

HRM and Organizational Performance: Evidence from the Public Service Organization

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Abstract

The relationship between human resources management (HRM) practices and organizational performance has been invigorated by the notion that these practices results in enhanced individual and organizational performance. None the less, the literature on HRM-performance relationship has focused on private sector organizations and there has been very limited research on public service organizations. This article focuses on the relatively understudied public organization. On the basis of a large public-organization-wide survey, the impacts of HRM practices on organisational performance are assessed. This mixed-methods study examines the effects of HRM practices on individual worker attitudes in public organization by reporting the results of a staff survey and follow-up interviews conducted on a cross-section of one of the largest UN agencies. The agency has a quasi-governmental role, delivering essential public services including education, healthcare, social services, and emergency aid. The empirical evidence has shown that the effects of specific HRM practices, such as training and development, outperform other practices, such as staffing and recruitment. The results also indicated that HRM practices have synergistic and complementary effects on each of the employee attitudes that exceed their individual effects. The paper concludes that although there are significant positive effects of some bundles of HRM practice and worker attitudinal outcomes, there are other factors that may positively or negatively moderates the effectiveness of these practices, raising thus the question of reverse causality.

Keywords: HRM practices, HRM outcomes, organizational performance, employee attitudes

Introduction

Organizational performance is a matter of utmost importance to scholars and practitioners in the field of public administration. Especially with the new waves of organizational reform and the adoption of new public management, performance management is one of the core elements is that organizations should measure, and actively implement (Saridakis, & Cooper, 2016; Swart, & Kinnie, 2015; Boyne, Entwistle, & Ashworth, 2010). A growing number of public management scholars have focused on research aimed at understanding the effects of management on performance in public organizations (Boyne, 2010). Much of this research has shown a positive link between adopting specific management practices such as HRM, leadership, and performance management, and organizational performance (Katou, Budhwar, & Patel, 2014; Macky & Boxall, 2007; Datta et al., 2005; Appelbaum et al., 2000; Guest, 2002). This link has its roots in behavioural studies and organizational psychology and is based on the notion that these management practices foster employee attitudes measures such as employee commitment, job satisfaction and motivation, at the individual level, which ultimately results in enhanced individual and organizational performance (Katou & Budhwar, 2010; Paauwe, 2009; Harley, 2002). However, the link between HRM practices and organizational performance has been much researched as a result of the causal relationship between HRM practices and organizational performance. This topic has become one of the most popular topics within the management literature. The majority of these studies demonstrate a positive association between HRM practices and organizational performance. (Marchington & Wilkinson, 2005). Although there is a growing body of evidence demonstrating this positive relationship, some important theoretical and methodological issues are missing in this line of research (Boxall et al., 2011; Paauwe, 2009). The literature on HRM has focused on private sector organizations and there has been very limited research on public service organizations. Despite the substantial differences between public and private organizations, there is no clear distinction within HRM literature addressing how these differences may impact the practice of HRM in these different work environments (Vanhala, & Stavrou, 2013). Some scholars stated that HRM literature “disregard[s] or give[s] only some acknowledgement of HRM within the public sector, relying instead on appropriating a business model of firms as the general context for HRM scholarship” (Brown, 2004, p. 305). Others disagree, arguing that the “available evidence does not provide clear support for the view that public and private management are fundamentally dissimilar in all important respects” (Boyne, 2002, p. 118). Despite this disagreement on the similarities or differences between public and private organizations, there is agreement that the last three decades have witnessed “waves of reform reshaping public service delivery across the globe” (Boyne, Entwistle, & Ashworth, 2010, p. 4). Although different scholars have used different terminologies for addressing these reforms, such as “new public service,” “public value management,” and “transferring from government to governance,” the agreement among scholars is that these reforms have aimed at changing traditional public administration to the New Public Management (NPM) model. Managerialism under NPM involved the application of new business practices, which also embraced adopting new systems for managing public sector employees with new emphasis on results,

performance measurement, strategic planning, decentralization, and a more market-based management approach (Osborne, Radnor, & Nasi, 2013; Ohemeng, 2010; Brown, 2004; Gould-Williams, 2004). 1.1 Heading 2

HRM in the Public Sector

In many countries, HRM displaced the traditional model of personnel administration within the public sector, shifting the culture from “rule-bound” to “performance-based” (Shim, 2001). Thus, newly adopted HRM practices allow a more flexible approach to staffing and recruitment, training and development, and pay and performance appraisals. Many public sector agencies developed a distinctive approach to HRM, and the public sector has been perceived as the model employer with a generous pay system, high levels of job security, and superior entitlements (Walther, 2015). The interest in this new approach to employee management has coincided with, and been reinforced by widespread belief in the impact of HRM on the performance of public organizations at both the organizational and individual levels (Gould-Williams, 2010).

Despite this increasing interest in HRM practices within public sector, only recently scholars in the HRM field began to consider how differences in organizational settings may impact the organizational performance outcome. Scholars began investigating the distinctions embedded in manufacturing versus service organizations, and public, non-profit, and private organizations (Lengnick-Hall et al., 2009). The majority of research addressing the relationship between organizational performance and HRM practices focused on private sector organizations, with only minimal research evaluating the effects of these systems in different organizational contexts. Rodwell and Teo (2004) in their work *Strategic HRM in for-profit and non-profit organizations in a knowledge-intensive industry* examined the effects of adopting specific clusters of HRM practices on organizational performance, comparing both for-profit and non-profit knowledge-intensive health service organizations in Australia. The authors surveyed the Managing Directors of 61 organizations with workforces exceeding fifty employees. They used selective staffing, comprehensive training, performance appraisal, and equitable reward systems as measures of HRM practices. For performance measures, the authors used external orientation to customer demands and a commitment to employees as the two main performance measures (Rodwell & Teo, 2004). Their research findings proved a positive and significant relationship between HRM practices and organizational performance for both for-profit and non-profit organizations. They concluded that adopting HRM practices developed more commitment and more external orientation to clients’ demands, advancing performance within the organization with no distinctions between for-profit and non-profit organizations (Rodwell & Teo, 2004). In the same vein of research, exploring how different organizational context may influence HRM outcomes and employee performance, Gould-Williams (2004) found that some specific HRM practices might have different outcomes. For instance, in his study examining the effects of HRM practices on public sector employees in the Government of Wales, Gould-Williams reported that training provisions had the most significant and positive effects on employee commitment and job satisfaction. However, the effects of other HRM were similar across public and private sector organizations. In a similar study, Leggat, Bartram, and Stanton (2011), in their recent study on public health organizations in Australia, reported a positive correlation between certain aspects of HRM practices and improved care delivery and patient outcome. In their research, the authors used a mixed-methods approach, interviewing and surveying Chief Executive Officers (CEOs), Human Resource Managers, and other Senior Managers in all public hospitals and other community health service organizations in the State of Victoria, Australia. They used 42 practices covering the different areas of HRM, such as planning, training and development, and staffing and recruitment. For performance, they used employee outcomes measures, such as job satisfaction, empowerment, and staff turnover. They concluded that there is a relationship between HRM and the perceived quality of healthcare mediated by HRM outcomes, such as psychological empowerment (Leggat, et al, 2011). Yet, their findings reported a significant gap between HRM policies and actual practices. They reported that public healthcare organizations in Australia generally do not have the necessary aspects of HRM in place, which necessitates more effective implementation for the newly adopted policies.

Despite this emerging interest among HRM scholars in addressing the distinctions between the different types of organizations, contemporary HRM research does not clarify the significant differences between private and public organizations (Beattie, Rona, & Stephen, 2013). The agreement among scholars is that the adoption of New Public Management (NPM) has resulted in a dramatic change in HRM within public sector organizations. The changing structure and operations of governments, paralleled with the adoption of NPM, have replaced this traditional Weberian model of centralized and bureaucratic practices with private-sector HRM systems (Colley, McCourt, & Waterhouse, 2012). Several authors have argued that within the traditional model of public administration, personnel management was subject to bureaucratization under which all activities were formalized by predefined, systemized rules and procedures, and was characterized by rational-legal bureaucracy based on specialization, prevention of arbitrary dismissal, reliance on authority of work position, and merit selection (Schroeder, 1992). For instance, within that old system, staffing and recruitment was centralized and employment based on the notion of lifelong employment with narrow, specific, task-based and highly routinized jobs and strict seniority based on length of service (Brown, 2004). The introduction of new public management has resulted in a

strategic approach to HRM within the public sector. A new notion of “best practices” has emerged. Sometimes this is referred to as “high-performance work systems” HPWS (Appelbaum et al., 2000), “high commitment” HRM (Guest 2001, 2002), or “high involvement” HRM (Wood, 1999). The best practice approach is conceptualized as a set of distinct but interrelated HRM practices with a particular configuration, or architecture, designed to optimize organizational performance through promoting employee skills development, work reorganization, and enhanced worker attitudes (Beaupré & Cloutier, 2007; Guthrie, 2001). The key idea is that there is a synergistic effect with a cluster of HRM practices, with the potential to bring about improved organizational performance through providing more flexibility of work structures, extensive worker participation, and more co-operative relationships between managers and employees (Appelbaum et al., 2000). Accordingly, the combination of several HRM practices into a bundle has systematic and synergistic effects aimed at selecting, developing, retaining, and motivating employees with better abilities in work-related activities, leading to improved organizational performance (Boxall, 2012).

The concept of best practice HRM has primarily evolved in private sector organizations in the US, emphasizing a new managerial focus that embraces people management (Croonen, Grünhagen, & Wollan, 2015; Doherty, & Norton, 2013; Marchington & Wilkinson, 2005; Guerrero, & Barraud-Didier, 2004). This can be traced back to Huselid’s (1995) seminal work, *The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance*. In this work, Huselid surveyed senior human resource professionals in 968 publicly held organizations in the US. He examined the relationship between HRM and organizational performance. Measures of HRM were defined as comprehensive employee staffing and recruitment procedures, incentive compensation and performance management systems, extensive employee involvement, and training and development; measures of organizational performance were employee turnover and labour productivity. Huselid’s findings show a positive correlation between HRM practices and the economic profit per employee. Since then, the topic became very popular and an abundance of research attempted to replicate Huselid’s findings on the relationship between deploying HRM in the workplace and organizational performance.

Many academics on both sides of the Atlantic have become more interested in this field; numerous papers have been presented and many others have been published in special issues of respected academic journals that emphasize the effects of the application of the concept of best practices HRM on organizational performance (Paauwe, Wright, & Guest, 2013). In another study in the Greek context, Katou and Budhwar (2010) investigated the effects of HRM on organizational performance based on a sample of 178 Greek organizations operating in the 23 manufacturing industries. The authors identified five bundles of HRM practices as the independent variables, including recruitment, training and development, compensation and incentives, employee participation, and job design. The study aimed at understanding the effects of HRM on employee skills, attitudes, and behaviours as the mediating variables between HRM and firm performance. Employee skills measures were competence, co-operation with management, and co-operation among employees. Attitude measures were motivation, commitment, and satisfaction. Employee behaviour measures were retention and presence. Using hierarchical multiple regression modelling, the results of the study revealed significant positive relationships between each of the HRM practices measures and performance measures. The study adds a new dimension to the analysis, emphasizing the mediating variables between HRM and performance. HRM practices do not have direct impact on organizational performance, but their impact is mediated by employee skills, attitudes, and behaviours (Katou & Budhwar, 2010).

The HRM–Performance relationship has been researched from different perspectives rooted in organizational behaviour, sociology, economics, industrial relations, and organizational psychology, with a particular emphasis on the impact of various combinations of HRM practices on a range of performance outcomes, such as employee skills, behaviours, and attitudes (Paauwe, Wright, & Guest, 2013). This relationship has received increasing interest in recent years from public management scholars as well, who emphasize the performance outcomes that result from adopting these new best practices in public organizations. This is part of this new line of research — examining the impact of management on the performance of public organizations — that emerged within public management studies (Boyne, Brewer, & Walker, 2010; Gould-Williams, 2010).

Organizational Performance in Public Organization

Organizational performance is a matter of utmost importance to scholars and practitioners in the field of public administration. Especially with the new waves of organizational reform and the adoption of new public management, one of the core elements is that organizations should measure, and actively manage performance (Boyne, Entwistle, & Ashworth, 2010). A growing number of public management scholars have focused on research aimed at understanding the effects of management on performance in public organizations (Boyne, 2010). This new approach differs from the conventional approach of performance management in public organizations, which focuses on outputs and outcomes. The new approach addresses the relationship between specific aspects of management — such as strategy, leadership, financial management, and HRM — and public organization performance (Boyne, Brewer, & Walker, 2010). Boyne, Entwistle, and Ashworth (2010), in their book *“Public Service Improvement: Theories and Evidence,”* defend this new line of research arguing that “the coalescence of theoretical interest in management and performance with the availability of data that allow propositions to be

tested has led to a surge of projects and papers on the topic... because traditional research on public management has concentrated too much on inputs, activities, structures, and processes, and neglected what public organizations actually achieve and the determinants of success and failure.” (p. 268)

This new perspective to performance surpasses the traditional output/outcome approach for performance measurement in public organizations as it values the new management practices that have been implemented with the new reforms in public organizations (Boyne, Entwistle, and Ashworth, 2010). In their introduction, Boyne, Entwistle, and Ashworth (2010), clearly addresses the difficulties of the traditional approach to performance measurement in public organizations. They began their discussion emphasizing that public organizations are service organizations and the ultimate goal of any organizational reform is to improve public service delivery. However, the traditional approaches to performance measurement, based on outputs and outcomes, have many difficulties and shortcomings. First, the outcome or “goal attainment” approach has many difficulties for three main reasons: goal ambiguity, time scale, and the attribution of change (Boyne et al., 2010). Measuring performance using the outcome approach is based on the assumption that the main goal of any public service is to fulfil some predesigned policy goal (Amirkhanyan, Kim, & Lambright, 2008). For instance, a new policy to enhance health service delivery aims at raising the standard of the population’s physical wellbeing. Accordingly, the improvement in health service delivery and enhanced organizational performance should be judged based on the realization of the outcomes or goals of the new policy assessed by indicators of morbidity and mortality. However, in many cases, because of the nature of political process, policies and goals constitute ambiguous, generic mission statements with no specific, measurable objectives (Boyne et al., 2010). Additionally, even if the desired outcomes are presented in specific objectives, another major issue adding to the complexity of using the outcomes approach is timescales. Public service improvement that aims at achieving changes for the population will need time to be achieved, sometimes an entire generation. Therefore, the lengthy timescale to capture measurable change is a major difficulty in using the outcome-goal achievement approach for performance measurement. Finally, the challenge of using the outcomes approach is referred to as the “attribution of change” (Boyne et al., 2010, p. 4). In the previous example of healthcare improvement, although morbidity and mortality rates may be regarded as the final outcomes of enhanced health service, there are different determinants of mortality and morbidity. Difficulties with ambiguity, timescales, and the attribution of changes, therefore, explain the challenges of using the outcome-goal achievement approach for performance in public organizations.

The other dominant approach to performance measurement in public organizations is the output approach, based on using specific predesigned indicators for quantity, quality, or efficiency used as measures of performance in public organizations (Boyne et al., 2010). These indicators may include different measures, such as the number of classes or test scores in the case of education services, or number of clinics and clinic visits in the case of health services. However, many problems and complexities are associated with using output measurement and the use of performance indicators, such as the actual presentation of these indicators, for the desired outcome. Borrowing from Boyne et al., (2010), measuring performance in school education demonstrates the difficulties associated with using this approach. For example, based on the output approach, test scores at schools may be used as performance indicators to measure the quality of education. However, these indicators may not offer a valid presentation of the desired outcomes, as high test scores may only indicate lower exam standards (Coe, 2007). This approach can also lead to unethical behaviour in public servants, who may use different “game playing tactics” to achieve the targets (Bevan and Hood, 2006; Hood, 2006).

The final proposal by the authors for measuring performance focuses on the processes and practices used within the organization to deliver the service (Boyne et al., 2010). Rather than focusing on outcomes and outputs, this approach emphasizes that adopting best practices — such as the concept of HRM best practice or other managerial practices and how when these practices are implemented — will lead to enhanced organizational performance. This also includes the management practices of leadership, financial management, HRM, decentralization, communication, and others that will contribute to improved organizational performance. For instance, using the appropriate leadership style will lead to better management relationships and employee trust, leading to employee wellbeing at work, which in turn can enhance organizational effectiveness (Baptiste, 2008). Therefore, a growing body of research is aimed at addressing how employing the “best practice” approach can lead to enhanced organizational performance. As Boyne et al., (2010) explain, ‘Governments across the world have established regulatory agencies with the job of measuring this dimension of performance. Their efforts are premised on the presumption that there is a right way of doing things; and that the adoption of best practice will lead to the improvement of outputs and outcomes.’ (p. 4)

In considering this approach to organizational performance, an array of studies has emerged aimed at identifying the effects of specific management practices, such as leadership, financial management, and HRM practices, on organizational performance using different indicators in relation to public service delivery. For instance, Ott and Dijk (2005), in their study on the Ministry of Public Health in The Netherlands, examined the relationship between employee job satisfaction and client satisfaction regarding the service provided. They investigated the effects of specific leadership styles and HRM practices on service delivery through examining

client satisfaction in the institutions for elder care operated by the Dutch Ministry of Public Health. The authors used data collected from 154 homes for elder care based on interviews with 3,542 patients and surveys of 12,193 employees. In their study, they identified six HRM practices and one leadership style as the independent variables, while job satisfaction and client satisfaction were the dependent variables. The six HRM practices identified were personal development plans, job-related training, job performance review, regular departmental meetings, labour shortage protocols, and predictable work schedules. They also used “providing support” and “transparency” as measures of leadership style. Their findings show that HRM practices have significant implications for both employee and client satisfaction. The findings also show that employee satisfaction with their organization is a significant predictor of client satisfaction. Additionally, they concluded that specific HRM practices, such as job-related training, are better predictors of client satisfaction and outperform other practices in elder care homes (Ott & Dijk, 2005). The findings also reported that leadership style has a significant connection to job satisfaction but no direct relationship with client satisfaction. These findings demonstrate this new approach to performance management research focused on addressing the implications of management on performance measures, such as client satisfaction, and other outcomes, such as job satisfaction.

In another study, West et al. (2002) examined the link between HRM practices and performance outcomes measured through patient mortality rates in United Kingdom National Health Service Trusts. In their study, the authors surveyed Chief Executives and Human Resource Management Directors in 81 acute hospitals throughout England. Then, they interviewed fourteen HR Directors and two Chief Executives. In their study, they examined the relationship between some HRM practices and patient mortality rate as an indicator for organizational performance. The analysis revealed that three HRM practices — performance appraisal, training, and teamwork — have significant relationships with the mortality rate in the UK. However, performance appraisal has the strongest relationship with patient mortality, accounting for over a quarter of the variance in the mortality rate (West et al., 2002).

The impact of management on performance within public organizations has been addressed through an array of studies aimed at evaluating the link between management practices and organizational performance. This interest has been reinforced by the recent movement of public organizational reforms because of the adoption of NPM (Boyne, Brewer, & Walker, 2010). Within the field of HRM, there has been a surge of interest in research examining the links between HRM practices and organizational performance (Gould-Williams, 2010). These studies aim to provide empirical evidence of the relationship between HRM and performance in the public sector. Gould-William (2010) conducted a thorough review of this body of research, highlighting its increasing importance in the field of public management.

In his review, Gould-William (2010) emphasizes the significance of this new body of research linking HRM and performance in the public sector at the macro and micro levels. First, on the macro level, which he also refers to as the organizational level, performance measures mainly, addressed organizational level issues, such as labor productivity, turnover, and client satisfaction. Second, on the micro level, which he also refers to as the individual employee level, performance measures constitute the desirable employee outcomes, such as employee commitment, job satisfaction, and job stress. The following sections discuss the macro and micro levels of linking HRM to performance and review some recent studies linking HRM to performance.

Organizational Performance Outcomes

Public sector studies addressing the link between HRM and organizational performance have looked at different measures, such as organizational effectiveness and decision-making (Baptiste, 2008), absenteeism and turnover (Boselie, Paauwe, & Richardson, 2003), and perceived organizational performance in comparison to other similar organizations (Harel & Tzafirir, 1999). Baptiste (2008), in his study on local government in North England surveyed 100 employees to examine the effects of HRM practices on organizational effectiveness and decision making as part of a review for service provision. The study used a set of six HRM practices as independent variables: staffing and recruitment, training and development, worker involvement, pay and rewards, flexibility, involvement in decision-making and communication. For organizational performance, employee wellbeing was used as a measure of organizational effectiveness. Employee wellbeing was measured by using employee commitment, job satisfaction, and work-life balance satisfaction, which collectively constitute employee wellbeing at work (Baptiste, 2008). The bivariate inter-correlations results from data analysis have shown that HRM practices promote attitudinal characteristics among employees in the form of employee wellbeing, which “creates a domino effect through enhanced performance” (p. 296); therefore, the indirect relationship between HRM and performance is mediated through employee wellbeing. Other studies have used a similar approach linking HRM to organizational level performance using different variables. Daniel Beaupré and Julie Cloutier (2007) conducted a similar study to examine the effects of HRM practices in the public service sector in Quebec using economic performance as the main measure. The study was an exploratory examination of managerial reform within the Government of Quebec in 1999 and the effects of creating Autonomous Service Units (ASUs) within the government body. In their study, the main objectives were to verify if the new management model of ASUs corresponded to a “high-performance” management model, and to examine the effects of establishing ASUs in

several government departments. The authors were able to organize group discussions and semi-structured interviews with personnel from four different government departments. In their findings, the authors reported that “results show that two of the four ASUs under study have the characteristics of a ‘high-performance’ management model: the employees are committed and motivated, their level of satisfaction is very high ... and the economic performance of the ASU showed exceptional growth” (p. 538).

In conjunction with these studies, another body of research suggested that HRM practices have positive effects on individual employee performance, providing the evidence that these practices have positive effects on individual employee outcomes. However, these studies have used HRM outcomes, such as job satisfaction, commitment, and motivation, as the intermediate variables linking HRM and performance, reporting statistically significant associations.

Individual Employee Performance Outcomes

The majority of research examining the effects of HRM on individual employee outcomes aimed at evaluating the effects of HRM practices arguing that the link between HRM and performance is based on the positive effects of HRM practices on employee knowledge, attitudes, and skills. HRM represents the specific bundle of management policies and practices implemented within the organization to achieve the desired employee outcomes.

Steijn and Leisink (2006) used data collected by the Dutch Ministry of the Interior from a substantial sample of 28,312 workers in the public sector who were interviewed about their job status. The authors investigated how personal characteristics, organizational characteristics, leadership styles, and employee perceptions of HRM practices may affect organizational commitment within the public sector. They identified and measured three components of employee commitment based on Meyer and Allen’s (1997) measures of employee commitment. They proposed three main types of organizational commitment as the dependent variables: 1) affective commitment, reflecting the emotional attachment to and involvement in the organization; 2) normative commitment, reflecting the sense of obligation to the organization; and 3) continuance commitment, representing the employee’s perception of the costs associated with leaving the organization. The authors concluded that there was a strong relationship between organizational commitment and HRM practices in the public sector. While various studies have shown the impacts of HRM on performance in public organizations using different variables as the intermediate link between practice and performance, others have used a comparative approach, examining differences between public and private organizations. Wang, Yi, Lawler, and Zhang (2011) examined the impacts of HRM on worker attitudes and behaviours in private (private enterprises or PEs) and public (state-owned enterprises or SOEs) organizations in the Chinese context. The research aimed at finding any distinctions on the efficacy of HRM practices between private and public organizations on the individual employee performance outcomes. Based on survey data from samples from SOEs and PEs, the authors found that differences in the effects of specific HRM practices, such as employee empowerment, on employee commitment exist. Within public organizations, empowerment had less effect on employee commitment. However, there were no significant differences on the effects of other HRM practices between private and public organizations (Wang et al., 2011).

While many studies have addressed the HRM-performance relationship in different organizational contexts, the literature highlights that most of studies examining this relationship have been conducted in the private and to a lesser extent in national public organizational context arising the question whether performance outcomes hold in another organizational contexts. This paper investigates how HRM influences organizational performance in the multinational public service organization. Therefore, this paper investigates the HRM role in improving organisational performance in this unique organizational context. The remaining paper is structured as following. Next, the operational model and the hypotheses to be tested are presented. This is followed by a discussion on the methodology adopted for this study. The next sections concentrate on the key results, discussion, and practical implications of the study. Finally, the main conclusions of the study and highlight the main contributions, limitations of the analysis and propose directions for further research.

Operational Model and Research Hypothesis

This study draws from Boselie et al.’s (2005) “HRM activities, HRM outcomes and performance model” adapted from Paauwe and Richardson (1997) and Paauwe (2004) addressing the HRM–performance relationship. The model was first developed by Paauwe and Richardson (1997) and then reintroduced by Boselie et al. (2005) in their work entitled “Commonalities and contradictions in research on human resource management and performance.” In their article, the authors provided an “overview of what they believe to be every empirical research article into the linkages between HRM and performance published in preeminent international refereed journals between 1994 and 2003” (Boselie et al., 2005, p. 67). Their analysis aimed at examining the dominant theoretical frameworks informing these articles, how HRM and performance are operationalized and conceived, and further analysis of the methodologies and the research designs of these studies. The authors agreed that this model “lays out a comprehensive set of options” examining the relationship between HRM practices and organizational performance and clarifies the relation between HRM activities and attitudinal outcomes, which are the core concepts of this study (Boselie et al., 2005, p. 68). The model employs a systems-based approach, which

involves HRM practices and policies as input variables, HRM outcomes — such as employee attitudes, knowledge, and skills — as intermediate variables, and organizational performance as the output. The model draws from normative HRM theories, positing that HRM practices lead to enhanced employee attitudinal outcomes, such as improving employee motivation, commitment, and satisfaction (Katou & Budhwar, 2010). The model also explicates the mechanism by which HRM practices are associated with organizational performance, identifying two causal relationships. The first causal relationship is between HRM practices and HRM outcomes; the second is between HRM outcomes and performance outcomes. Following this model, this study examines worker’s attitudinal outcomes, arguing that deployed HRM practices will lead to more motivated, committed, and satisfied employees.

Consistent with HRM theory: key individual worker attitudes - satisfaction, motivation, commitment, and intention to quit - are the determinants of the effects of HRM. As discussed in the preceding sections, studies have shown that HRM practices give rise to HRM outcomes (Tangthong, Trimetsoontorn, & Rojniruttikul, 2015; Safdar, 2011; Katou & Budhwar, 2010; Stavrou et al., 2010; Boxall & Macky, 2009; Lengnick-Hall et al., 2009; Armstrong et al., 2010; Datta et al., 2005;; Guthrie, 2001; Appelbaum et al., 2000). As shown in figure 1, HRM attitudinal outcomes are viewed as the “key mediator” and the intermediate variable linking HRM practices and organizational performance (Guest, 2002, p. 340). HRM practices are defined as organizational activities related to staffing and recruitment, performance appraisal, compensation and rewards, and training and development.

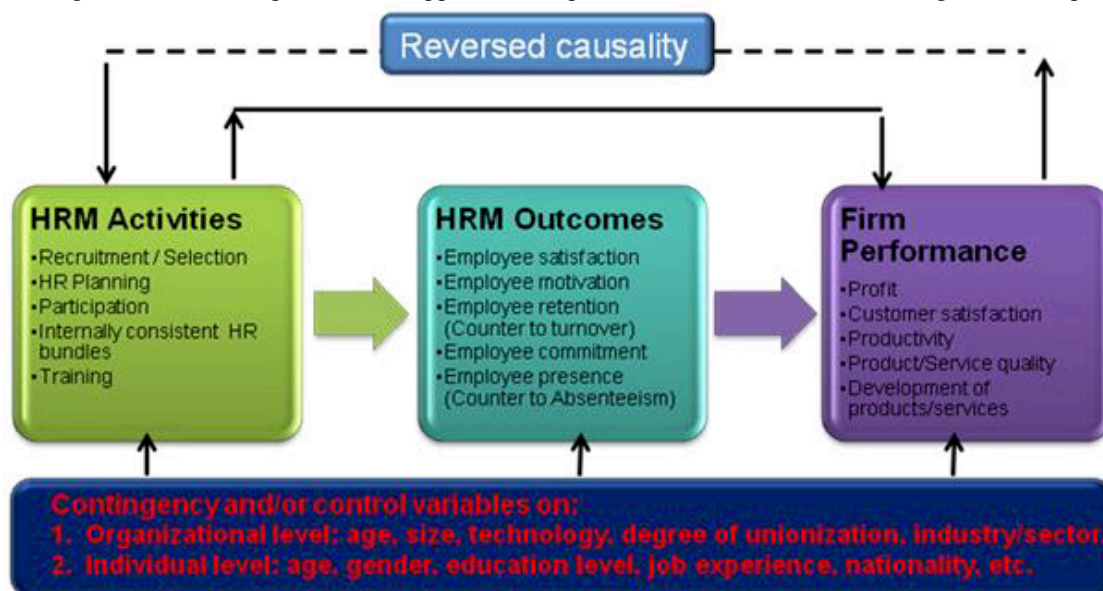


Figure 1: HRM activities in relation to HRM outcomes and organizational performance

Source: Adapted from Paauwe and Richardson (1997), “Introduction, Special Issue on HRM and Performance,” International Journal of Human Resource Management, 8(3), 257–262.

The model also proposes an indirect relationship between HRM practices and organizational performance. Delmott et al. (2012) explain the indirect effects of HRM practices, stating that they “have indirect impacts on organizational effectiveness through their positive influence upon employee morale” (p. 1484). For instance, selective hiring can lead to direct outcomes in the form of adding more to the organization workforce, and indirect contributions through other advantages, such as creating a more talented environment within the organization. The model also proposes the possibility of two-way causation (dotted line). This suggests that organizational performance itself will give rise to a change in HRM practices. Organizations will tend to increase pay, provide training, participation, and opportunities for employees in order to sustain and improve levels of performance and eliminate any risk of performance decline. The model also suggests six control variables: size, sector, trade union presence, age, R&D intensity, and capital intensity. These control variables are insignificant as the research is conducted within the same organization. The model identified personal characteristics such as age, gender, level of education, and nationality. However, consistent with the current study, as Paauwe (2004) explains, “researchers tend to downplay, or even ignore, their relevance” (p. 62).

In this research, we set out to test the effect of HRM on four key attitudinal measures: motivation, commitment, satisfaction, and intention to quit. These four measures are used as the dependent variables and determinants of the effects of HRM. As such, the following hypotheses have been identified:

- Hypothesis I: There are positive effects of HRM practices on employee commitment.*
- Hypothesis II: There are positive effects of HRM practices on employee job satisfaction.*
- Hypothesis III: There are positive effects of HRM practices on employee motivation.*

Hypothesis IV: There are inverse effects of HRM practices on employee intention to quit.

The significance of these hypotheses in measuring employee attitudes is based on the proposed model, and the above-discussed HRM literature, suggesting that the contribution of HRM to organizational performance practices is mediated through the development of HRM attitudinal outcomes (Korff, Biemann, & Voelpel, 2016; Katou & Budhwar, 2010; Lengnick-Hall et al., 2009; Armstrong et al., 2010; Datta et al., 2005; Appelbaum et al., 2000; Boxall and Macky, 2009; Guthrie, 2001; Safdar, 2011; Stavrou et al., 2010; Guest, 2002). According to the theory, HRM practices lead to enhanced levels of attitudinal outcomes (such as motivation, commitment, intention to quit, and satisfaction), leading to higher levels of organizational performance, which is the chief strategic goal of any management practice. The study does not address the detailed explanation of this causal link or how it operates, which was referred as the psychological contract between the organization and the employee, which puts it in the area of behavioural theory and organizational psychology (Ramsay et al., 2000; Guest, 2002).

Methodology

Research Context

The research setting for this study is a non-political intergovernmental organization with quasi-governmental role. The Agency provided public services such as health, and education for over 1.3 million direct beneficiaries, employing over 29,000 staff in its eleven offices located in New York, Geneva, Brussels, Cairo, Israel, Jordan, Palestine, Lebanon and Syria. This is considered to be a particularly appropriate context as the organization began a comprehensive reform program to strengthen its management capacity and provide more effective and efficient services to its beneficiaries. The agency established a Human Resources Task Force (HRTF) with the goal of drafting a Human Resources Management Strategy based on a comprehensive review of its HRM policies and processes and identify any inefficiency in the old system. The underlying mission for HRTF is the identification of inefficiencies in current HRM system to bring about change adopting new approach to HRM which will lead to better service delivery.

Data Collection

To collect data, surveys were distributed on a cross-section of the Agency workers. The questionnaire included a letter inviting individual participation and assuring that their responses are kept confidential. The researcher distributed the questionnaires on employees on an overall period of six weeks. A total of 505 questionnaires were distributed in seven service departments and a total of 234 usable responses were obtained. Interviews conducted with administrators and directors from different departments such as HRM services, finance, education, social and relief services, and procurement and logistics. These interviews aimed at investigating the effects of adopting the new HRM practices in each department and explore any additional factors that may influence the reform outcomes. The interviews were utilized to delve deeper into any ambiguous data obtained through the questionnaires, and further investigate the perceptions of the effectiveness of the current HRM reform.

Sample

The sample of 234 employees had the following characteristics: 67.8 per cent male; 15.3 per cent were between the ages of 18–30 years, 49.3 per cent between 31–45 years, 35.0 per cent between 46–60 years and 0.5 per cent were over 60 years. The average length of service was 13.08 years (standard deviation 7.92). 10.5 per cent had no formal qualifications, 20.5 per cent had diploma, 47.3 per cent had a university degree and 21.8 had postgraduate university degree. 61.4 per cent were frontline workers, 25.7 per cent supervisors, 12.4 per cent middle managers, and 0.5 per cent program managers. The sample were based in the following departments: Engineering, Infrastructure and Camp Development 21.0 per cent; Education (29.0 per cent; Microfinance 10.0 per cent; Procurement 8.0 per cent; Financial Services 3.0 per cent; Human Resources and Administration 8.0 per cent; Job Creation Program 5.0 per cent; Logistics and Support Services 5.0 per cent; Community Services and Mental Health 2.0 per cent; Health 1.0 per cent.

Materials/Instruments

There are four independent variables and four dependent variables for this study related to the four research hypotheses. The four independent variables are the measures of the bundles of HRM practices: staffing and recruitment, performance appraisal, compensation and rewards, and training and development. In order to measure these variables, the HRM Practices and Policies Profile (HRMPPP) questionnaire was used to investigate individual perceptions of HRM practices. Previous research has shown that employee' perceptions of workplace practices and characteristics are influence performance more so than formal policy documentation (Gould-Williams, 2004). The questionnaire is based upon the typology of HRM practices proposed by Schuler and Jackson's (1987) and their empirical work in the U.S. (Sparrow and Wu, 1997). The items are presented as 23 pairs of self-explanatory alternative HRM practices representing four bundles of HRM practices. Each bundle evaluates one major HRM function. The four dependent variables are employee commitment, satisfaction, motivation and intention to quit. A set of questionnaires grouped in one single questionnaire was used to measure these variables. First, Organizational commitment measured based on fifteen items using Porter et al.'s (1974) Organizational Commitment Questionnaire (OCQ). The scale used assesses respondents' commitment based on

loyalty and desire to remain with the organization, beliefs in and acceptance of the values and goals of the organization, and willingness to put in extra effort to help the organization succeed. Second, Job Satisfaction measured based on the Job Satisfaction Survey (JSS; Spector, 1997). JSS is a 36 items questionnaire that uses nine facet scales to assess employee attitudes about the job and aspects of the job and the organization. Each facet is assessed with four items, and a total score is computed from all items. The nine facets are Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance based rewards), Operating Procedures (required rules and procedures), Coworkers, Nature of Work, and Communication. Scores for these variables are computed as mean item scores, with possible range from 1 (very unsatisfied) to 7 (very satisfied), with higher means indicating higher levels of satisfaction. Third, Motivation and intention to leave the organization were the last two aspects of employees' attitude measures. Ten items were used to measure employees' motivation based on the work of James Lindner's (1998) to define the degree of motivation within the work place using the main ten employee motivating factors. These items are interesting work, good wages, full appreciation of work done, job security, good working conditions, promotions and growth in the organization, feelings of being in on things, personal loyalty to employees, tactful discipline, sympathetic help with personal problems. Respondents were asked to indicate the degree to which they are motivated by these factors based on the recent changes in HRM policies and practices choosing one answer, whether they are not motivated, motivated or highly motivated. Scores have a possible range from 1 (not motivated) to 3 (highly motivated), with higher score indicating more motivation of particular factor. A total score is computed from all items. Scores for these variables are computed as mean item scores. The questionnaire was first used in a study at The Ohio State University's Piketon Research and Extension Center. Finally, single item measure was used for employees' 'intention to leave the organization. Respondents were asked to indicate the degree to which they agreed with the statements: 'I intend to leave this organization'. Surveys are in the public domain and no permission is required for its use.

Results and Discussion

HRM Practices Measures

The findings suggest that there was an uptake of three practices form the staffing and recruitment bundle where organization relies heavily on internal resources, use fixed and explicit job description, and an extensive socialization process for new hires. However, there are limitations on the opportunities for advancement within the organization. These limitations may be referred to the narrow career path for advancement which is limited to specific area of practice or the same business unit. For performance appraisals, findings show that the performance appraisal process focuses on results, which is crucial for the appraisal process; other aspects are not fully adopted by the Agency. For instance, results indicate that there is little attention to employee development. Previous research emphasized that the appraisal process should capture areas for employee development based on employee engagement and focus on group performance (Payne, Horner, Boswell, Schroeder, & Stine-Cheyne, 2009). Finally, results indicate that employees are neutral and have mixed perceptions with regards to the performance appraisal time frame whether it focused on long or short term criteria. For the compensation and rewards practices, the survey results showed that the agency has very little use of HRM practices in this specific area. Face-to-face interviews also reveal that the organization implemented new austerity measures which have great impacts on the levels of rewards and incentives. The job satisfaction survey results also indicate that two main measures of satisfaction with pay and remuneration, and monetary and nonmonetary fringe benefits have the lowest scores of measures of employees' satisfaction. This is clear from the reported results of relatively low salaries paid form the organization, and few perks received. Finally, for the training and employee development practices, results have shown the amount of training received is limited and characterized to be task specific. The training and development programs are also characterized to focus on the long-term, with relatively high employee participation. However, the training and development programs are unsystematic and not well planned and not group performance oriented. Finally, there was a little uptake of many practices especially in the area of compensation and rewards. However, in the other three areas, results demonstrate that the staffing and recruitment bundle is the only area at which the organization employs some HRM practices.

Employee Attitudes Measures

For the attitude measures, results show that respondents are very committed to the organization with Mean score of 4.76, but less satisfied with $Mean = 4.36$. However, respondents demonstrate very low intention to leave the Agency with $Mean = 2.68$. Results also show that there are motivated with score 2.21(based on a 3-point scale). The results show that the relationships are in the anticipated directions. Two dependent variables -commitment and satisfaction - have the strongest association with the four bundles of HRM practices. The strongest association reported between training and development, performance appraisal, and rewards and recognition. Finally, it is clear that the aggregate effects of HRM have the highest association with each of the dependent variables. This also indicates that these practices are mutually reinforcing, overlapping, and have synergistic effect on employee attitudes.

The bivariate relationships between the dependent and independent variables are outlined in table 1.

Results show that the highest association is between training and development and job satisfaction with $r_s = 0.600$ significant at ($\rho < 0.01$). Job satisfaction has also relatively strong association with performance appraisal with $r_s = 0.569$ significant at ($\rho < 0.01$). Finally, there is moderate association between job satisfaction and selection and recruitment practices with $r_s = 0.361$ significant at ($\rho < 0.01$).

For employee commitment, the results indicate that employee commitment has strongest association with the same independent variable (training and development) with $r_s = 0.469$ significant at ($\rho < 0.01$). However, the association between employee commitment and selection and recruitment practices is the lowest compared to other practices with $r_s = 0.361$ significant at ($\rho < 0.01$).

According to the results, the only non-significant association is between performance appraisal and employee motivation at ($\rho < 0.05$). However, there is significant correlation between motivation and the other bundles of HRM practices. For instance positive correlation exist between training and development and motivation with positive Spearman correlation of $r_s = 0.197$ significant at ($\rho < 0.01$).

Table 1 Correlation Matrix

		1	2	3	4	5	6	7	8	9
1.Commitment	Spearman's rho	1.000								
	Sig. (1-tailed)	.								
	N	231								
2.Satisfaction	Spearman's rho	.740**	1.000							
	Sig. (1-tailed)	.000	.							
	N	231	233							
3.Motivation	Spearman's rho	.258**	.273**	1.000						
	Sig. (1-tailed)	.000	.000	.						
	N	229	229	229						
4.Intention to Quit	Spearman's rho	-.488**	-.356**	-.168**	1.000					
	Sig. (1-tailed)	.000	.000	.006	.					
	N	224	224	223	224					
5.Staffing and Recruitment	Spearman's rho	.229**	.361**	.127*	-.102	1.000				
	Sig. (1-tailed)	.000	.000	.028	.064	.				
	N	231	233	229	224	234				
6.Performance Appraisal	Spearman's rho	.454**	.569**	.051	-.263**	.408**	1.000			
	Sig. (1-tailed)	.000	.000	.221	.000	.000	.			
	N	231	233	229	224	233	233			
7.Compensation and Rewards	Spearman's rho	.313**	.506**	.196**	-.133*	.297*	.383**	1.000		
	Sig. (1-tailed)	.000	.000	.001	.024	.000	.000	.		
	N	231	233	229	224	233	233	233		
8.Training and Development	Spearman's rho	.469**	.600**	.197**	-.248**	.324**	.398**	.627**	1.000	
	Sig. (1-tailed)	.000	.000	.001	.000	.000	.000	.000	.	
	N	230	231	228	223	231	231	231	231	
9.HRM	Spearman's rho	.506**	.683**	.193**	-.247**	.608**	.674**	.783**	.823**	1.000
	Sig. (1-tailed)	.000	.000	.002	.000	.000	.000	.000	.000	.
	N	231	233	229	224	234	233	233	231	234

The following section will consider the relative impact of the independent variables on individual worker outcomes through ordinary least squares multiple linear regression analyses.

OLS regression analyses

The four hypotheses identified were tested using hierarchal multiple regression in an attempt to estimate the net effect of each of the independent variables (bundles of HRM practices) on the dependent variables (employee attitude). Four models are presented in table 2 below, combining the independent variables to predict the dependent variable. Based on the regression equations, results reveal that each of the independent variables significantly contributes to explanation in variance in one or more of the attitude measures. Detailed presentation of each of the four models associated with the four dependent variables is discussed below.

Table 2 Results of Regression Analysis with HRM as Predictors of Employees Attitude

Predictors	Individual outcomes							
	Model 1: Commitment		Model 2: Satisfaction		Model 3: Motivation		Model 4: Intention to Quit	
	β	(t)	β	(t)	β	(t)	β	(t)
Staffing and Recruitment	-0.010	-0.168	.060	1.144	.065	.936	-.007	-1.100
Performance Appraisal	.309***	5.701	.357***	7.000	-.026	-.380	-.122	-1.719
Compensation and Rewards	-0.036	-0.514	.204**	3.082	.103**	3.061	.088	1.064
Training and Development	.305***	5.719	.324***	5.471	.098	1.201	-.349**	-3.121
R ²	0.319		0.493		0.040		.042	
F value	53.213***		73.457***		9.37**		9.739**	
N	229		230		227		222	

*statistically significant at .05 level
 **statistically significant at .01 level
 ***statistically significant at .001 level

Model 1: Organizational Commitment

As shown in table 2, the first model shows that two bundles of HRM are powerful and statistically significant predictors of employee commitment. This indicates that both performance appraisal and training and development have positive effects on employee commitment. Adjusted $R^2 = 0.319$, which shows that the model accounts for 31.9% of variance in employee commitment significant at ($p < 0.001$). Accordingly, both bundles: performance appraisal ($\beta = 0.309, p < .001$), and training and development ($\beta = .305, p < .001$) are statistically significant predictors of employee commitment. Consistent with previous research on the relationship between training provision and employee commitment, training provision leads to improvements in organizational commitment based on the social exchange theory (Al Emadi & Marquardt, 2007). Social exchange theory posits that employees enter into a relationship with the organization so as to maximize the benefits they obtain (Blau, 1964). Researchers argue that employees training provision is part of the unwritten psychological contract between the organization and employees (Newman, Thanacoody, & Hui, 2011). Employees perceive training and development opportunities in exchange for displayed organizational commitment (Bartlett, 2001). Similarly, for performance appraisal, previous research has shown that performance appraisal process is characterized with employee participation in setting of goals and standards for performance, which also increase chances of employee commitment (Vasset, Marnburg, & Furunes, 2011). In addition, performance appraisal helps organization in clarifying employee roles and reduces any ambiguities, which also leads to higher levels of commitment (Pettijohn C, Pettijohn L, & Taylor, 2001). The direction of the relationships was anticipated for two of the four bundles of HRM practices; the exception being staffing and recruitment, where there is no significant effect from the regression analysis. However, the agreement among HRM scholars is that staffing and recruitment selection procedures have positive effects on employee commitment (Bowen & Ostroff, 2004, Dyer and Reda, 2010). This result may reflect respondents' experience of limited opportunities within the organization for other positions and promotions. One of the interviewees stated that "promotion opportunities within the organization are very limited". However, this is perceived from senior management as more flexible recruitment system that allows for external hiring which allows the organization to select the best candidates. One Chief program officer indicated that "One of the main objectives of selection process is to find the candidate who has the appropriate knowledge, skills, and abilities to perform well on the job from a pool of applicants for a position. We cannot assume that everyone who works for the organization and apply for a job is qualified to actually perform it. Therefore, now we can hire externals if we are not able to find the internal qualified person for the job".

This situation illustrates the need for workers to understand management's motives for recruitment and staffing activities. Failure to do so is likely to undermine the anticipated effects of flexible and comprehensive selection processes.

Model 2: Job Satisfaction

The second model shows that three bundles of HRM practices are statistically significant predictors of employee's job satisfaction. These bundles are performance appraisal, compensation and rewards, and training and development and each of these bundles have positive effects on employee's job satisfaction. The model accounts for 49.3% of variance in job satisfaction measures significant at ($p < 0.001$) with an adjusted $R^2 = 0.493$. Three bundles of HRM practices are powerful and statistically significant predictors of job satisfaction: performance appraisal ($\beta = .357, p < .001$), compensation and rewards ($\beta = .204, p < .01$), and training and development ($\beta = .324, p < .001$). Results are consistent with previous studies on the effects on performance appraisal on employees' job satisfaction. Many studies have shown positive significant relationship between job satisfaction and compensation (Beutell & Wittig-Berman, 1999), training and development (Jones Melanie, Jones Richard, Latreille, and Sloane, 2009), and performance appraisal (Pettijohn et al, 2001). For instance, studies have shown that performance appraisal process establishes feedback system between employees and their managers which permits for manager to clearly define subordinates roles within the workplace, which minimize role ambiguity among employees in different types of organizations which, in turn, negatively correlates with job satisfaction.

Model 3: Motivation

As shown in the third model, for employee motivation dependent variable, adjusted $R^2 = 0.040$, which indicates that there is very little effects of the independent variables on employee motivation. These effects account only for 4.0 % of the variance in employee motivation significant at $p < 0.01$. Only compensation and rewards ($\beta = .103, p < .01$) is statistically significant predictor of employee motivation and has positive statistically significant relationship with employee motivation. This could be referred to what is been referred to Public Service Motivation (PSM), proposed by James Perry and Lois Recascino Wise in published essay "The Motivational Bases of Public Service". The authors proposed that motivation among public servants originates from unique motive and beliefs that are different from those of their private sector counterparts (Brewer, 2010; Perry and Wise, 1982). The authors defined PSM as "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations" (1990, 368). The definition clearly emphasizes motives, such as civic duty and compassion that are commonly associated with public organizations.

Model 4: Intention to Quit

Finally, for employee intention to quit, adjusted $R^2 = 0.042$, which indicates that the model accounts only for 4.2 % of variance in employee intention to quit significant at $p < 0.01$. Very little effects of training and development with ($\beta = -.103$, $p < .01$) on employee's intention to quit. Therefore, results indicate that training and development is the only statistically significant predictor of this dependent variable with inverse relationship. The majority of research addressing what factors impact employee's intention to quit suggests that stress resulting from workloads and the relationships between supervisors and subordinates are major causes for employee intention to leave the organization (Firth, Mellor, Moore, & Loquet, 2004). However, some previous research addressing intention to quit among employees suggests that specific training, which focus on building employee's skills related to the job, make employees reluctant to quit their jobs as workers believe that the benefits of training are lost if they leave to another organization (Sieben, 2007).

Conclusion

The main research problem being addressed within this mixed-methods study is that the majority of previous research investigating the relationship between HRM and organizational performance focuses on private sector organizations, with a narrow view of organizational performance, emphasizing financial outcomes as the only indicators for the firm's performance. A review of the literature identified a gap in research in the area of the impacts of HRM on organizational performance in general and in particular in the context of international organization. Additionally, although many HRM scholars have referred to worker attitudes as the intermediate variable between HRM and organizational performance outcomes, there is very little evidence concerning the individual worker attitudes, which makes it unclear if these practices lead to desirable individual outcomes in different organizational contexts.

The study has undertaken an evaluation of the effects of HRM practices on four worker attitudes, namely job satisfaction, commitment, motivation and intention to quit. The results were based on a staff survey and interviews collected from a cross-section of employees working for an international organization headquarters. The study findings partially support the four research hypothesis. Accordingly, the study presents evidence on the link between some bundles of HRM practices, and enhanced worker commitment, job satisfaction, motivation, and inversely on intention to quit. Results have shown multiple outcomes of HRM practices. Training and development had a consistent effect on three measures of employee attitudes. Training and development has a positive relationship on employee commitment and satisfaction, and an inverse relationship on employee intention to quit. Results have also shown that performance appraisal has a strong positive relationship on employee commitment and satisfaction. On the other hand, compensation and rewards has a positive relationship with employee satisfaction and motivation. Finally, staffing and recruitment has no relationship with any of the four measures or employee attitudes. Findings also demonstrate that HRM practices perceived differently by individual workers, which may contribute to explaining some of the quantitative data findings. Interviews with staff members have shown that the participants agreed on the link between the recent reform and employee attitudes towards their job and the workplace environment; however some employees emphasized the need for more effective implementation for the new HRM practices. Interviews have also shown that the general agreement that the new direction from senior management in considering HRM as an organizational priority will eventually lead to better working conditions, specifically in the area of rewards and incentives. Employees expected that changes would also lead to a better pay and remuneration system. This question shed light on one of the main findings that relates to the quantitative findings and specifically to rewards and compensation practices. Quantitative results have shown that there was no evidence on deploying any of the HRM practices related to compensation and rewards. Quantitative results reported relatively low salaries, few perks, no incentive for work quality, and a fixed benefits package. Additionally, although the Job Satisfaction Survey (JSS) findings showed overall job satisfaction among employees, participants were not satisfied regarding the area of monetary rewards and employee benefits. These findings are consistent with qualitative findings from interviews. Respondents reported that one of their main concerns relates to the specific area of compensation and rewards. This study addresses the effects of HRM practices in this unique organizational context demonstrating how organizational characteristics and the external environment may impact the HRM outcomes (Paauwe, 2009), extending the debate to this new context by providing empirical evidence on the different effects of HRM practices on employee attitudes. One of the main findings of this study is that some practices, such as training and development, outperform others, such as staffing and recruitment. These findings are consistent with previous research on multinational corporations operating in different national contexts (Fey et al., 2009; Paauwe & Farndale 2007), and other studies comparing the effects of HRM in different industries (Rodwell & Teo, 2004; Beaupré & Cloutier, 2007). For instance, drawing from Fey et al.'s (2009) argument on the necessity of optimal management practices, the authors produced similar findings on the different effects of training and development on employee attitudes in different national contexts. For instance, their findings reported that training and development have greater effects on employee attitudes because of the institutional differences that may result from the educational system. Similarly, workers on humanitarian

and development projects, usually in least-developed countries, the educational system left an enormous need for training and development, which explains the strong effects of these factors on employee outcomes. This is contrary to the universal model of HRM, which argues that these practices are universally applicable and can lead to enhanced worker outcomes, irrespective of organizational, industrial, or national context. While the majority of previous studies have focused on organizational strategy, culture, and industry, this study adds a new dimension to the analysis, while empirically investigating the type of organizational context that needs to be considered. Accordingly, this study urges administrators to examine the efficacy of using a one-size-fits-all approach for. Findings from this study draw more attention to the effects of organizational context on the transfer of specific management practices to public organizations generally. Managers cannot simply assume that management practices and principles can and will work anywhere with the same results. Finally, the research results have opened several new avenues for future research to examine other questions that have not been approached before. Future studies could explore the causal logic to gain greater understanding of the different outcomes obtained from HRM practices. Such research would help inform the decisions of public administrators as they consider importing the strategies and tools of the private sector into public organizations. Another recommendation for further research would be to conduct a longitudinal study at all liaison and representation offices in the different geographical locations, to discover any differences between the various national contexts. This research would help in isolating national context as one of the main factors influencing HRM outcomes according to country differences.

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