of survey. The survey questionnaire has been distributed to 400 employees of the selected Universities. The data were collected, tallied and submitted to the University Statistician for processing.

**Ethical Considerations** - Ethical considerations was taken into account in the conduct of the research work to ensure that all information collected is used only for research purposes, in order to maintain the quality and integrity of the research. The researchers will also seek the consent of teachers and students from the relevant departments of 3 top universities in Gansu Province, China, through letters and communications to ensure that the target respondents will be prepared to answer the necessary questions covered in the study. The researcher obtained informed consent from all participants in the study. First, the researcher ensured that the participants' personal information was confidential and that the researchers had obtained their consent that the data collected would be used only for research purposes. During this process, participants should be informed of the purpose of the investigation, where they stand in the investigation, and ensure that their participation is voluntary. Data collected by the Institute shall be kept confidential and anonymous to better protect the personal privacy of participants. The researcher had also taken steps to ensure that the data storage is secure and accessible only to the research team. Finally, it also ensured that the respondents to the study are not harmed and that their safety and security is the highest priority.

**Data Analysis** - Weighted mean and rank were used to determine the human capital management practices in universities in China in terms of leadership and management, employee health and safety, and employee training and development; to describe the employee image in view of professional ethics/moral principle, professionalism /conduct, and service spirit; and to determine the university social responsibility in terms of responsibility to consumers, community; and environment. The result of Shapiro-Wilk Test showed that p-values of all variables were less than 0.05 which means that the data set was not normally distributed. Therefore, Spearman rho was used as part of the non-parametric tests to determine the significant relationship. All analyses were performed using SPSS version 28.

### 3. Results and discussions

**Table 1**

*Summary Table on Human Capital Management Practices in Universities*

Key Result Areas	Composite Mean	VI	Rank
Leadership and Management	3.17	Agree	3
Employee Health and Safety	3.28	Agree	1
Employee Training and Development	3.27	Agree	2
Grand Composite Mean	3.24	Agree	

*Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree*

Table 1 summarizes the perceived effectiveness of Human Capital Management (HCM) practices in universities. It can be seen that Employee Health and Safety has the Mean: 3.28, which Ranked 1. This may mean that the Universities prioritize employee health and safety, potentially reflecting a strong focus on well-being initiatives and a safe work environment. Employee Training and Development with Mean of 3.27, Ranked 2nd. This may mean that the universities value employee training and development, suggesting a commitment to upskilling and reskilling their workforce. Lastly, leadership and Management with the Mean of 3.17, Ranked 3rd. This means that leadership and management practices receive a slightly lower score compared to the other areas. Overall, the Grand Composite Mean (3.24) indicates a general agreement regarding the effectiveness of HCM practices.

**Table 2**

*Summary Table on Employee Image*

Key Result Areas	Composite Mean	VI	Rank
Professional Ethics	3.29	Agree	2.5
Professionalism	3.33	Agree	1
Service Spirit	3.29	Agree	2.5
Grand Composite Mean	3.30	Agree	

*Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree*

Table 2 provides a concise overview of employee image based on three key result areas: professional ethics, professionalism, and service spirit. The table suggests a generally positive image of employees, with professionalism being the strongest aspect. The grand composite mean of 3.30, with verbal interpretation of "Agree" showed that the overall perception of employee image leans positive. Professionalism at a mean of 3.33, Ranked 1 first. Being the highest score, indicates that employees are generally perceived as competent and behaving in a professional manner. Professional Ethics (3.29, Rank 2.5) & Service Spirit (3.29, Rank 2.5): These areas received tied scores, suggesting employees are viewed as acting ethically and demonstrating a willingness to help colleagues and customers.

**Table 3**

*Summary Table on University Social Responsibility*

Key Result Areas	Composite Mean	VI	Rank
Responsibility to Consumers	3.32	Agree	2
Responsibility to the Community	3.32	Agree	2
Responsibility for the Environment	3.32	Agree	2
Grand Composite Mean	3.32	Agree	

*Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree*

Table 3 summarizes the overall perception of a university's social responsibility across three key areas: responsibility to customers, responsibility to the community, and responsibility for the environment. All three areas received a composite mean of 3.32 ("Agree") which indicates a generally positive perception of the university's social responsibility efforts. As to the responsibility to consumers, this means the university prioritizes creating a safe, inclusive, and supportive learning environment while fostering social responsibility and environmental awareness in students. The responsibility to the community on the other hand, the university values community engagement by providing volunteer opportunities, partnering with local organizations, and

educating students about civic engagement. Responsibility for the environment means university demonstrates a commitment to reducing its environmental impact and offers sustainability education to students.

**Table 4***Relationship Between Human Capital Management Practices and Employee Image*

Variables	rho	p-value	Interpretation
<b>Leadership and Management</b>			
Professional Ethics	0.718**	<.001	Highly Significant
Professionalism	0.678**	<.001	Highly Significant
Service Spirit	0.704**	<.001	Highly Significant
<b>Employee Health and Safety</b>			
Professional Ethics	0.782**	<.001	Highly Significant
Professionalism	0.757**	<.001	Highly Significant
Service Spirit	0.751**	<.001	Highly Significant
<b>Employee Training and Development</b>			
Professional Ethics	0.851**	<.001	Highly Significant
Professionalism	0.781**	<.001	Highly Significant
Service Spirit	0.786**	<.001	Highly Significant

\*\**. Correlation is significant at the 0.01 level*

Table 4 examines the relationship between specific Human Capital Management (HCM) practices and employee image in terms of professional ethics, professionalism, and service spirit. The table shows statistically significant positive correlations (rho) between all three HCM practices (Leadership and Management, Employee Health and Safety, and Employee Training and Development) and all three employee image aspects (Professional Ethics, Professionalism, and Service Spirit). The p-value being lower than 0.001 indicates a high level of significance in all cases. It can be stated that there is Strongest Correlation on Employee Training and Development with all three aspects of employee image. Highly Significant Correlations on All other correlations manifesting a positive relationship between these HCM practices and employee image.

These findings says that strong leadership and management practices, a focus on employee health and safety, and investments in employee training and development are likely to be associated with a more positive employee image regarding professional ethics, professionalism, and service spirit. In simpler term, when employees perceive good leadership, attention to safety, and opportunities for development, they are more likely to view their colleagues as ethical, professional, and dedicated to providing good service. In the study of Kalshoven et al. (2019) he found that employees who perceived their leaders as ethical were more likely to view their colleagues as trustworthy and helpful. In the study of Wang et al. (2017) showed a positive correlation between a strong safety climate and employee trust in colleagues. In the study of Asadullah et al. (2020) it suggests that opportunities for development foster a sense of professionalism and dedication among employees

**Table 5***Relationship Between Human Capital Management Practices and University Social Responsibility*

Variables	Rho	p-value	Interpretation
<b>Leadership and Management</b>			
Responsibility to Consumers	0.720**	<.001	Highly Significant
Responsibility to the Community	0.695**	<.001	Highly Significant
Responsibility for the Environment	0.718**	<.001	Highly Significant
<b>Employee Health and Safety</b>			
Responsibility to Consumers	0.779**	<.001	Highly Significant
Responsibility to the Community	0.778**	<.001	Highly Significant
Responsibility for the Environment	0.763**	<.001	Highly Significant
<b>Employee Training and Development</b>			
Responsibility to Consumers	0.790**	<.001	Highly Significant
Responsibility to the Community	0.774**	<.001	Highly Significant
Responsibility for the Environment	0.780**	<.001	Highly Significant

\*\**. Correlation is significant at the 0.01 level*

Table 5 explores the relationship between Human Capital Management (HCM) practices (Leadership and Management, Employee Health and Safety, and Employee Training and Development) and a university's social

responsibility towards consumers (students), the community, and the environment. The table reveals statistically significant positive correlations (rho) between all HCM practices and all three dimensions of university social responsibility. The p-value being lower than 0.001 indicates a high level of significance in all cases. It can be said that Employee Training and Development has the strongest positive correlations with all three areas of social responsibility. All other correlations are also highly significant, suggesting a positive association between strong HCM practices and a university's commitment to social responsibility.

The above finding says that universities with effective leadership and management practices, a focus on employee health and safety, and investments in employee training and development are more likely to demonstrate a strong social responsibility towards their students, the community, and the environment. Research on leadership styles in universities suggests a link between transformational leadership and social responsibility efforts (Galang et al., 2017).

**Table 6**

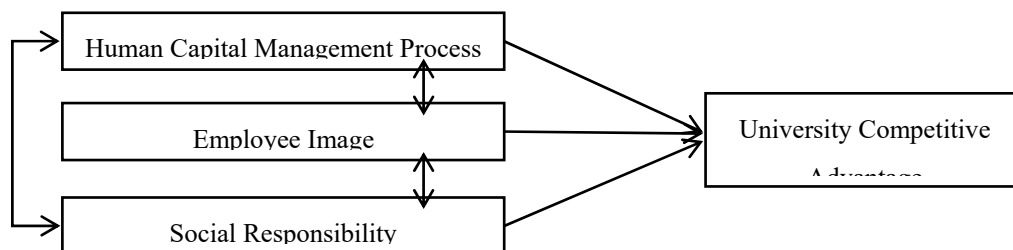
*Relationship Between Employee Image and University Social Responsibility*

Variables	rho	p-value	Interpretation
<b>Professional Ethics</b>			
Responsibility to Consumers	0.820**	<.001	Highly Significant
Responsibility to the Community	0.822**	<.001	Highly Significant
Responsibility for the Environment	0.816**	<.001	Highly Significant
<b>Professionalism</b>			
Responsibility to Consumers	0.846**	<.001	Highly Significant
Responsibility to the Community	0.826**	<.001	Highly Significant
Responsibility for the Environment	0.822**	<.001	Highly Significant
<b>Service Spirit</b>			
Responsibility to Consumers	0.855**	<.001	Highly Significant
Responsibility to the Community	0.850**	<.001	Highly Significant
Responsibility for the Environment	0.839**	<.001	Highly Significant

\*\* . Correlation is significant at the 0.01 level

Table 6 examines the relationship between employee image (professional ethics, professionalism, and service spirit) and a university's social responsibility towards consumers (students), the community, and the environment. The table reveals statistically significant positive correlations (rho) between all aspects of employee image and all three dimensions of university social responsibility. The p-value being lower than 0.001 indicates a high level of significance in all cases. Service Spirit has the strongest positive correlations with all three areas of social responsibility. All other correlations are also highly significant, suggesting a strong positive association between a positive employee image and a university's commitment to social responsibility.

These findings suggest that universities with employees perceived as ethical, professional, and service-oriented are also likely to be viewed as more socially responsible towards their students, the community, and the environment.



*Figure 1 Building Competitive Advantage Framework*

Figure 1 presents the developed framework showing that universities that invest in their employees can create a positive ripple effect, enhancing their reputation and social responsibility, which can ultimately lead to a competitive advantage in the educational sector. The arrows suggest that universities with a strong human capital management process – which likely includes aspects like employee training and development – will have a more positive employee image. A positive employee image is then linked to the university's social responsibility efforts. In turn, a strong social responsibility profile can be a source of competitive advantage for a university.

#### 4. Conclusions and recommendations

The respondents moderately agreed on the human capital management practices in view of leadership and management, employee health and safety, and employee training and development; The employees moderately agreed in the employee image in view of professional ethics/moral principle, professionalism/conduct, and service spirit; The employees moderately agreed on the university social responsibility in terms of responsibility to customers, community; and environment. There is high significant relationship among human capital management practices, employee image and university social responsibility; A framework for building competitive advantage of the university was developed.

The universities may create strategic plans to optimize talent acquisition, training, and incentives to boost faculty/staff quality and fosters professional growth through tailored training and learning opportunities. The university may encourage the staff to engage in community service and sustainability initiatives to showcase the university's commitment to make positive impact beyond campus walls. The universities may use the proposed framework to build their competitive advantage to gain top manpower. Future researchers may conduct parallel study to include objective indicators like media coverage, student satisfaction surveys, and alumni career success.

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