

## **Line Managers' HR Implementation Level and Work Performance: Estimating the Mediating Role of Employee Outcomes**

Shahid Mahmood (Corresponding author)

Department of Commerce, The Islamia University of Bahawalpur, Pakistan  
National College of Business Administration & Economics, Lahore, Pakistan  
Email: shahidiub@hotmail.com

Faisal Qadeer

Lahore Business School, The University of Lahore, Pakistan  
Email: faisal.qadeer@lbs.uol.edu.pk

Muhammad Sheeraz

Lahore Business School, The University of Lahore, Pakistan  
Email: msheeraz.qaisrani@gmail.com

Kanwal Iqbal Khan

IOBM, University of Engineering and Technology, Lahore, Pakistan  
Email: drkanwaliqbalkhan@gmail.com

### **Abstract**

The ongoing debate to unlock the black box between HRM and performance is yet to be fully concluded. This paper addresses the recent calls by adding three employee outcomes (affective commitment, job satisfaction, and turnover intention) as a mediating mechanism in the causal chain from HR implementation level - i.e., the extent of organization's HR practices that are implemented by each line manager - to work performance. Primary data was collected through a self-administrative survey from 200 permanent employees and 82 supervisors/line managers working in four manufacturing firms. The data was analyzed using SPSS process macros and AMOS. The results reveal that line managers HR implementation level increases work unit performance. Furthermore, an elevated level of HR implementation enhances employees' affective commitment and job satisfaction and reduces their turnover intention and mediating role of these employee outcomes is fully supported by our data. The paper advances the strategic HRM research and contributes by providing a new mechanism to unravel the complexity of HRM-performance linkage debate.

**Keywords:** HR implementation level, affective commitment, employee outcomes, social exchange theory.

### **1. Introduction**

From the last few decades, an extensive body of research has investigated the relationship between human resource management (HRM) and performance (Boselie et al., 2005;

Guest, 2011; Paauwe et al., 2013). Though the outcomes of this relationship appear to be quite stout, the mechanism through which HRM influence performance remains baffling (Bowen & Ostroff, 2004; Huselid & Becker, 2011). The prior HRM research just focused on the design and quality of HR practices instead of its implementation in the real sense (Becker & Huselid, 2006; Khilji & Wang, 2006). In strategic HRM (SHRM) research, the scholars began to acknowledge the importance of HR implementation and considered it as a keystone for the achievement of employees and organizational goals. Guest and Bos-Nehles (2013) believe that well-designed HR practices do not predictably guarantee competitive edge until these are not implemented effectively. The consistent HR practices implementation increases the employee's contentment with HR system which is helpful to enhance the performance of the organization (Khilji & Wang, 2006). Woodrow and Guest (2014) state "good HR policies and practices can get bad results" if not correctly implemented. Thus, the implementation of HR practices is essential for the successful employee management and superior organizational performance.

In HRM implementation procedure, the line managers' role has increased, and most of the HR work has devolved to them. They fetched HR policies to life and deemed as a vital factor in recognizing the relationship between HR system and firm performance. In many firms, well-developed HR practices are outdated and failed due to non-implementation or poor implementation of these practices (Khilji & Wang, 2006). The HR department is liable for the development of HR practices, whereas, the implementation of these practices is the responsibility of line managers.

Researchers in the field recognize the importance of HR implementation and propose that the crucial role of line manager in implementing HR practices should be examined to resolve the complexity between HR practices and performance relationship (Azmi & Mushtaq, 2015; Becker & Huselid, 2006; Conway & Monks, 2010). There is a need to unlock the black box between HRM and performance (Kuvaas et al., 2014; Snape & Redman, 2010); we explain the mediating mechanism expressed through employee attitudes and behaviors. The academia is also interested in investigating the influence of HR implementation beyond some organizational level (such as work units or groups) where line managers continually implement HRM practices (Vermeeren, 2014).

This study responds to the recent calls and intends to contribute to the existing literature in three ways. *First*, it aims to empirically examine the consequences of the extent of organization's HR practices that are implemented by each line manager (HR implementation level) on the performance of the work units'. *Second*, relying on social exchange theory, the study attempts to unlock the HR-performance black box by adding employee outcomes (affective commitment, job satisfaction, and turnover intention) as mediating variables between HR implementation level and work performance. In line with social exchange theory, the implementation of HR practices at floor send employees a signal that they are being valued which give rise a sense of obligation and they reciprocate through an elevated level of performance (Allen et al., 2003; Gould-Williams, 2007; Purcell & Hutchinson, 2007). In this way, this study attempts to fill the current research gap by adding a new mechanism to the causal chain from HR to performance (see Figure 1). *Third*, we may also contribute by focusing on a group level (work units) performance as the response variable. Group-level is a place where organizations can best predict the line managers HR implementation efforts.

## 2. Theoretical Background and Hypotheses

The subsequent sections pertain the theoretical support and review of literature for developing the hypotheses. The graphical presentation of all hypotheses is depicted in the hypothesized model (Figure 1).

### 2.1 HR Implementation Level and Work Performance

*HR implementation level* is an “extent of organization's HR practices that are implemented by each line manager. When managers consistently choose to use many of their organization's HR practices, their HR implementation level is high. Conversely, when a manager chooses to ignore or uses only a few of their organization's HR practices, then their HR implementation level is low” (Sikora & Ferris, 2014, p. 273).

The *work performance* refers to the consequences of the work unit's operations or attainment of its goals. Work performance may fall into three categories such as financial performance (profitability and sales growth), non-financial or operational performance (quality of the work, the quantity of the work, market effectiveness and growth in market shares) and organizational effectiveness (organizational goals and objectives) (Venkatraman & Ramanujam, 1986). This study assesses the performance of work units (groups) by utilizing non-financial/operational measures.

In recent decades, the line managers are deemed a vital factor in recognizing the relationship between HR system and firm performance as they fetch HR policies to life. The importance of line manager's involvement in HRM activities is confirmed by different research efforts (Conway & Monks, 2010; Maxwell & Watson, 2006; Sikora & Ferris, 2014). By implementing the HR practices at the floor, they not only influence the employee's attitude and behavior but also affect the work performance of different units.

However, little concentration has been given to the implementation of HR practices at work floor. The consistent implementation of HR practices at the floor is likely to have a reinforcing impact on performance (Bowen & Ostroff, 2004). The recent research has realized this notion and puts their emphasis on HR implementation in predicting the performance (Azmi & Mushtaq, 2015; Vermeeren, 2014).

Line managers' HR implementation level has been acknowledged in academic research, but there is a lack of research that empirically examines its impact on the performance of work units or groups. When line managers implement more of organizational HR practices at work floor, their HR implementation level is high. On the other hand, when line managers implement less of HR practices, their HR implementation level becomes low. This study attempted to examine the impact of HR implementation level on performance of work units and proposes that higher HR implementation level will enhance the performance of work units. Therefore, we expect that:

- **H<sub>1</sub>:** HR implementation level is positively related to work performance.

### 2.2 HR Implementation Level and Employee Outcomes

Employee outcomes include *affective commitment*, *job satisfaction*, and *turnover intention*. Where, affective commitment and job satisfaction represent employee attitudes and turnover intention “serves as a proxy for actual turnover” (Griffeth et al., 2000) which represents employee's behavior. *Affective commitment* refers to “an effective or emotional attachment to the organization” (Allen & Meyer, 1990, p. 14). *Job satisfaction* describes

employee's overall job enjoyment and contentment, and *turnover intention* is the employee's intention to leave the organization within next twelve months.

### 2.2.1 HR Implementation Level and Affective Commitment

The line managers play a very pivotal role in HR implementation which has enormous importance for positive employee attitudes, i.e., affective commitment. The devolution of numerous HR responsibilities makes the line managers influential HR implementers as they are responsible for the implementation of HR practices at work floor (Trullen et al., 2016). They act as predictors of HR practices for employees who influence employees' perceptions regarding HRM system. Prior studies in the field suggest that line manager's involvement in HRM is imperative for the commitment of employees with the organization (Currie & Procter, 2001; Purcell & Hutchinson, 2007; Riaz & Mahmood, 2017). The involvement of line managers in HR implementation is increasing day by day (Perry & Kulik, 2008). Line managers are the agents of the organization but act as independent players when implementing HR practices (Kuvaas & Dysvik, 2010) and providing support to the subordinates (Maertz et al., 2007).

Relying on the social exchange theory, we posit that when line managers implement HR practices on the work floor, they take individual employee needs into account which give employees a sense that they are supported and valued. In response to this employee shows affective commitment with their organization. Many studies find that HRM positively affects employee affective commitment (Gould-Williams & Davies, 2005; Pare' & Tremblay, 2007; Whitener, 2001). Some scholars suggest that organizational investment in HR system send implied signals to the employees that they are trusted and valued, which give them a sense of obligation to exert positive attitude towards organization (Allen et al., 2003; Purcell & Hutchinson, 2007). In this regard, we propose that when organizational line managers implement more of HR practices, it, in turn, enhances the affective commitment of employees. Thus, we expect that:

- **H<sub>2</sub>:** HR implementation level is positively related to affective commitment.

### 2.2.2 HR Implementation Level and Job Satisfaction

Line managers are considered as an essential factor in recognizing the relationship between HRM and different employee outcomes as they fetch HR policies/ practices to life. By doing so, they persuade employees' perceptions about HRM system as well as their attitudes, behavior, and performance (Purcell & Kinnie, 2007). Macky and Boxall (2008) investigated the association between HR practices and employee attitudes. They found a positive relationship between HR practices and job satisfaction. Similarly, Becker et al., (1997) advocated that HR practices facilitate to improve employee productivity and enhance job satisfaction. HR practices are also helpful to increase employee communication and cooperation with other employees which provides positive feelings about the job (Evans & Davis, 2005). The HRM implementation by line managers can influence many job-related activities of employees which are helpful in creating positive feelings about the job. Accordingly, it appears that when organizational line managers implement more of HR practices, employee's job satisfaction should subsequently improve. Conversely, when HR implementation level is low employee's job satisfaction will decrease. Thus, we propose the following hypothesis:

- **H<sub>3</sub>:** HR implementation level is positively related to job satisfaction.

### 2.2.3 HR Implementation Level and Turnover Intention

The line managers play very crucial role in the implementation of HR practices. There is a substantial fact that the line managers must progressively execute numerous HRM activities (Purcell & Hutchinson, 2007). In HR implementation process, the line managers induce employees' perceptions about the HRM system. Recently Sikora et al. (2015) find that line manager HPWS implementation perceptions negatively influence employee turnover intentions. HR implementation level seems likely to negatively impact turnover intentions of employees because some HR practices reveal employees that the organization is caring of its employees and covet to build an enduring relationship with them (Bowen & Ostroff, 2004). In this regard, Allen et al. (2003) found that employees' supportive HR practices are helpful to increase their attachment to the organization. Employees perception of their supervisor support and care motivate them to stay employed with the organization (Rhoades et al., 2001). Consequently, when organizational line managers implement more of HR practices, employees feel supportive of their supervisor which negatively influences turnover intention of the employees. Thus, we suggest that:

- **H4:** HR implementation level is negatively related to turnover intention.

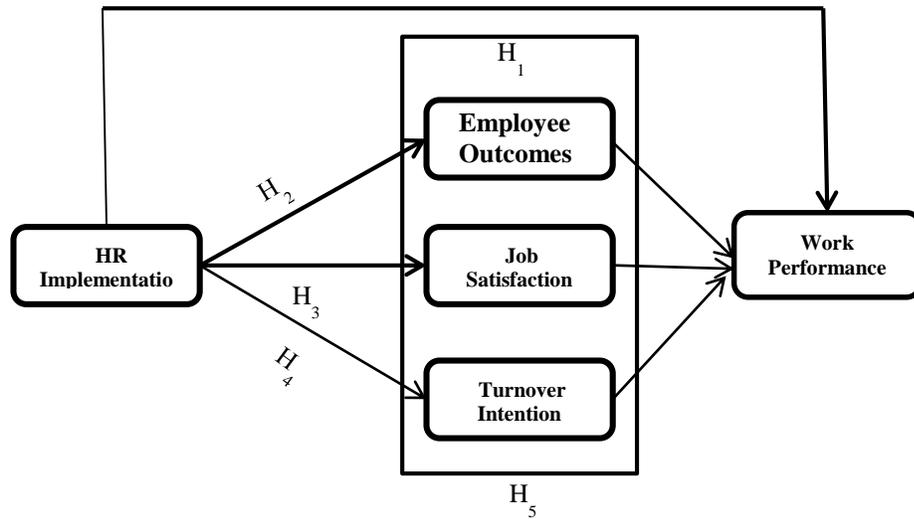
### 2.2.4 Employee Outcomes as a Mediator

The elevated level of line managers HR implementation at floor sends employees a signal that they are being valued. This social exchange on behave of the supervisors/managers give rise a sense of obligation of employees, and they reciprocate through putting more effort and high performance. A fundamental precept in SHRM research is that HRM impact performance through employees' motivation, attitudes and behaviors (Combs et al., 2006). In this perspective, Jiang et al. (2013) suggested that while examining employee's attitudes and behaviors and their impact on performance, social exchange theory can explain the intervening mechanisms. Per social exchange theory (Blau, 1964) when individuals or organization care about employees' well-being and value them through investment in HR, then employees feel an obligation to reciprocate by demonstrating positive work attitudes and appropriate behaviors towards the organization.

Researchers highlight that employee's attitudes and behaviors are based on their perceptions of how and why HR practices are implemented by the organization (Bowen & Ostroff 2004; Nishii et al., 2008). In this view, line managers play a vital role in communicating HR policies to employees and implementing HR practices on the work floor. Line managers are the agents of the organization and play a key role in implementing HR practices at the operational level. When line managers effectively implement HR practices at individual levels, it gives employees a sense that they are being valued and cared. Thus, they show their positive attitudes (affective commitment and job satisfaction) and appropriate behaviors (low turnover intention) towards the work units and organization.

Based on above discussion, we can say that when organizational line managers implement more of HR practices, i.e., HR implementation level is high; it is expected to increase employee affective commitment and job satisfaction and reduces turnover intention. In turn, these employee outcomes are expected to enhance their work performance. Accordingly, this study proposes the following hypothesis.

- **H<sub>5</sub>**: Employee outcomes (affective commitment, job satisfaction, and turnover intention) mediate the relationship between HR implementation level and work performance.



**Figure 1: Hypothesized Model**

### 3. Methodology

#### 3.1 Data

For data collection, we target fertilizing sector of Pakistan. The reason for selection of this sector is the relevance of HR implementation by firm's line managers. Currently, there are seven companies which are major producers of fertilizers. Four of the seven companies allowed us for collecting the data from their production plants. These companies have a formal HR department, and HR practices/policies are also being delegated to the line managers.

Permanent employees and their supervisors/line managers provided the primary data through a self-administered survey. For this purpose, two separate questionnaires were designed, one for the permanent employees of the organizations and second for the line manager. Before launching the full-scale survey, a pilot study was conducted to affirm the language and relevancy of the measures utilized in both the instruments. This pilot study was conducted among four line managers and eight employees (not included in the final survey) of responding companies. Upon their feedback and suggestions, one item has been customized in the second instrument. Apart from this minor change, there was no ambiguity in the understanding of any item in both the instruments.

The final versions the questionnaires were then emailed to all permanent employees and the line managers by the HR department of each company. The support provided by HR representatives of each company proved very useful in generating positive responses from respondents. After one week of the email, follow-up emails were again sent by the HR representative of each company to remaining employees and supervisors. Finally, the researcher physically visited the firms to collect the questionnaires from remaining

employees and their supervisors. The follow up process has been continued for about two months.

We distributed 500 questionnaires to permanent employees and 125 questionnaires to the line managers - the planned sample of the study. We obtained fully completed, usable questionnaires from 200 employees and 82 supervisors – the actual sample utilized for data analysis. The data collection process yields a response rate of 40% for permanent employees and about 66% for supervisors. The overall response rate is 45%.

### 3.2 Measurement

#### 3.2.1 HR Implementation Level

In SHRM, the line manager got much popularity in the implementation of HR practices at the workplace as most of the HR activities are devolved through line management (Conway & Monks, 2010; Maxwell & Watson, 2006). However, the level of their implementation may be different for various HR activities. Therefore, it is crucial to capture HR implementation level in various activities. This kind of practice has been used previously by Guest and Conway (2011) who measured the HR effectiveness through 9 HR practices by comparing the perceptions of line managers with HR managers. We used 11 HR activities to measure the HR implementation level.

The Sample HR activities are “*Job analysis and redesign*” and “*Information sharing of HR policies.*” These activities were measured through four categories (category 1= sole HRM, category 2= HRM in consultation with supervisors, category 3= supervisors in consultation with HRM, category 4= sole supervisor). Keeping in view the implementation of these practices in the organizations, the line managers, and HR managers were asked to choose the most appropriate (only one) category for each activity.

#### 3.2.2 Work Performance

Based on the prior research, the work units’ performance was assessed using seven performance criteria’s. Five items were modified from Liden et al. (2006), one question was modified from Bernardin (2003), and one item was modified from Hung et al. (2011). The sample items include “*My department completes the tasks on time*” and “*Overall performance of my department has improved.*” These seven items were measured on 5-point Likert scale ranged from 1 (strongly disagree) to 5 (strongly agree). The line managers were asked to assess the performance of their work units.

#### 3.2.3 Employee Outcomes

Affective commitment was measured by adopting a 6-item scale of Meyer and Allen (1997). In the scale, one item is reverse coded. We have used these items without any further customization. The sample item includes “I really feel as if this organization’s problems are my own.” *Job satisfaction* was evaluated by employing 3-item scale of Cammann et al. (1979). One of the items is reverse coded. These items were utilized without any further customization. The sample item includes “All in all, I am satisfied with my job.” *Turnover intention* was scored by utilizing 4-item scale of Tett and Meyer (1993). One item in the scale was negatively worded. We used the original items without any modification. The sample item includes “I am always on the look-out for a better job.” All items about affective commitment, job satisfaction, and turnover intention were measured on a 5-point scale ranging from 1 (not at all true) to 5 (absolutely true). The assessment of all these items was made through permanent employees of the organizations.

### 3.3 Data Analysis

For analyzing the data, we utilize SPSS 22 and AMOS 20. The scale reliability is measured using Cronbach's. The usual descriptive statistics and cross-tabulations are also utilized. We estimated Pearson bi-variate correlations to analyze the initial support for the hypothesized relations. For hypotheses testing, we employed SPSS process macros (Hayes, 2013). To estimate the indirect effects, the bootstrapping method is utilized for testing multiple mediators simultaneously. Preacher and Hayes' (2008) SPSS process macros. These process macros allow the testing of multiple mediators simultaneously. Furthermore, the whole model is also tested through path analysis using AMOS software.

## 4. Results

The collected data is initially screened for missing values and outliers for ensuring its significance and readiness for further analysis. Then, all the variables are evaluated for data normality using Kolmogorov-Smirnov test and Shapiro-Wilk test. The results yield that all values are within the acceptable range which confirms the normality condition of data.

### 4.1 Descriptive Statistics and Correlations

Table 1 provides a detailed description of the sample participants along with the correlation among the variables. Of the 200 employees participating in the survey, 96.5% are male; 91.5% are married, and their mean age is 33 years. Moreover, the employees of the fertilizing companies are highly qualified as the mean value of their formal education is 15.3 years with an average departmental tenure of 5.9 years. Of the 82 line managers, 98.8% are male, 87.8% of the line managers are married. Also, they are experienced and mature as their mean age is about 38.1 years. Their average formal education is 15.5 years with mean tenure of 7.9 years in the current department.

The reliability of all the scales is measured with Cronbach's Alpha which is a more suitable technique for measuring the internal consistency of items. The results reveal that all the scales are reliable as their Alpha values are greater than the (0.70) minimum acceptable limit. The values of all Alphas are shown along the diagonal in parenthesis in Table 1. The means, standard deviations, and correlations among variables are also presented in Table 1. The values of standard deviation for all five variables are less than one which means that the properties of all variables are normally distributed among employees and line managers.

The correlation analysis provides the initial support for proposed hypotheses. The results reveal that HR implementation level is significantly positively correlated with work performance (coefficient = 0.313,  $p < 0.01$ ), affective commitment (coefficient = 0.281,  $p < 0.01$ ) and job satisfaction (coefficient = 0.214,  $p < 0.01$ ) which lends initial support to hypotheses H<sub>1</sub>, H<sub>2</sub> and H<sub>3</sub>. Moreover, the HR implementation level has significant negative relationship with turnover intention (coefficient = -0.253,  $p < 0.01$ ) which is as per our expectation under H<sub>4</sub>.

Discriminant validity and multicollinearity assumptions are confirmed by observing the correlation coefficients of all five variables. The values of all these correlation coefficients are below 1 and are less than the threshold value of 0.75 (Kline, 1998) which confirm that all five variables are distinct from each other and rules out the possibility of multicollinearity (Montgomery et al., 2009).

**Table 1: Descriptive Statistics and Correlation Matrix**

Variables	Mean	SD	1	2	3	4	5
1. HRIL	2.99	0.59	(0.81)				
2. Affective Commitment	4.15	0.69	0.281**	(0.74)			
3. Job Satisfaction	4.18	0.68	0.214**	0.587**	(0.72)		
4. Turnover Intention	1.98	0.72	-0.253**	-0.518**	-0.517**	(0.90)	
5. Work Performance	4.18	0.55	0.313**	0.579**	0.571**	-0.488**	(0.75)

Notes: \* p < 0.05; \*\* p < 0.01; HRIL= HR implementation level;  
Alpha values are along the diagonal in parenthesis.

*4.2 Hypotheses Testing*

We test our hypotheses utilizing Hayes’ process macros for SPSS (Hayes, 2013). It can be observed from Table 2 that HR implementation level significantly positively affects work performance (coefficient = 0.290, p < 0.01). This result lends support to the theory that the performance of work units is enhanced when their line managers implement more of HR practices. Thus, H<sub>1</sub> is supported.

The second hypothesis is amongst the HR implementation level and affective commitment. The process macros results reveal that line managers HR implementation level significantly positively influence the affective commitment of employees (coefficient = 0.326, p < 0.01). Therefore, H<sub>2</sub> is supported.

The third hypothesis predicts that when organizational line managers implement more of HR practices, their high HR implementation level, in turn, enhances employee’s job satisfaction. The results show that HR implementation level has significant positive effect on job satisfaction (coefficient = 0.247, p < 0.01). Thus, H<sub>3</sub> is supported.

**Table 2: Process Macros Results**

Hypothesis	Path of Variable (Direct Effect)	Coefficient	Lower to Upper Limit <sup>a</sup>
H <sub>1</sub>	HRIL → Work Performance	0.290**	0.167 to 0.413
H <sub>2</sub>	HRIL → Affective Commitment	0.326**	0.170 to 0.482
H <sub>3</sub>	HRIL → Job Satisfaction	0.247**	0.089 to 0.405
H <sub>4</sub>	HRIL → Turnover Intention	-0.466**	-0.715 to -0.216

Notes: \* p < 0.05; \*\* p < 0.01; HRIL = HR implementation level;  
<sup>a</sup> 95% confidence interval for an estimate (lower to an upper limit)

The fourth hypothesis is between HR implementation level and turnover intention. The results show that the HR implementation level significantly and negatively affects employee’s turnover intention (coefficient = -0.466, p < 0.01). This empirical evidence justifies the study's claim that employees feel supported form elevated level of line managers HR implementation and reciprocate by way of lowering their turnover intention. Therefore, H<sub>4</sub> is supported.

*4.3 Mediation*

Before testing the mediation, with more advanced techniques, we also fulfilled the conditions of Baron and Kenny (1986). Hypothesis 1 fulfills the first condition of the

significant relationship between the independent variable (HR implementation level) with the dependent variable (work performance). Then, H<sub>2</sub>, H<sub>3</sub>, and H<sub>4</sub> fulfill the second condition of the significant relationship between the independent variable (HR implementation level) with mediators (affective commitment, job satisfaction, and turnover intention). To fulfill the third condition of the significant relationship of mediators with the dependent variable, we also tested these relationships which are not part of our hypotheses. The results reveal that affective commitment (coefficient = 0.233, p <0.01), job satisfaction (coefficient = 0.235, p <0.01) have a significant positive association with work performance, and turnover intention has a significant negative relationship with work performance (coefficient = -0.077, p <0.05). These results are also as per our theoretical expectations.

The indirect effect of HR implementation effectiveness on work performance via employee outcomes (affective commitment, job satisfaction, and turnover intention) is estimated with bootstrapping analyses (Hayes, 2013). To test the significance of indirect effect, 5000 bootstrap samples are applied. According to Preacher and Hayes (2004), mediation is supported, and indirect effects are significant if the confidence interval does not contain zero. As shown in Table 3, the results indicate that indirect effects from HR implementation level to work performance via affective commitment (effect = 0.076, p < 0.01; 95% CI [0.028, 0.162]), job satisfaction (effect = 0.058, p < 0.05; 95% CI [0.018, 0.128]), and turnover intention (effect = 0.036, p < 0.05; 95% CI [0.012, 0.112]) are significant. Thus, H<sub>5</sub> is supported.

**Table 3: Results of Mediation of Employee Outcomes**

Hypothesis	Path of Variable	Coefficient	Lower to Upper Limit <sup>a</sup>
H <sub>5</sub>	HRIL → Work Performance via AC	0.076**	0.028 to 0.162
	HRIL → Work Performance via JS	0.058*	0.018 to 0.128
	HRIL → Work Performance via TOI	0.036*	0.012 to 0.112

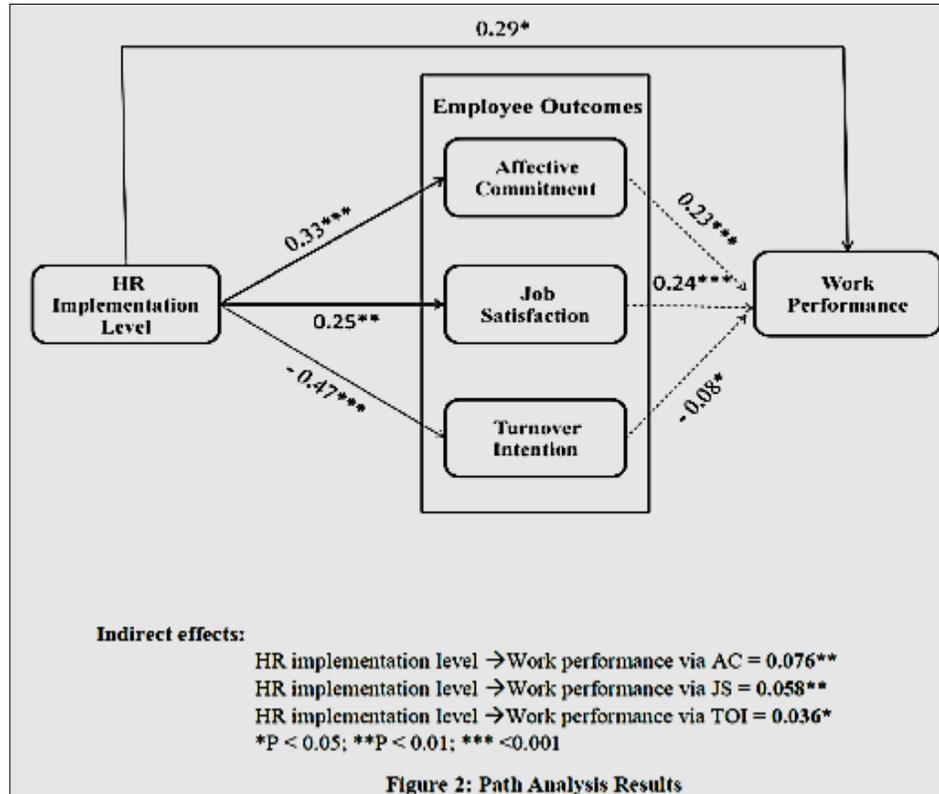
Notes: \* p < 0.05; \*\* p < 0.01; <sup>a</sup> 95% confidence interval for an estimate (lower to an upper limit); HRIL = HR implementation level; AC = Affective commitment; JS = Job satisfaction; TOI = Turnover intention.

Moreover, for specific inference about the direct and indirect effects, we also tested the hypothesized model in path analysis using AMOS. We again find full support for all hypothesized relationships. The direct and indirect effects and their significance have been presented in Figure 2. Some additional paths (not hypothesized) are also tested which are represented by dotted lines.

**5. Discussion**

The study aimed to examine the critical role of HR implementation in stimulating employees and their work outcomes. Its purpose was to explain the complexity of HR-performance debate by adding employee outcomes (affective commitment, job satisfaction, and turnover intention) to the causal chain from HRM activities to the performance. More specifically, the study empirically investigates the consequences of HR implementation level on employee outcomes and work performance. Furthermore, the mediating role of employee outcomes is investigated between HR implementation level and work performance. An attempt was made to minimize the method biases to boost the

quality of primary research (Podsakoff et al., 2012). For that purpose, we utilized the multiple informants rather than single informant approach that may become a source of biased information. The independent variable (HR implementation level) and work performance are rated by the line managers while employees assess the mediating variables. To judge the real feelings of the respondents, the researcher also designs the questionnaires with unique formats and different anchoring categories.



The study reveals that HR implementation level positively affects the work performance. This result lends support to the theoretical assumption that the performance of work units is enhanced when line managers implement more of HR practices. From the last few decades, the large numbers of researchers have investigated the relationship between HRM and performance. However, very little consideration was paid towards the HRM implementation. Recently, some studies put their emphasis on line manager's role in implementing HRM and investigate its impact on performance (Azmi & Mushtaq, 2015; Chow, 2012; Vermeeren, 2014). The significance of HR implementation level (the extent of organization's HR practices that are implemented by each line manager) has been greatly acknowledged in academic research (Sikora & Ferris, 2011 & 2014) but rarely empirically investigated for predicting the group performance. This study has extended the HR implementation research not only from measurement perspective of HR implementation level for the 11 HR activities but also utilizing social exchange mechanisms to ground mediating the process. We also empirically tested its relationship with the performance of work units.

The second result suggests that HR implementation level increases employee's affective commitment. It reveals that when line managers choose to use more of HR practices at work floor, employees feel supported and subsequently their affective commitment is enhanced. This result is consistent with the notion that the HR practices positively affect employees' attitude (Combs et al., 2006). This finding is also consistent with results of Kuvaas et al. (2014) who also found a positive association between perceived supervisor support and employees' affective commitment. Therefore, HR implementation by line managers gives an employee a sense that they are being supported by their supervisors which enhances their commitment to the organization. The outcome of next result states that HR implementation level positively related to the job satisfaction. This result is as per expectations that when line implements more of HR practices, the employee's job satisfaction will rise. When line managers implement more HR practices, the employees feel good about their job their enjoyment of their job increases. Line managers are a critical factor in the work environment of an employee. The empowerment of line managers in implementing HR practices is a good signal for the subordinates that makes them feel more satisfied in performing their job.

The next result reveals the negative influence of HR implementation level on turnover intention of employees. This result is as per the theoretical foundation of Sikora and Ferris (2014) who believe that when organizational line managers implement more of HR practices, employees feel supportive from their supervisors which negatively influences their turnover intention. This finding is consistent with results of Sikora et al. (2015) where they find that line manager high-performance work practices implementation perceptions are negatively related to employee turnover intentions. This result is also consistent with the previous research efforts (Macky & Boxall, 2008; Richard & Johnson, 2001) where scholars found that the effectiveness of HR practices significantly reduces employees' turnover intention.

Final result provides full support for mediating role of employee outcomes between HR implementation level and work performance. This finding is as per theoretical assumption of social exchange theory that line managers' effective HR implementation provides employees a sense that they are being valued and supportive which enhances their affective commitment, job satisfaction and reduces their turnover intention; as a result, they reciprocate towards high work performance.

### *5.1 Theoretical Contributions*

This study makes contributions to SHRM literature by several ways which are discussed in turn. *First*, it enriches the SHRM literature by managing the issues regarding implementation of HR practices. In organizations, line managers are reluctant to consistently implement the HR practices due to the reason that they cannot perceive either these practices are beneficial or not (McGovern et al., 1997). This study suggests that the line manager should implement those HR practices which are directly related to the needs of the employees and organization. *Second*, it contributes to fulfilling the need to move beyond the organizational level (Vermeeren, 2014), i.e., groups, where line managers continually implement HRM. *Third*, it contributes by exploring new relationships of HR implementation level with three employee outcomes and work performance. To the best of our knowledge, these relationships have not yet empirically investigated. Recently, Sikora and Ferris, (2014) have theoretically proposed HR implementation level as a predictor of employee attitudes and behaviors; we provide empirical support for the previous

relationships. *Finally*, this study unlocks the black box between HRM and performance relationship by adding employee outcomes (affective commitment, job satisfaction, and turnover intention) as a mediating variable between HR implementation level and work performance. By addressing the research calls to unravel the complexity of HRM-performance debate this study tries to fill the research gap by adding a new mechanism to the causal chain.

### 5.2 Implications

The current study empirically tests a theoretical model that open new research avenues for academia. By providing intervening mechanism between HR implementation level and work performance, we provide better insight to unravel the complexity of HRM-performance relationship which will help the scholars to advance the SHRM research. It will also help HR policy makers to formulate the strategies that may focus on employees' attitudes and behaviors along with its implementation to enhance group level performance.

Apart from theoretical implications, this study also has implications for practitioners. Our measurement effort for HR implementation level through various HR practices/activities will help the HR specialists to develop high-quality practices that may help to raise the level of line managers' HR implementation. The empirical findings of theoretical model reveal that line managers' elevated level of HR implementation is important to enhance employees as well as work units' outcomes. However, high-level of HR implementation means the role of line managers will increase in organizations, thereby the importance of their relationship quality with HR managers/department, i.e., HR-line relationship quality (Qadeer et al., 2011; Rehman et al., 2012) will be even more in future. To improve groups and consequently firm performance, the HR practitioner should also pay attention to employees' outcomes along with line managers HR implementation level.

### 5.3 Limitations and Directions

Though this study makes numerous contributions to the SHRM literature, still, it is not free from limitations. *First*, the context-specific sample lays a limitation in the generalizability of research findings. Although we collected data from four different organizations of fertilizer sector in Pakistan, still results cannot be generalized to all other sectors (such as service sector). Future research may be conducted by focusing on both manufacturing and service sectors. *Second*, the data collected at one point of time (cross-sectional) may suffer some response biases. The future research may focus on longitudinal design to assess the significance of line managers HR implementation level at the various point in times. *Third*, we measure the line managers' HR implementation level with different HR practices/activities that may affect its variation on other variables of interest. In future, the measurement scale may be developed to measure the HR implementation level. *Fourth*, the multilevel data (individuals and groups) analyzed at single level may suffer the potential methodological problem. However, some studies in the field have suggested multilevel analysis (Liao et al., 2009; Takeuchi et al., 2009). The future research may further analyze the data using multilevel data analysis software such as "Mplus." *Finally*, to unravel the black box, we investigate the mediating mechanism of only three employee outcomes (affective commitment, job satisfaction, and turnover intention). The future research may include some other behaviors as a mediating mechanism between HR implementation level and other performance level outcomes.

#### 5.4 Conclusion

This study extends the SHRM research by unraveling the complexity of HRM-performance black box. By adding employee outcomes (affective commitment, job satisfaction, and turnover intention) as a mediator between HR implementation level and work performance we extend the understanding and provide a new mechanism to the causal chain from HR to performance. This study advances the understanding of the HRM-Performance linkage debate through empirically testing the hypothesized relations. The findings suggest that line managers' high-level of HR implementation enhances work unit performance, employees' affective commitment, job satisfaction and reduces employees' turnover. Employing social exchange theory, we find that line managers' high-level of HR implementation enhances work unit performance through employees' outcomes. This finding provides new insight to HR policymakers that they should focus on employees' outcomes along with line managers HR implementation which would be helpful to enhance the groups and subsequent firm performance.

#### REFERENCES

- Allen, D. G., Shore, L. M., and Griffeth, R. W. (2003). The role of perceived organizational support and supportive human resource practices in the turnover process. *Journal of Management*, 29(1), 99-118.
- Allen, N. J., and Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitments to organization. *Journal of Occupational Psychology*, 63(1), 1-18.
- Azmi, F. T., and Mushtaq, S. (2015). Role of line managers in human resource management: empirical evidence from India. *The International Journal of Human Resource Management*, 26(5), 616-639.
- Baron, R. M., and Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-82.
- Becker, B. E., and Huselid, M. A. (2006). Strategic human resources management: Where do we go from here? *Journal of Management*, 32(6), 898-925.
- Becker, B. E., Huselid, M. A., Pickus, P. S., and Spratt, M. F. (1997). HR as a source of shareholders value: Research and recommendations. *Human Resource Management*, 36(1), 39-47.
- Bernardin, H. J. (2003). *Human resource management: An experiential approach*, New York: McGraw-Hill.
- Blau, M. P. (1964). *Exchange and power in social life*. New York: Wiley.
- Boselie, P., Dietz, G., and Boon, C. (2005). Commonalities and contradictions in HRM and performance research. *Human Resource Management Journal*, 15(3), 67-94.
- Bowen, D. E., and Ostroff, C. (2004). Understanding HRM-firm performance linkages: The role of the "strength" of the HRM system. *Academy of Management Review*, 29(2), 203-221.

- Cammann, C., Fichman, M., Jenkins, D., and Klesh, J. (1979). *The Michigan organizational assessment questionnaire*. Ann Arbor, MI: University of Michigan.
- Chow, I. H. S. (2012). The roles of implementation and organizational culture in the HR-performance link. *The International Journal of Human Resource Management*, 23(15), 3114-3132.
- Combs, J., Liu, Y., Hall, A., and Ketchen, D. (2006). How much do high-performance work practices matter? A meta-analysis of their effects on organizational performance. *Personnel Psychology*, 59(3), 501-528.
- Conway, E., and Monks, K. (2010). The devolution of HRM to middle managers in the Irish health service. *Personnel Review*, 39(3), 361-374.
- Currie, G., and Procter, S. (2001). Exploring the relationship between HR and middle managers. *Human Resource Management Journal*, 11(3), 53-69.
- Evans, W. R., and Davis, W. D. (2005). High-performance work systems and organizational performance: The mediating role of internal social structure. *Journal of Management*, 31(5), 758-775.
- Gould-Williams, J. (2007). HR practices, organizational climate and employee outcomes: Evaluating social exchange relationships in local government. *The International Journal of Human Resource Management*, 18(9), 1627-1647.
- Gould-Williams, J., and Davies, F. (2005). Using social exchange theory to predict the effects of HRM practice on employee outcomes: An analysis of public sector workers. *Public Management Review*, 7(1), 1-24.
- Griffeth, R. W., Hom, P. W., and Gaertner, S. (2000). A meta-analysis of antecedents and correlates of employee turnover: Update, moderator tests, and research implications for the next millennium. *Journal of Management*, 26(3), 463-488.
- Guest, D. E., and Bos-Nehles, A. C. (2013). 'HRM and performance: The role of effective implementation,' In J. Paauwe, D. E. Guest and P. W. Wright (eds), *HRM and performance: achievements and challenges*, Chichester: Wiley.
- Guest, D., and Conway, N. (2011). The impact of HR practices, HR effectiveness and a 'strong HR system' on organisational outcomes: A stakeholder perspective. *The International Journal of Human Resource Management*, 22(8), 1686-1702.
- Hayes A. F. (2013). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. New York, NY: Guilford Press.
- Hung, R. Y. Y., Lien, B. Y. H., Yang, B., Wu, C. M., and Kuo, Y. M. (2011). Impact of TQM and organizational learning on innovation performance in the high-tech industry. *International Business Review*, 20(2), 213-225.
- Huselid, M. A., and Becker, B. E. (2011). Bridging micro and macro domains: Workforce differentiation and strategic human resource management. *Journal of Management*, 37, 421-428.
- Jiang, K., Takeuchi, R., and Lepak, D. P. (2013). Where do we go from here? New perspectives on the black box in strategic human resource management research. *Journal of Management Studies*, 50(8), 1448-1480.

- Khilji, S. E., and Wang, X. (2006). 'Intended' and 'implemented' HRM: The missing linchpin in strategic human resource management research. *International Journal Human Resource Management*, 17(7), 1171-1189.
- Kline, R. B. (1998). *Principles and practices of structural equation modeling*. New York, NY: Guilford
- Kuvaas, B., and Dysvik, A. (2010). Exploring alternative relationships between perceived investment in employee development, perceived supervisor support and employee outcomes. *Human Resource Management Journal*, 20(2), 138-156.
- Kuvaas, B., Dysvik, A., and Buch, R. (2014). Antecedents and employee outcomes of line managers' perceptions of enabling HR practices. *Journal of Management Studies*, 51(6), 845-868.
- Liao, H., Toya, K., Lepak, D. P., and Hong, Y. (2009). Do they see eye to eye? Management and employee perspectives of high-performance work systems and influence processes on service quality. *Journal of Applied Psychology*, 94(2), 371-391.
- Liden, R. C., Erdogan, B., Wayne, S. J., and Sparrowe, R. T. (2006). Leader-member exchange, differentiation, and task interdependence: Implications for individual and group performance. *Journal of Organizational Behavior*, 27(6), 723-746.
- Macky, K., and Boxall, P. (2008). High-involvement work processes, work intensification and employee well-being: A study of New Zealand worker experiences. *Asia Pacific Journal of Human Resources*, 46(1), 38-55.
- Maertz, C. P., Griffeth, R. W., Campbell, N. S., and Allen, D. G. (2007). The effects of perceived organizational support and perceived supervisor support on employee turnover. *Journal of Organizational Behavior*, 28(8), 1059-1075.
- Maxwell, G. A., and Watson, S. (2006). Perspectives on line managers in human resource management: Hilton international's UK hotels. *International Journal Human of Resource Management*, 17(6), 1152-1170.
- McGovern, P., Gratton, L., Hope-Hailey, V., Stiles, P., and Truss, C. (1997). Human resource management on the line? *Human Resource Management Journal*, 7(4), 12-29.
- Meyer, J. P., and Allen, N. J. (1997). *Commitment in the workplace: Theory, research, and application*. Thousand Oaks, CA: Sage.
- Montgomery, D. C., Peck, E. A. and Vining, G. G. (2009). *Introduction to linear regression analysis*. (4th ed.). New Jersey: Wiley.
- Nishii, L. H., Lepak, D. P., and Schneider, B. (2008). Employee attributions of the "Why" of HR practices: Their effects on employee attitudes and behaviors, and customer satisfaction. *Personnel Psychology*, 61(3), 503-545.
- Pauwe, J., Guest, D., and Wright, P. (2013), *HRM and performance: Achievements and challenges*, Chichester, Sussex: Wiley Press.
- Pare', G., and Tremblay, M. (2007). The influence of high-involvement human resources practices, procedural justice, organizational commitment, and citizenship behaviors on information technology professionals' turnover intentions. *Group and Organization Management*, 32(3), 326-357.

- Perry, E. L., and Kulik, C. T. (2008). The devolution of HR to the line: Implications for perceptions of people management effectiveness. *International Journal of Human Resource Management*, 19(2), 262-273.
- Podsakoff, P. M., MacKenzie, S. B. and Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63(1), 539-569.
- Preacher, K. J., and Hayes, F. H. (2004). SPSS and SAS procedures for estimation indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, 36(4), 717-731.
- Preacher, K. J., and Hayes, F. H. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40(3), 879-891.
- Purcell, J., and Hutchinson, S. (2007). Front-line managers as agents in the HRM-performance causal chain: Theory, analysis and evidence. *Human Resource Management Journal*, 17(1), 3-20.
- Purcell, J., and Kinnie, N. (2007). HRM and business performance. In P. Boxall, J. Purcell, & P. Wright (eds). *The Oxford hand book of human resource management*. Oxford: Oxford University Press, 533-551.
- Qadeer, F., Shafique, M. and Rehman, R. (2011). An overview of HR-line relationship and its future directions. *African Journal of Business Management*, 5(7), 2512-2523.
- Rehman, R., Qadeer, F., Habib, Z. & Ahmad, M. (2012). Measuring HR-line relationship quality: A construct and its validation. *Pakistan Journal of Statistics*, 28(5), 743-756.
- Rhoades, L., Eisenberger, R., and Armeli, S. (2001). Affective commitment to the organization: The contribution of perceived organizational support. *Journal of Applied Psychology*, 86(5), 825-836.
- Riaz, A., and Mahmood, H. Z. (2017). Cross-level relationship of implemented high performance work system and employee service outcomes: The mediating role of affective commitment. *Pakistan Journal of Commerce and Social Sciences*, 11(1), 351-373.
- Richard, O. C., and Johnson, N. B. (2001). Understanding the impact of human resource diversity practices on firm performance. *Journal of Managerial Issues*, 13(2), 177-195.
- Sikora, D. M., and Ferris, G. R. (2014). Strategic human resource practice implementation: The critical role of line management. *Human Resource Management Review*, 24(3), 271-281.
- Sikora, D. M., Ferris, G. R., and Van Iddekinge, C. H. (2015). Line manager implementation perceptions as a mediator of relations between high-performance work practices and employee outcomes. *Journal of Applied Psychology*, 100(6), 1908-1918.
- Sikora, D., and Ferris, G. R. (2011). Critical factors in human resource practice implementation: Implications of cross-cultural contextual issues. *International Journal of Human Resources Development and Management*, 11(2-4), 112-140.
- Snape, E., and Redman, T. (2010). HRM practices, organizational citizenship behaviour, and performance: A multi-level analysis. *Journal of Management Studies*, 47(7), 1219-1247.

Takeuchi, H., Chen, G., and Lepak, D. P. (2009). Through the looking glass of a social system: Cross level effects of HPWS on employees' attitudes. *Personnel Psychology*, 62(1), 1-29.

Tett, R. P., and Meyer, J. P. (1993). Job satisfaction, organizational commitment, turnover intention, and turnover: Path analyses based on meta-analytic findings. *Personnel Psychology*, 46(2), 259-293.

Trullen, J., Stirpe, L., Bonache, J., and Valverde, M. (2016). The HR department's contribution to line managers' effective implementation of HR practices. *Human Resource Management Journal*, 26(4), 449-470.

Venkatraman, N., Ramanujan, V. (1986). Measurement of business performance in strategy research: A comparison of approaches. *Academy of Management Review*, 11(4), 801-814.

Vermeeren, B. (2014). Variability in HRM implementation among line managers and its effect on performance: A 2-1-2 mediational multilevel approach. *The International Journal of Human Resource Management*, 25(22), 3039-3059.

Whitener, E. M. (2001). Do "high commitment" human resource practices affect employee commitment? A cross-level analysis using hierarchical linear modeling. *Journal of Management*, 27(5), 515-535.

Woodrow, C., and Guest, D. E. (2014). When good HR gets bad results: Exploring the challenge of HR implementation in the case of workplace bullying. *Human Resource Management Journal*, 24(1), 38-56.