



A Study on the Cross-boundary Effect of Leisure Crafting on Service Employees' Work Outcomes: A Human Capital Perspective

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Abstract. The purpose of this study is to examine how leisure crafting influences employees' service performance and occupational health by the mediating effect of human capitals (i.e. intellectual capital, social capital and psychological capital). It proposes that: (1) Leisure crafting has a significant positive effect on employees' service performance and occupational health; (2) Three human capitals play mediating roles in the relationship between leisure crafting and service performance/occupational health. (3) Individual factors (e.g. value, personality) may determine to what degree employees can accumulate human capitals from leisure crafting, organizational factors (e.g., organizational justice/support) may affect to what degree employees will transfer these human capitals into work outcomes.

Keywords: Leisure Crafting, Human Capital, Service Performance; Occupational Health.

1 Introduction

The realms of leisure and work are interrelated and influence each other. For service industry employees, the integration of work and leisure is high, and the gig economy along with remote work has further tightened the connection between employees' leisure and work. When the work domain fails to fulfill their needs for autonomy, competence, relationships, and learning, employees may seek to achieve these in the leisure domain. However, research on leisure crafting is still at an early stage, with most studies focusing on the experiential outcomes of leisure crafting and very limited exploration regarding how leisure crafting affects these outcomes from a human capital perspective.

In light of human capital theory^[1], human capital refers to knowledge, skill, ability and all other resources embedded in individual employees that can contribute to individual, group and organizational performance. Besides narrow human capital (i.e. intellectual capital), social capital and psychological capital are also important resources held by employees that benefit individual job competency and organizational competitive advantage^[2-3]. Thus, the current paper posits that social capital and psychological

capital are all human capitals. Broad human capital covers intellectual capital, social capital and psychological capital ^[1,4].

Based on human capital theory ^[1], self-determination theory ^[5], conservation of resource theory ^[6], compensation and spillover theory ^[7], this study attempts to explore how leisure crafting affects service performance and occupational health in the service business. By introducing three human capitals as mediators, this study seeks to uncover the real underlying ways for the cross-boundary impact of leisure crafting on employees' service performance and occupational health.

2 Theory and Hypotheses

2.1 Leisure Crafting

Analogous to job crafting, individuals can also satisfy unmet needs in their work or life by planning their leisure activities, i.e. leisure crafting ^[8]. Petrou and Bakker ^[9] posited that leisure crafting refers to the behavior of actively and proactively engaging in leisure activities to meet the needs for goal setting, interpersonal relationships, learning, and personal development. It is characterized by three features. First, it is goal-oriented with one's active and proactive involvement in leisure activities; second, it has a certain level of challenge to satisfy individual learning and developing needs; and third, it requires one's engaging with others to develop new interpersonal relationships.

Research on leisure crafting has developed since Berg et al. ^[8] first introduced the concept, and become richer following the conceptual refinement by Petrou and Bakker ^[9]. For the outcomes of leisure crafting, Berg et al. ^[8] indicated that both leisure crafting and job crafting can serve as ways for individuals to respond to unmet vocational callings, specifically, leisure crafting can achieve this through hobby participating and vicarious experiencing. Petrou et al. ^[10] found that employees' leisure crafting has a significant positive impact on meaning-making, particularly when opportunities for job crafting are limited, they would compensate for unmet personal needs at work through leisure crafting. Ugwu ^[11] found that leisure crafting could mitigate counterproductive work behaviors. Abdel Hadi et al. ^[12] found that leisure crafting can reduce emotional exhaustion by creating meaningful leisure experiences during the COVID-19 pandemic. Hamrick et al. ^[13] found that leisure crafting has a significant positive impact on entrepreneurial opportunity cognition and entrepreneurial performance by way of thriving. Teng ^[14] found that leisure craft impacts well-being of hospitality employees through work-leisure conflicts and facilitation.

Overall, most existing research focuses on the direct effect of leisure crafting on outcomes from the perspective of leisure experience, while rare of them explore how experiences of leisure crafting are transferred into employees' work attitudes and behaviors from human capital perspective, thus cannot provide effective instructions for organizations to help employees crafting their leisure times.

2.2 The Impact of Leisure Crafting on Service Performance and Occupational Health

Service performance refers to the quality of service received by customers and their satisfaction with the service, achieved through attitudes and behaviors of employees [15]. It is influenced by individual employee factors, leadership factors, environmental factors, and customer factors. Occupational health aims to promote and maintain the good physical and psychological state of employees in various industries, enable employees to work in an environment that meets their physiological and psychological safety needs (International Labor Organization and World Health Organization, 1950). It is influenced by various factors such as personal lifestyle and behaviors, psychological factors, and organizational environment.

Leisure crafting undertaken by service employees will produce positive benefits for both the organization and the employees themselves. According to self-determination theory [5], conservation of resource theory [6] and the positive spillover mechanism [7], leisure crafting may be beneficial for employees' task performance and service innovative behaviors. As service employees can acquire necessary resources (such as relationships, emotions, skills) through leisure crafting and generate a corresponding increase in resources in the work domain, they are then more equipped to enact in-role and extra-role behavior, complete task performance and innovative performance. Moreover, leisure crafting may also be beneficial in promoting the occupational health of service employees. Leisure crafting can not only relieve stress and enhance employees' recovery experiences (e.g. physical or psychological stress) but also promote learning and growth (e.g. thriving at work). Hence, service employees can recover emotional and other resources through leisure crafting, release psychological pressure, and transfer their learning behaviors into the work domain, thus stimulating positive energy and benefiting their occupational health.

H1: Leisure crafting has a positive impact on employees' service performance.

H2: Leisure crafting has a positive impact on employees' occupational health.

2.3 The Mediating Role of Human Capitals

Human capital encompasses not only specific skills and knowledge (i.e. intellectual capital) but also broader factors such as social resources (i.e. social capital), and all personal attributes (e.g. psychological capital) that contribute to an individual's productivity across different industries or roles [1,4]. It includes both tangible and intangible qualities that enhance a person's ability to contribute to the economy. This study focuses on the micro-level of social capital, i.e. the individual social capital of service employees. It is a social resource embedded within social networks [16], consisting of resources that are accessible within social networks and relationships and are beneficial to individual development. Psychological capital refers to an individual's positive psychological state of development that is characterized by self-efficacy, optimism, hope, and resilience [1]. It is treated as an essential positive resource for employees to combat stress and turnover at workplace [17], facilitate creativity [18], and enhance job performance [19].

In light of intelligent career perspective [2-3], human capital, social capital and psychological capital determine employees' job competency for organizations' core competitive advantage. That means intellectual, social and psychological capital all have important influence on employees' work attitudes and behaviors, including service performance and occupational health. As the integration of work and leisure in terms of time and space for service industry employees increases, the leisure domain is becoming an important source of intellectual, social and psychological capital for employees.

By engaging in leisure crafting, employees can learn knowledge and skills, expand interpersonal relationships, thereby crafting intellectual and social capital. Meanwhile, pursuing challenging and attainable goals of leisure activities can bolster a sense of control, thereby enhancing their self-efficacy, fostering hope, optimism and resilience [1,9]. Specifically, service employees often release their psychological pressure, expand their social networks and pursuing personal growth during leisure crafting, gaining intellectual, social and psychological capital that benefits work. The increase in human capital can further facilitate the achievement of service performance and provide a rich resource support for their occupational health.

H3: Leisure crafting has a positive impact on intellectual, social and psychological capital.

H4: Intellectual, social and psychological capital mediate the effect of leisure crafting on service performance.

H5: Intellectual, social and psychological capital mediate the effect of leisure crafting on occupational health.

3 Conclusions and Discussion

Drawn on human capital theory [1], self-determination theory [5], conservation of resource theory [6], compensation and spillover theory [7], this study proposes a theoretical model regarding how leisure crafting influences employees' service performance and occupational health by shaping their three human capitals (i.e. intellectual capital, social capital and psychological capital). Refer to Figure 1.

Theoretical Implications. Firstly, by introducing human capitals as mediators, the study clarified the differences between leisure crafting and general leisure activities. Leisure crafting emphasizes proactivity, challenging goals, learning and growth, establishing new interpersonal relationships [9], while human capital is the combination of intellectual capital (e.g. knowledge, ability), social network relationships (e.g. relationship network, degree of interaction, reputation) and psychological competencies (e.g. self-efficacy, hope). This concept echoes the essence of leisure crafting. Secondly, the study deepened the study of the working mechanism of leisure crafting. It introduces intellectual capital, social capital and psychological capital as mediators, builds a comprehensive theoretical model of leisure crafting from the perspective of human capital, and improves the understanding of leisure crafting.

Practical Implications. Firstly, service firms may create an environment conducive to employee leisure crafting. By publicity, training, and other means, organizations can guide employees to balance work and leisure, participate in leisure crafting reasonably,

and acquire knowledge, skills, relationships, and other resources that are conducive to their own development. Moreover, remote work and flexible working hours can be implemented to alleviate employee work pressure and make them have time to engaging in leisure crafting. Furthermore, organizations can cooperate with leisure institutions to provide resource support for employees to choose suitable leisure crafting ways. They can also install certain leisure facilities at workplace to create a good atmosphere and encourage employees to actively participate in leisure crafting.

Future Research Directions. Leisure crafting is a proactive behavior of employees in their leisure time out of the control of firms, which means employees may or may not apply the human capital obtained from leisure crafting to work domain. Thus, future research can examine how organizational factors (e.g. justice, support) moderate the relationship between leisure crafting and human capitals, and the influence of leisure crafting on service performance and occupational health by way of human capitals. Meanwhile, different individuals with different personal characteristics may be involved in leisure crafting to a different degree. Future research may explore how individual traits (e.g. values, personality) moderate the relationship between leisure crafting and human capitals and consequently work outcomes. See figure 1.

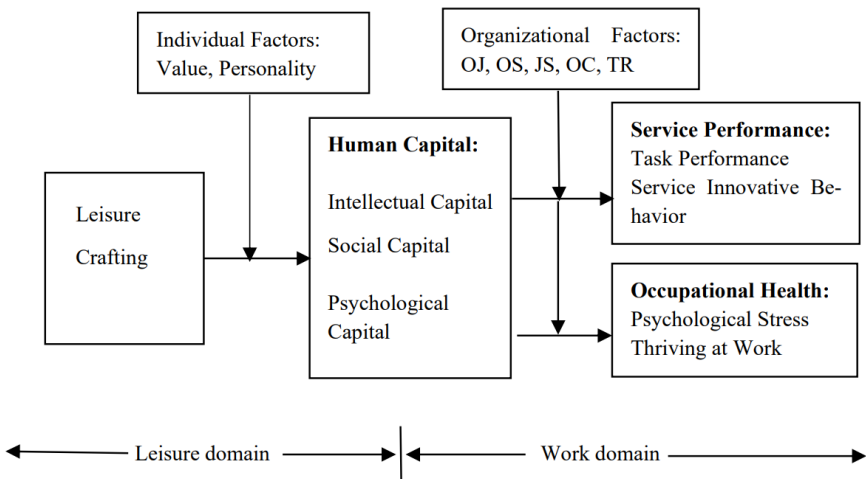


Fig. 1. Human capital as a bridge combined leisure crafting and work outcomes.
 Note: OJ=Organizational justice, OS=organizational support, JS=Job satisfaction,
 OC=Organizational commitment, TR=Trust

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