

HRM and Line Management Effectiveness

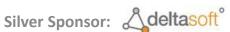
COSTAS HOPPAS Director of Human Resources Cyprus University of Technology

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Background



Effective human resource (HR) practices can greatly improve a firm's operational and financial performance. Effective HR practice use (which includes practices such as the use of employment tests, linking compensation to job performance, employee attitude surveys, and formal employee communication programs) drives numerous firm performance improvements, including improved productivity, lower employee turnover, greater sales growth, and higher profits (Huselid, 1995). However, the mediating role of HR implementation in the HR - performance relationship is still missing (Sikora and Ferris, 2014).

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HRM Practices/ Systems and Performance: The Role of Line Managers



It has been argued that studies of human resource management have been too focused on policies that are set in the HRM department, and have underplayed the importance of the way those policies are translated into practice by managers and perceived by the employees who are the targets of those policies (Nishii, Lepak and Schneider, 2008; Wright and Nishii, 2013).

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Intended / Actual / Perceived HRM Practices





- **Intended HRM practices** comprise the designed and developed practices. These are the practices that, in theory, are identical regardless of the individual employee (the design of the practices falls entirely within the responsibility of the HRM function).
- **Actual HRM practices** entail those practices that are implemented by whoever serves as the particular touch point between the intended practice and the employee as recipient. Typically, this will not be a specialist in HRM; it will be a line manager (line managers exercise (whether the firm wants them to or not) great discretion in the extent to which they implement many HRM practices, as well as the effectiveness with which they do so).
- **Perceived HRM practices** consist of how employees process their experience with the practice. Individual differences in capability, performance, or past experiences may serve as the lens through which they perceive the practice. In particular, the relationship between an employee and his/her line manager may influence their perceptions of the practice (line managers may actually shape employees' perceptions of HRM practices). (Nishii et al., 2008; Takeuchi et al., 2007).

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The Implementation Challenge



While in most firms, the human resources department is responsible for the development of effective HR practices, the implementation of those practices ultimately falls to the firm's line managers (i.e., the firm's operating managers, including positions such as customer service, sales, quality and/or manufacturing managers). As a result, firms may attempt to use effective HR practices, but find that their line managers vary in the extent to which they consistently implement the practices (Van Iddekinge et al., 2009). Similarly, Wright et al. (2001) noted that many firms fail to meet top performance levels because line managers failed to implement the HR practices developed by the organization's HR function.

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The "black box" debate and the implementation step between HRM and firm performance



- The implementation of effective human resource (HR) practices typically rests with line managers.
- Line manager HR implementation is influenced by organizational culture, climate, and political considerations.
- HR implementation is anticipated to drive employee outcomes.
- HR implementation represents the degree to which HR practices are put into effect by an organization's line managers and employees.

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Why Line Managers Fail in HR Implementation?



- Ability and/or willingness of Line Managers to execute their organization's HR practices.
- May ignore or sabotage HR practices as acts of resistance or to simply further their own agendas.
- Well-designed HR practices may be poorly or inconsistently communicated by the HR department.
- Line managers often fail to take responsibility for employee development.....etc.

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The Ideal Line Manager



- believes that his/her HR responsibilities are important, and works to implement organization's HR practices in a quality manner.
- often plays an important role as strategic change contributor.
- is willing to handle his/her HR responsibilities and take a professional attitude towards employees.

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ACTIONS NEEDED



- Line Managers should develop specific processes to translate policies into practices in their treatment on day-to-day interactions with employees.
- Line managers when implementing HR practices should take into consideration the psychological processes through employees attach meanings to them.
- Line managers should have the necessary tools and knowledge to effectively implement HRM practices.
- Line managers should serve as interpretive filters of HR practices (interpretations).
- Line managers should implement HR practices in a consistent and coordinated manner.

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Discussion



Thank you for your attention

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References

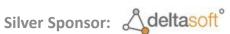


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