

**The Effects of High Performance Work Systems on
International Governmental Organizations:**

A Study of the United Nations Relief and Works Agency
for Palestine Refugees in the Near East Headquarters

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Abstract

In the last three decades, a growing body of research has suggested that using a mix or system of human resources management (HRM) practices can lead to superior organizational performance. These practices (such as selective recruitment and hiring procedures, performance-based compensation systems, employee participation, and training and development) have been referred to as high performance work systems (HPWS) and originated from the study of strategic human resource management (SHRM), where researchers have examined the impact of these systems on organizational performance outcomes. The relationship between HRM and organizational performance has received increasing interest from scholars and practitioners in the field of public administration. Scholars strive to identify the effects of HRM practices on organizational performance based on the notion that these practices will lead to enhanced attitudinal outcomes, such as organizational commitment, job satisfaction, and motivation, which will have positive impacts on organizational performance. This study contributes to further our understanding of the impact of management on performance in public organizations through empirical evidence drawn from theories of HRM. The growing interest among scholars in understanding the effects of management on performance presumes that the adoption of best practices will lead to improvements in organizational performance.

The purpose of this mixed-methods study is to examine the effects of HPWS practices on individual worker attitudes in international governmental organizations (IGOs) by reporting the results of a staff survey and follow-up interviews conducted on a cross-section of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) employees. The UNRWA is an international relief and human

development Agency with a quasi-governmental role, delivering essential public services to over five million registered Palestinian refugees. UNRWA services include education, healthcare, social services, and emergency aid. In 2006, the UNRWA began a comprehensive reform program to strengthen its management capacity. Accordingly, one of the main achievements of the reform process is the deployment of new HRM systems that included recruitment strategies, performance appraisals, training and development, and compensation and rewards systems. The underlying message of the reform process has been adopting HPWS practices, which is the object of this study. Since the 1990s, the UNRWA has become increasingly interested in policy analysis and organizational research. Especially because of recent changes in the Agency's management style, the UNRWA has become more focused on integrating knowledge and management research into its work. Therefore, when the researcher sought permission to examine the effects of the newly adopted HPWS practices on employee attitudes, the staff and upper management were very collaborative and co-operative.

Surveys and interviews were conducted with program administrators, operations directors, and field staff, representing employees from different countries with varying lengths of service as well as an extensive range of levels of education and professional backgrounds. A total of 505 questionnaires were distributed in seven service departments and a total of 234 usable responses were obtained. In addition to questionnaires, a total of 10 face-to-face interviews were conducted to explore the data obtained from questionnaires and to understand further the implications of applying HPWS practices in an IGO context.

Statistical analysis of the survey data and interviews provided a representation of the effects of four bundles of HPWS adopted by the organization (independent variables),

on four worker attitude measures (dependent variables). The four independent variables are the HPWS practices that are the most common and most accepted in the HRM literature: staffing and recruitment, compensation and rewards, performance appraisal, and training and development. The four dependent variables are employee commitment, job satisfaction, motivation, and intention to quit.

Preliminary statistical analysis consisted of descriptive statistics for all study variables, as well as Cronbach's alpha for measuring the internal consistency reliability coefficients for all the survey subscales to examine its internal consistency. Four research hypotheses were tested using multiple regression analyses and Pearson correlation coefficients in an attempt to estimate the net effect of each of the independent variables and understand the relationship between study variables. The bivariate relationships between the dependent and independent variables have shown that the relationships are in the anticipated directions. One of the main conclusions regarding the effects of specific HPWS practices in an IGO context is that some practices, such as training and development, outperform other practices, such as staffing and recruitment. These findings are consistent with previous research on multinational corporations operating in different national contexts, and other studies comparing the effects of HPWS in different industries. The results also indicated that HPWS practices have synergistic and complementary effects on each of the employee attitudes that exceed their individual effects. Therefore, in order to expand our understanding of the effects of HPWS on organizational performance, different variables need to be considered such as national context, industry, and other organizational factors may moderate the HRM–performance relationship. The findings of this study support previous studies in this stream of research.

The qualitative data were used to verify quantitative data and provide insights that were difficult to gain from surveys alone. The qualitative data indicated that more effective implementation and administration of HPWS practices would lead to better employee outcomes. In other words, the newly announced austerity measures negatively influence perceptions towards the newly implemented HPWS, which may also have influenced employee attitude outcomes.

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INTRODUCTION

In the last three decades, a growing body of research has suggested that using a mix or system of human resources management practices would lead to superior organizational performance (Datta, Guthrie, & Wright, 2005). These practices (such as selective recruitment and hiring procedures, performance-based compensation systems, employee participation, and training and development) have been referred to as high performance work systems (HPWS) and originated from the study of strategic human resource management (SHRM), where researchers have examined the effects of adopting HPWS on organizational performance (Appelbaum, Bailey, Berg, & Kalleberg, 2000; Boxall, Ang, & Timothy, 2011; Guthrie, 2001; Gould-Williams, 2004). Much of this research has shown a positive link between adopting HPWS practices and organizational performance (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 HPWS fosters 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).

This relationship between HPWS and organizational performance has drawn significant attention from academics. The association between HPWS and organizational performance has become one of the most popular topics within the HRM literature. The majority of these studies demonstrate a positive association between HPWS practices and organizational performance and assert that the greater use of HPWS practices, the better the organizational performance will be (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).

First, the majority of research addressing the relationship between organizational performance and HPWS practices focuses on private sector organizations, with only minimal research evaluating the effects of these systems in different organizational contexts. Despite the substantial empirical evidence that HPWS practices are positively related to organizational performance in the private sector, there is a great need to investigate this relationship in other contexts, specifically in public organizations (Gould-William, 2007; Katou & Budhwar, 2007). Only recently, scholars began considering the context as an important contingency factor, arguing that understanding the effects of HPWS practices in different organizational settings is essential to the theoretical development of the field of HRM (Teo & Crawford, 2005; Skaggs & Youndt, 2004; Daley & Vasu, 2005). HRM researchers began investigating the distinctions between different organizations, such as manufacturing and service organizations, public, non-profit, and private organizations, examining the effects of the organizational context on HRM outcomes. This study aims to investigate the effects of adopting HPWS on individual worker attitudes in IGOs. The majority of IGOs are public service providers operating across national boundaries. These organizations were subject to waves of reforms aimed at enhancing organizational performance through adopting a myriad of new managerial practices originating from the private sector (Ashworth, Boyne, & Entwistle, 2010). Hence, the question remains: what is the effect of these new management practices on organizational performance? The most recent approach for performance management in public service organizations is based on the notion that the adoption of best management

practices, such as HPWS, would lead to improvements in outputs and outcomes. This study contributes evidence on the efficacy of this new approach to enhanced organizational performance by addressing the effects of HPWS on employee attitudes as the intermediate link to organizational performance.

Second, most empirical analysis applied by researchers addressing the HPWS–performance relationship has been based on a narrow view of performance measurement, focusing primarily on organizational-level performance indicators, such as financial indicators, profits, turnover, and customer complaints (Kalleberg, Marsden, Reynolds, & Knoke, 2006). Additionally, previous research has identified different types of performance outcomes that should be addressed on different levels. For instance, Guest’s behavioural model (1997) proposed employee attitudes as performance measures at the individual level and other indicators, such as performance measures, on the organizational level (Gould-Williams, 2010). There has been very little evidence concerning the impacts of HPWS on individual worker attitudes, which makes it unclear whether these practices lead to desirable individual or organizational outcomes. Although many scholars have referred to worker attitudes as the intermediate variable between HPWS practices and organizational performance, current research provides no insight into the impacts of HPWS on individual worker attitudes (Gould-Williams, 2004).

Finally, there is no consensus among researchers regarding the specific configuration of HPWS practices. Although some HRM scholars claim that HPWSs are universally applicable, other scholars argue that there is no specific list of HRM practices that constitute HPWSs, suggesting that these systems should be adapted to fit internal and

external organizational contingencies such as strategy, culture, industry, and other factors, such as technology and size (Datta et al., 2005; Cappelli & Neumark, 2001). Gerhart (2005), comments in this regard, arguing, “This is a concern because it seems unlikely that one set of HR practices will work equally well no matter what context” (p. 178). Therefore, it is unclear whether the structure of HPWS is universally applicable or should be adapted according to organizational context (Katou & Budhwar, 2010; Chaudhuri, 2009; Marchington & Wilkinson, 2005; Gould-Williams, 2004).

The purpose of this study is to examine the effects of HPWS practices on employee attitudes in International Governmental or Intergovernmental Organizations (IGOs). IGOs are public organizations that operate in different national contexts; their members are state governments that voluntarily join these institutions (Pease, 2003). These multinational bodies, such as the United Nations (UN), the World Bank (WB), the International Monetary Fund (IMF), and the World Trade Organization (WTO), serve different mandates and aim at maintaining global socioeconomic stability between the governments of their member states, and rely on donations from the governments of member states to fund their programs. Despite the unique circumstances confronting IGOs and the spatial variations in the contexts in which they operate, a small number of studies have investigated the effects of certain management practices in this unique organizational environment. In recent years, there has been increasing interest among IGO managers in adopting HPWS and other managerial practices to enable the organization to perform better. However, research in this area lags behind, with very few studies linking management practices to organizational performance. The intent of this research is to investigate the effects of HPWS on worker attitudes in an IGO context through answering

the following research question: What is the impact of HPWS on employee attitudes in international governmental organizations? Current research on HPWS has been focused in one specific area of management, namely private sector organizations of predominantly Anglo-Saxon origin, and the research findings on organizational performance outcomes have relied on financial indicators for performance measurement. This approach undermines the importance of organizational context, and has a narrow view of performance, focusing on economic profit. Little is known about HPWS in public organizations in general and IGOs in particular, which reveals a significant knowledge gap regarding the effects of HPWS in the IGO context. This gap is especially troublesome because IGOs are increasingly adopting these structured bundles of HRM practices. This study aims to extend HPWS research to IGOs and investigate the implications of applying high performance work systems practices in this unique organizational context. This study provides empirical evidence on the effects of adopting HPWS on employee attitudes. This will contribute to the new approach of performance measurement, which focuses on the processes and practices used in the organization and their effects on individual workers.

This study seeks to provide empirical evidence about the effects of HPWS on individual worker attitudes in the IGO context through a study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), which is the largest UN agency, with over 29,000 employees in nine geographic locations. The UNRWA is a non-political developmental and humanitarian service organization providing education, health, and infrastructure, among other services, for over 1.3 million Palestine refugees. In 2006, the UNRWA entered a comprehensive reform process that aimed at improving the Agency's management capacity in different areas, with an emphasis on HRM as the main

area of reform. HRM reform aimed at deploying a new system of HRM policies and practices to provide the Agency with an integrated HRM architecture for staff management. The underlying message of this reform was implementing HPWS practices, which makes the organization suitable for this enquiry addressing the effects of HPWS on IGO worker attitudes.

This study is based upon a mixed-methods approach, surveying a cross section of UNRWA headquarters' employees, and interviewing administrators, directors, and staff members. Copies of the survey tools are provided in Appendixes B, C, D, E, and F. Face-to-face interviews using open-ended questions were conducted to collect qualitative data. Interviews with administrators and directors in the programs aimed at further investigating how the recent HRM reform affected employees to gain more insight into employee perceptions of the application of the new HRM system within the Agency. Copies of the interview questions are provided in Appendix J. The interviews were utilized to support the survey findings and to bring more insight into any ambiguous data obtained from the questionnaires.

The remainder of the study is devoted to a discussion of the theoretical foundations of this study and a comprehensive review of HRM literature, followed by a presentation of the theoretical framework and research hypotheses. This is followed by a presentation of the UNRWA as the subject organization. The following chapters focus on the research design and methodology, research findings, and finally the conclusions of this research. Chapter I explores the theories representing the field of HRM and a review of the literature that address HPWS practices. It will establish the need for the study by providing areas

where additional research will be beneficial, based on the literature previously published. Chapter II presents the research question and hypotheses in relation to the major HRM literature in addition to the theoretical framework for the research problem. Chapter III will present the subject organization for this study and the reform process, emphasizing the quasi-governmental role of the UNRWA and the deployment of HPWS to show the reader how this research is intended to be conceptual and centred on the public management literature. Chapter IV will focus on the methodological aspect of the study. Chapter V will present the study findings, while Chapter VI will discuss the results and provide conclusions and recommendations for future research based on the study findings.

CHAPTER I: REVIEW OF LITERATURE

The availability of material dedicated to HRM is almost infinite. The main authors in this field include Guest, Pfeffer, Huselid, Delery, Doty, Boxall, Purcell, and Paauwe, among others, and some of their work is discussed below. There is a consensus among the majority of management scholars that HRM is an evolving field of study based on the conception that employees are the main organizational asset that needs to be developed and motivated, rather than controlled, which is key to enhanced organizational performance. Therefore, the field of HRM theory has received increasing attention from academics and practitioners in the last three decades, which has resulted in a rich and innovative literature focusing on understanding the dynamics of the relationship between HRM practices and organizational-level performance outcomes (Paauwe, 2009).

Public administration is a unique, hybrid field of study that borrows from other disciplines, such as management, economics, and political science (Brewer, 2010). The study of public management and performance has grown in scope and complexity, opening doors for advancing and developing new approaches to performance measurement (Hicklin, 2010). The latest view of organizational performance emphasizes the linkages between the introduction of new processes and management practices while identifying models regarding these linkages. This new approach has been widely accepted by public management scholars who tend to agree that the traditional approach for organizational performance — focusing on output and outcomes measurement — is complicated and has obvious shortcomings.

Yet, the literature on HRM has focused on private sector organizations and there has been very limited research on public sector 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 (Rainey & Bozeman, 2000). Some scholars stated that HRM literature “disregards or gives 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, which appear to be a form of adopting HPWS in the public sector (Ohemeng, 2010; Brown, 2004; Gould-Williams, 2004). In many countries, HPWS 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 HPWS practices allow a more flexible approach to staffing and recruitment, training and development, and pay and performance appraisals. Many governments 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, which would therefore appear as a form of HPWS practice (Brown, 2004). 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). It is the aim of this literature review to represent the theoretical foundation of the HRM field, while addressing the different views among scholars on the relationship between HPWS practices and organizational performance as the main emphasis within the current HRM literature. In addition, this literature review will shed light on the impact of management on the performance of public organizations, which has become a major question for researchers in the last two decades (Boyne, Brewer, & Walker, 2010).

1.1 Introduction

This literature review begins with an overview of the evolution of the HRM field in the last three decades, which witnessed much progress in HRM theory development. The field has been exposed to major shifts from one decade to another. Since the 1980s, theorists have studied HRM, emphasizing three main approaches (M. L. Lengnick-Hall, C. A. Lengnick-Hall, Andrade, & Drake, 2009). Up to the late 1980s, the majority of scholarly articles focused on HRM and strategy, highlighting how effective HRM requires an

understanding of, and integration with an organization's strategy. Between the late 1980s and late 1990s, HRM studies shifted towards understanding the importance of fit and flexibility between HRM and organizational context. Then, from the late 1990s, HRM research has been dominated by studies addressing the distinctions between different types of organizations to demonstrate the effectiveness of HRM policies in manufacturing, service industry, public, non-profit, and other types of organizations (Lengnick-Hall et al., 2009). This analysis of the field evolution is followed by an overview of the resource-based theory, which is the "dominant theoretical paradigm" in most recent HRM literature (Boxall & Purcell, 2000; Lengnick-Hall et al., 2009, p. 69). The majority of HRM researchers evoke the resource-based theory for explaining the effects of HRM on performance and how some organizations perform better than others (Wright, Dunford, & Snell, 2001). According to the resource-based perspective, successful organizations have unique capabilities or resources that can give them an advantage, leading to enhanced performance outcomes (Barney, Wright, & Ketchen, 2001). In this context, human capital constitutes the ultimate source of this superior performance, and an integrated structure of HRM practices through HPWSs should, in principle, provide the tools and techniques for these organizations to enhance their capacity.

Next, an overview of HPWSs is introduced to highlight the different views among scholars, with detailed discussion on the impacts of HPWS in different organizational contexts that clearly demonstrates the gap in HRM literature when discussing HPWSs in the IGO context. A discussion on the new "best practice" approach to performance management in public organizations follows this overview. This new approach is premised

on the notion that there is a “right way of doing things; and that the adoption of best practices will lead to improvement of outputs and outcomes” (Boyne, Entwistle, & Ashworth, 2010, p. 4). Then, the HRM–performance link theoretical model developed by Paauwe and Richardson (1997) is discussed to sustain the argument that the HRM–performance link is based on HRM outcomes such as employee motivation, commitment, and satisfaction, which are the key variables addressed in this study. Finally, this literature review addresses one of the central debates within the HRM field, emphasizing the role of internal and external fit of HRM practices, and their relationship with HRM outcomes. This discussion provides some insight to explain the conflicting views of the impacts of HPWS in different organizational contexts, which may provide some valuable theoretical explanations to understand how organizational context factors may influence HRM outcomes.

1.2 HRM Field Evolution

The last three decades have witnessed an increasing interest in the field of HRM. This is primarily due to the convergence between HRM practices and other fields with similar roots in the human aspect of organizations, such as organizational development and leadership, in addition to the link between HRM and organizational performance (Guest, 2011; Sammut, 2001). HRM research focuses on employment relationships and staff management and lies at the very core of administrative management. This new approach to worker management goes beyond the narrow and technical focus of traditional personnel management on administrative functions, such as keeping personnel records and managing the employee payroll. HRM research emphasizes the strategic contribution of HRM

programs and policies (such as employee work structure, organizational recruitment processes, performance appraisal systems, job design, and employee compensation, relations, development, and team building) to organizational business strategies and highlights HRM outcomes like commitment, motivation, flexibility, and quality of work. As Boxall et al. (2011) explain,

Human resource management (HRM) is the process of managing work and people in organizations. All organizations need some kind of “human resourcing” process to survive and to grow. HRM inevitably affects organizational performance, but what HRM means and how performance is conceived, and attained, are things that the principal actors involved — managers, employees, and the state — shape over time in their particular context. (p. 1504)

HRM is concerned with the selections that organizations make from the myriad practices available to structure their HRM systems (Boxall & Purcell, 2003). HRM systems are defined as the specific mix of HRM policies and enacted practices to enable, motivate, and develop workers to share and apply their knowledge and skills fully into their jobs, leading to a more effective organization (Becker & Huselid, 2006). Therefore, HRM has predominately targeted practitioners, focusing on effective people management and highlighting the contributions of complementary HRM practices to organizational performance, assuming synergistic effects of these practices when combined into coherent systems (Paauwe, 2009).

In their work *Strategic Human Resource Management: The Evolution of the Field*, Lengnick-Hall et al. (2009, p. 64) provide the reader with a clear and concise review of the development of the study of HRM from *evolutionary* and *chronological* perspectives. They begin their article by arguing that the majority of HRM academic literature has been published within the last three decades and has been exposed to major shifts from one decade to another. Yet the roots of the field can be traced back to the 1920s, when the concept of HRM was first presented by labour economists and industrial relations scholars, who proposed replacing the traditional command and control system of management with a different approach that emphasized unity of interest, co-operation, and investment in organizational workforce development (Lengnick-Hall et al., 2009). However, the last three decades have witnessed the majority of the developments in the field of HRM.

In the early 1980s, the majority of HRM research focused on how a specific set of HRM practices could be matched to a specific organizational strategy. HRM researchers mainly investigated how the choice of a particular set of HRM practices should be dependent upon the organization's strategy. Accordingly, different scholars identified different strategy typologies, arguing that each strategy would require a different mix of HRM practices to influence employee behaviours to meet strategic organizational needs. For instance, Miles and Snow (1984) conducted a historical analysis of the evolution of American business strategies, their associated organizational structures, and HRM systems, attempting to identify the status of human resource functions in a service-based economy. They proposed four organizational strategies — defender, prospector, analyzer, and reactor — arguing that HRM systems must be tailored to fit the strategic orientation of the

organization. Their examples were drawn from well-known organizations in different industries, such as Lincoln Electric, Hewlett-Packard, and Texas Instruments, to examine the implications of key HRM practices on organizational strategies. Their Canadian Pacific case study demonstrated how effectively an organization must take specific actions to maintain the strategic orientation of its HRM approaches while continually evaluating and identifying which specific HRM system needs to be applied across the organization in order to meet strategic needs (Miles & Snow, 1984). The majority of HRM research has focused on demonstrating how HRM practices should be aligned with organizational strategy to ensure that specific attitudes and behaviours would take place within the organization to meet strategic needs. Similarly, in their study linking HRM and organizational strategic needs, Schuler and Jackson (1987) developed three *archetypes* of organizational strategy based on industry analysis and verified by interviewing and surveying executives and employees of three major companies: Honda America's Marysville, United Parcel Services, and Frost Inc. The authors identified different strategic typologies, including cost reduction, quality improvement, and innovation strategies. They then identified several aspects of HRM practices, such planning, staffing, appraising, compensating, and training and development. Based on organizational strategic needs, they argued, employees must exhibit different role behaviours over time, which requires different employment conditions (Schuler & Jackson, 1987). Therefore, an organization must identify the specific mix of HRM to establish the required employment conditions to meet its strategic needs. Using the same approach, the majority of HRM research emphasized how organizational strategy would moderate the relationship between HRM practices and organizational performance.

During the same period, another body of the literature focused on demonstrating the empirical evidence on this alignment between an organization's characteristics and HRM practices as a measure of the effectiveness of the human resources. For instance, Jackson, Schuler, and Rivero (1989) investigated the relationship between organizational context characteristics (industry sector, innovation strategy, manufacturing technology, organizational structure, organizational size, and unionization) and HRM practices. Their study was based on collecting data on both organizational characteristics and HRM practices from 267 organizations. Their findings demonstrated that strategy is directly related to HRM practices, and multiple HRM systems may exist within a single organization to influence employee behaviours according to the needs of their business unit strategy. The authors summarize their findings stating that

Our data indicate that firms pursuing an innovation strategy tended to use compensation practices consistent with these needs (e.g. less reliance on incentives, more employment security) for their hourly employees, although not for managerial employees. Innovation also requires employees who have high levels of expertise — as was reflected in the training of hourly employees in organizations pursuing innovation. Hourly employees in high-innovation companies received more training overall, and their training was more likely to focus on skills needed in their present jobs and skills that might be needed in other jobs... our results suggest that organizations in which innovation is important are sensitive to the types of behaviours

needed from their employees, and they are using personnel practices likely to stimulate and reinforce those behaviours. (pp. 774–775)

This perspective to HRM has developed and scholars have continued emphasizing the relationship between HRM practices and organizational characteristics, with particular focus on strategy, which led to the emergence of the contingency approach to HRM (Lengnick-Hall et al., 2009).

Throughout the 1990s, terminology changed as the concept of organizational strategic fit evolved, linking strategy and HRM practices under Strategic Human Resources Management (SHRM). The new term SHRM became the “umbrella” concept that expands the traditional idea of HRM (Martín-Alcázar, Romero-Fernández, & Sánchez-Gardey, 2005). Azhar and Faruq (2001) explain this new focus on strategy, arguing that

Strategic human resource management (SHRM) has emerged as a significant issue in tandem with the increasing attention being given by the companies to strategy. Faced with an accelerating turbulence in its environment, the response of the corporation has been to attempt to build up a sound internal configuration that includes human resource management (HRM) systems. The key to providing an effective response is to have an HRM system attuned to strategic requirements... there is an assumption that HRM is, in some manner, strategic when it follows closely the corporate strategy of the organisation. (p. 133)

Research on organizational strategy and HRM practices expanded to become more complicated, emphasizing organizational context and environment as critical contextual factors that influence the HRM system configuration. Researchers began emphasizing the need for fit and flexibility to create an organization that renews itself and can adapt quickly to environmental and contextual changes (Lengnick-Hall et al., 2009). There had been a rising wave of interest about the fit between HRM practices and other contextual factors surrounding the internal environment of the organization (technology, structure, size, life cycle stages, strategy) and its external environment (legal, social, and political environment; labour market conditions, including unionization; industry characteristics; and national culture) (de Pablos, 2005). Among these scholars, Milliman, Von Glinow, and Nathan (1991), in their work *Organizational Life Cycles and Strategic International Human Resource Management in Multinational Companies: Implications for Congruence Theory*, expanded on the fit concept and applied it to multinational organizations functioning overseas. Based on their analysis, they proposed four types of fit: (1) the fit between HRM and the organizational life cycle stage; (2) the fit within various HRM practices; (3) the fit between HRM practices and the organization's cross-national and cross-cultural environment; and (4) the fit between the HRM of organization headquarters and its subsidiaries offices. They concluded that organizational effectiveness and productivity is subject to HRM flexibility, which refers to the organization's ability to *adapt* in a timely and effective manner to *fit* its changing external and internal environments (Milliman et al., 1991). Similarly, Delery and Doty (1996) explained the fit between strategy and HRM practices using the defender's organizational strategy proposed

by Miles and Snow (1984), and how some HPWS practices, such as training and development should be adapted to organization strategy, arguing that

The defender has a narrow and stable product-market domain and seldom makes major adjustments in its technology or structure. The emphasis is on better and more efficient ways to produce a given product or service and on defending a market. A defender does little research and development. When defenders pursue new products, they import the technology from outside the organization... Because defenders concentrate on efficiency in current products and markets, effective employment practices should emphasize a long-term commitment to an organization. The organization should value employees with greater firm- and product-specific skills and knowledge. The special skills and knowledge will be enhanced through formal training, well-established career paths within the organization, and performance appraisal and feedback systems that foster employee development rather than short-term results. These practices should create an environment that fosters long-term commitment to the organization and reduces the costs associated with replacement of workers and the knowledge, skills, and abilities they possess. (pp. 810–811)

As the new millennium approached, scholars in the HRM field began to consider the differences between different settings, investigating the distinctions embedded in manufacturing versus service organizations, and public, non-profit, and private organizations (Lengnick-Hall et al., 2009). 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 HPWS. 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 HPWS practices and organizational performance for both for-profit and non-profit organizations. They concluded that adopting HPWS 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 settings may influence HRM outcomes and employee performance, Gould-Williams (2004) found that some specific HRM practices might have different outcomes within public organizations. For instance, in his study examining the effects of HPWS 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 HPWS practices were similar across public and private sector organizations. Similarly, Leggat, Bartram, and Stanton (2011), in their recent study on

public health organizations in Australia, reported a positive correlation between certain aspects of HPWS 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 HPWS 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 HPWS and the perceived quality of healthcare mediated by human resource management (HRM) outcomes, such as psychological empowerment (Leggat, et al, 2011). Yet, their findings reported a significant gap between HPWS policies and actual practices. They reported that public healthcare organizations in Australia generally do not have the necessary aspects of HPWS in place, which necessitates more effective implementation for the newly adopted policies.

Despite the 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 but rather “disregard[s] or give[s] only cursory acknowledgement” to HRM within the public sector (Brown, 2004, p. 304). 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 introduction of new public management has resulted in a strategic approach to HRM within the public sector. 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 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).

In conclusion, the field of HRM has evolved over the last decade with empirical research demonstrating the evidence on the fit between an organization's characteristics and HRM practices, while addressing central debates between different constructs, such as flexibility versus fit, and internal fit versus external fit, in different organizational contexts (Colbert, 2004). However, the majority of this research demonstrated an association between HRM and performance, providing empirical evidence of association rather than causation (Guest, 2011). Thus, many scholars have argued that there is limited higher-level theory linking HRM with performance (Gould-Williams, 2010; Lengnick-Hall et al., 2009; Paauwe, 2009). However, the Resource Based View of the Firm (RB-V), developed by Barney (1991), is considered the "dominant theoretical paradigm," in most recent HRM literature (Wright et al., 2001; Boxall & Purcell, 2000; Lengnick-Hall et al., 2009, p. 69).

This perspective emphasizes the contribution of HRM practices to the strategic development of the organizational workforce providing the organization with rare, inimitable, and non-substitutable resources. This RB-V serves as an integrating ground against which much of the HRM theory and research is presented (Colbert, 2004). The theory proposes that superior organizational performance is subject to not only acquiring but also to developing, combining, and effectively deploying organizational physical and human resources in ways that add unique value and are difficult to imitate (Barney, 1991).

1.3 Resource-Based Theory

Central to HRM research is the resource-based theory developed by Jay Barney (1991) in his seminal work *Firm Resources and Sustained Competitive Advantage*. This theory has been widely applied by various HRM scholars: Barney et al. (2001); Boxall and Purcell (2000, 2003); Coff (1999); Datta et al. (2005); Wright et al. (2001); Wright and Gardner (2003); and Lengnick-Hall et al. (2009). The majority of HRM studies have drawn from the resource-based view of the firm (RB-V) to explain, formulate, and empirically demonstrate the relationship between HRM systems and organizational performance (Beltrán-Martín, Roca-Puig, Escrig-Tena, & Bou-Llugar, 2008). Although the RB-V has evolved in the business literature, the theory mainly addresses the contribution of human resources as the main organizational asset, which makes it applicable to different types of organization research. RB-V posits that sustained competitive advantage derives from the resources and capabilities an organization controls that are valuable, rare, imitable, and not substitutable (Barney, 1991). These resources and capabilities can be viewed as bundles of *tangible* and *intangible* assets, including human capital, management skills, organizational

processes and routines, and the information and knowledge they control (Barney et al., 2001, p. 626). The resources enable the organization to “conceive of and implement strategies that improve its efficiency and effectiveness” leading to superior organizational performance (Barney, 1991, p. 102). Drawing from RB-V, scholars argued that HRM advantage arises from two main aspects. First, from human capital as the organizational workforce that constitutes the main organizational asset, and second, from the processes of exploiting the talents of human resources in building a motivated, knowledgeable, and skilled workforce through specific HRM policies and practices (Armstrong, Flood, Guthrie, Liu, Maccurtain, & Mkamwa, 2010; Datta et al., 2005). This reveals the two fundamental assumptions within the HRM field of study from an RB-V perspective. First, the notion that an organization’s human resources are of critical strategic importance and that employee skills, behaviours, and attitudes have the potential to provide the foundation for enhanced performance. Second, the assumption that HRM systems are instrumental in developing human resources, which are the foundation of organizational strategic capability (Colbert, 2004). Therefore, RB-V has formed an “integrating ground” for the field, linking the two assumptions that provide the rationale for the contribution of human resources to organizational performance (Colbert, 2004, p. 341). Additionally, the RB-V has clearly been influential in the theoretical development of the field by emphasizing the link between human capital and organizational strategy. RB-V established the theoretical link between the field of HRM and strategic management literature, which provided the theoretical rationale for the majority of the empirical studies examining the strategic effects of HRM systems on organizational performance. In 2005, Boselie, Dietz, and Boon conducted an overview of 104 empirical studies published in prominent international

refereed journals between 1994 and 2003, addressing the relationship between HRM systems and organizational performance. One of the main conclusions of their study is that RB-V appears to be the most popular theory applied in these articles (Boselie et al., 2005). The theory brings legitimacy to the field through establishing links between HRM and the broader business strategy literature (Colbert, 2004). Since the RB-V has provided an “accessible bridge” between the HRM field and other areas in the business literature, there has been paradigmatic shift in the view of the link between strategy and HRM, providing a theoretical basis for explaining the relationship between HRM and organizational performance (Wright et al., 2001, p. 626).

Datta et al. (2005), in their research examining how industry characteristics affect the performance outcomes of HPWS, argue that the RB-V has provided theoretical grounds to explain the contingent effects of HPWS on organizational performance. The study examined the influence of industry, capital intensity, growth, and differentiation on HPWS performance outcomes. Using a sample of 132 organizations, the authors assessed how the use of 18 practices comprising HPWS, significantly relates to performance. In their findings, the authors reported that HPWS outcomes are influenced by industry, capital intensity, growth, and differentiation as contextual factors. Study findings were based on measuring productivity in the form of lower turnover, lower absenteeism, and higher profits. The authors argue

the resource-based view of the firm has also incorporated a contingency perspective. In this view, organizational resources can be a source of sustainable competitive advantage to the extent that they create value and

allow a firm to excel in its particular competitive environment... The notion of “fit” is embedded in the resource-based view: resources contribute more or less value depending on a firm’s ... environment. (p. 136)

Similarly, Guest, Jonathan, Neil, & Maura (2003), drawing on the RB-V in their study on the impacts of HPWS on organizational performance, argue that if human resources management practices are effectively deployed, the organization “can acquire and utilize valuable, scarce, and inimitable resources” (p. 291). Using data from 366 organizations in the UK, the authors argued that more effective deployment of HPWS has led to better performance outcomes. HPWSs were measured using 48 items based on interviews with HRM managers. These practices were grouped under nine main categories, including different bundles such as staffing and recruitment, training and development, financial flexibility, appraisal and two-way communication. Results demonstrated that greater use of HPWS is associated with lower labour turnover and higher profit.

As discussed earlier, the majority of research linking RB-V to HRM emphasizes the distinction between two aspects of HRM. The first aspect comes from the advantages of people as human capital and the main asset of the organization. The second aspect stems from HPWS, which represents the specific bundle of management policies and practices implemented within the organization to advance the knowledge, attitudes, and skills of human resources. Several academics proposed different bundles of HPWS practices using different terminologies, such as high involvement, high commitment, and high-performance work practices (HPWPs) (Appelbaum et al., 2000; Guthrie, 2001; Gould-Williams, 2004). Many researchers argued that these practices represent an integrated

combination of HRM policies and practices that maximizes employee knowledge, skill, commitment, and flexibility, leading to superior performance outcomes (Kaufman & Miller, 2009).

1.4 High Performance Work Systems (HPWS)

Within management literature, the basic thesis underlying the majority of HRM studies is that people are the most valuable asset that organizations can develop to achieve and sustain high levels of organizational performance (Becker & Huselid, 2006). Due to the increasing interest within management studies in HRM practices, a new notion of “best practices” has emerged. Sometimes this is referred to as “high-performance work systems” (Appelbaum et al., 2000), “high commitment” HRM (Guest 2001, 2002), or “high involvement” HRM (Wood, 1999). HPWSs are 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, HPWS represents a combination of several HRM practices into a bundle that 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 HPWS has primarily evolved in private sector organizations in the US, emphasizing a new managerial focus that embraces people management (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 HPWS and organizational performance. Measures of HPWS 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 HPWS 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 HPWS in the workplace and organizational performance.

In a similar study, MacDuffie (1995) proposed one of the earliest and most comprehensive researches on HPWS. He argued that HPWS practices affect performance not individually but as interrelated elements in an internally consistent "bundle" or "system" that "shapes the pattern of interactions between and among managers and employees" (p. 200). The study was based on employee surveys regarding the multiple effects of different HPWS practices on productivity and work quality. HPWSs were hypothesized to create multiple, mutually reinforcing conditions that support employee autonomy and discretion, motivation, and abilities and skill acquisition. He suggested that

HPWS must be tailored to fit the organizational needs and must be integrated with the organization's strategy to be effective. Results demonstrated support for the association between HPWS, productivity, and work quality, indicating that bundles of HPWS practices contribute most to productivity and quality when they are integrated with workplace policies under what the author refers to as the "organizational logic" (MacDuffie, 1995, p. 197). Study findings emphasized that workplaces with flexible work conditions and "high commitment" HRM practices (such as contingent compensation and extensive training) outperformed other workplaces with more command and control practices (MacDuffie, 1995, p. 197). His findings had important implications on future studies. They were used to establish the contingency perspective, which suggests that the relationship between HPWS and organizational performance depends on external environmental factors as well as on organizational factors, primarily the organization strategy (Marler, 2012).

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 HPWS on organizational performance (Paauwe, 2009). In a recent study in the Greek context, Katou and Budhwar (2010) investigated the effects of HPWS on organizational performance based on a sample of 178 Greek organizations operating in the 23 manufacturing industries. The authors identified five bundles of HPWSs 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 HPWS on employee skills, attitudes, and behaviours as the mediating variables

between HPWS 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 HPWSs and performance measures. The study adds a new dimension to the analysis, emphasizing the mediating variables between HPWS and performance. HPWSs 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 HPWS practices on a range of performance outcomes, such as employee skills, behaviours, and attitudes (Paauwe, 2009). This relationship between HRM and organizational performance 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). The next section provides a discussion of this emerging line of research linking management and performance, emphasizing the shortcomings of the traditional output/outcomes approach to performance.

1.5 Management and 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. In our view, this focus is appropriate, 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 HPWS 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. The authors conclude,

For health care providers, client satisfaction is itself one of the main performance indicators, together with efficiency and professional quality. This research shows that HRM can affect client satisfaction and that providers should focus in particular on job-related training. HRM activities correlate with, and presumably influence, both employee satisfaction and client satisfaction. However, these correlations could not be found for all HRM activities included in this analysis. Employee and client satisfaction were found not to correlate with the same HRM activities. Employee satisfaction seems mostly affected by the management style of the unit manager, and to a lesser degree by performance reviews and predictable work schedules, while client satisfaction correlates primarily with job related training and somewhat with performance reviews and a supportive leadership style. (p. 420).

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. Gould-Williams introduces his work by arguing that

Given the heightened awareness of the need to engage public sector workers in securing higher standards of service, lack of a firm empirical base on which to inform the development of theory and management practice in the public sector needs to be addressed. The context in which public sector workers now operate is becoming increasingly similar to that

experienced by private sector workers who face ongoing pressure to increase sales or provide superior customer service. (p. 120)

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 labour 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 & Tzafrir, 1999). Baptiste (2008), in his study on local government in North England surveyed 100 employees to examine the effects of HPWS 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 HPWS 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 adoption of HPWS 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 HPWS practices. As mentioned earlier, HRM practices contribute to the organization's staff development, providing rare, inimitable, and non-substitutable resources. The link between HRM and performance is based on their positive effects on employee knowledge, attitudes, and skills. HPWS represents the specific bundle of management policies and practices implemented within the organization to achieve the desired employee outcomes. Gould-Williams (2004) conducted an empirical analysis of the Government of Wales, examining the effects of HPWS on public sector organizations after the legislation of the *Local Government Act* (1999) when both the governments of England and Wales began adopting HPWS practices within local government departments. In his study, the author surveyed front-line workers, supervisors, and middle managers working in seven service departments across two local government organizations to examine the effects of adopting HPWS practices on employee attitudes. Results have shown that some HPWS practices, such as training and development, have positive effects on employee attitudes, while other practices, such as staffing and

recruitment and job security, have no significant effects on any employee attitude measure. His findings also reported negative effects of communication on employee commitment and job satisfaction. Interviews with research participants showed that information overload had negative implications for employee attitudes (Gould-Williams, 2004).

In another study, 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, stating that

In particular, our study shows that an intelligent use of HRM practices will lead to higher levels of organizational commitment. In this respect it is very important how employees will perceive and evaluate these practices: in particular, a positive evaluation of these practices will lead to a higher organizational commitment. Public sector managers, therefore, should

monitor closely the introduction and actual use of HRM practices within the organization — otherwise the effects on organizational commitment will probably disappoint. (p.188)

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 HPWSs 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 HPWS 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 HPWS 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 HPWS practices between private and public organizations. The general conclusion on the impacts of HPWS on employees reported that “the HPWS enhanced ... organizational commitment, and reduced work withdrawal behaviours and turnover intentions” (Wang et al., 2011, p. 2419). Though achievements have been made addressing the relationship between HRM and performance, a cursory overview of previous studies demonstrates some conflicting views on major issues. The next sections discuss some of these issues while addressing some of the ongoing debates.

Limitations, Discrepancies, and Inconsistencies

As mentioned earlier, HRM is an emerging field and there has been little achievement in building strong theoretical models to aid in understanding major issues related to the effects of HRM on organizational performance (Paauwe, 2009). For instance, there is no agreement among HRM scholars on the precise mix of HRM practices that constitute HPWS. Boselie et al. (2005), in their article entitled “Commonalities and contradictions in HRM and performance research,” analyzed 104 articles addressing HPWS that have been published over a decade. They argue that “no consensus has emerged on what employee management activities should be in a comprehensive HRM checklist” (p. 72). Studies defined different bundles of HPWS practices without an agreement on a coherent and fixed list of practices that constitutes HPWS (Boselie et al., 2005). Many scholars have been attempting to explain the contradictions and inconsistencies on the structure of HPWS within HRM–performance literature, proposing different methodological and theoretical concerns.

Gould-Williams (2004), in his empirical analysis of HPWS in public sector organizations, attempted to summarize major reasons that explain these differences by highlighting some of the main problems in HRM research, arguing that

In part, this reflects the eclectic approach taken by researchers in evaluating the effects of a range of HRM practices... the research to date is limited in several ways. First, early studies adopted a very narrow view of performance, focusing primarily on financial indicators. Second, the research evidence is based on views of single organizational

representatives, namely senior persons who are more likely to provide biased reports of the extent and effects of HRM practices. Third, although several studies have sought to use a variety of performance outcomes, such as productivity and financial measures, few have considered the effects of HRM practices on workers. (p. 66)

Therefore, HPWS are broadly defined and no specific list of practices constitutes these systems. However, close reading of the HRM literature indicates that the most acceptable and widely used bundles of HPWS practices are proposed by Boselie et al. (2005) in the study discussed earlier, in which they reviewed every empirical research article into the linkages between HPWS practices and performance published for a decade. The authors conclude that the top four HRM practices in the HPWS list have been training and development, contingent pay and reward schemes, performance management and appraisal, and staffing and recruitment processes. The authors justify their findings claiming that these practices reflect the main functions of HRM, “namely to identify and recruit strong performers, provide them with the abilities and confidence to work effectively, monitor their progress towards the required performance targets, and reward them well for meeting or exceeding them” (p. 73).

Scholars argue that there are some methodological issues associated with trying to establish a link between HPWS and individual employee performance as well (Paauwe, 2009). Delmott, Winne, and Sels (2012) argue that “Although there is evidence of a positive relationship, most critical reviews conclude that HRM–performance research suffers from a lack of consistent and convincing evidence and that the field shows

insufficient methodological and theoretical progress” (p. 1483). Katou and Budhwar (2010) support Delmott et al.’s (2012) statement, further clarifying the lack of theoretical development within HRM literature. They argue that the research design of the majority of studies investigating the effects of HPWS on organizational performance is limited to statistical examinations of whether individual practice has an impact on performance without considering the intervening steps or the mediating variables between performance and HPWS. Although positive relationships have been reported between performance and HPWS practices, the main challenge that remains is explaining the mechanisms by which HPWSs influence organizational performance (Katou & Budhwar, 2010). Boxall et al. (2011) argue that an “In-depth analysis of how any particular HRM system works brings us into the realm of the ‘black box’, the murky chain of links between HRM goals and performance outcomes” (p. 1508). Therefore, a new body of HRM research evolved and scholars began developing conceptual frameworks and theoretical models to explain the causal relationship between HPWS practices and performance, based on organizational psychology and behavioural theories, in an attempt to gain insight on the “black box” issue (Paauwe, 2004; Becker & Huselid, 2006; Wright & Gardner, 2003). The “black box” refers to the processes by which HRM practices affect performance or, in other words, the causal link that flows from HRM practice through people to performance (Park, Mitsuhashi, Fey, & Bjorkman, 2003; Fey, Bjorkman, & Antonina, 2000; Guest et al., 2003; Ramsay, Scholarios, & Harley, 2000; Boselie et al., 2005).

1.5 The Black Box

The causal link between HRM and organizational performance has been largely overlooked in current HRM literature. The majority of research has been dominated by empirical studies testing the relationships between HRM variables and performance without significant developments addressing the mediating variables explaining this relationship. Among the earliest studies addressing this gap within HRM literature is the work of Guest (1997), “Human resource management and performance: A review and research agenda.” Guest argues

The impact of human resource management on performance has become the dominant research issue in the field. There has been a rash of studies demonstrating a positive association between human resource management (HRM) and performance, providing encouragement to those who have always advocated the case for a distinctive approach to the management of human resources. While these studies represent encouraging signs of progress, statistical sophistication appears to have been emphasized at the expense of theoretical rigour. As a result, the studies are non-additive, except in a very general way... If we are to improve our understanding of the impact of HRM on performance, we need a theory about HRM, a theory about performance and a theory about how they are linked. (p. 263)

After more than a decade, the same author addresses the same problem in a different article, stating that

After 20 years of extensive research, we are more knowledgeable but not much wiser, in that we have not been able to explain the demonstrated association between HRM and performance with any conviction, and to outline possible lines for developing research that might provide some answers. (Guest, 2011, p. 3)

This gap within HRM research resulted in what has become known as the “black box” problem presented in Figure 1. The black box refers to the processes by which HRM practices affect organizational performance or the causal link that flows from HRM practices through people to performance (Park, Mitsuhashi, Fey, & Bjorkman, 2003; Fey, Bjorkman, & Antonina, 2000; Guest et al., 2003; Ramsay, Scholarios, & Harley, 2000; Boselie et al., 2005). Paauwe (2009) further explains the black box as “the key intervening variables and constructs that help to explain the link between HRM practices and policies on the one hand and the bottom-line performance of the firm on the other hand” (p. 131). Katou and Budhwar (2010) also explain the mediating variables shaping the black box as “linear causal process between the two end-points in the HRM-performance relationship” with variables that construct this relationship (p. 26).



Figure 1: HRM practices in relation to organizational performance

Several conceptual models were developed to explain the relationship between HPWS and performance and how it leads to enhanced organizational performance (Safdar, 2011;

Stavrou, Brewster, & Charalambousa, 2010; Paauwe, 2004; Boselie, Paauwe, & Richardson, 2003). One of the earliest, most comprehensive, and widely accepted conceptual models on this relationship is the work of Paauwe and Richardson (1997). Their model synthesizes the results of a variety of previous empirical research and presents the HRM–performance relationship in a coherent and inclusive framework based on an earlier review of 30 studies.

In their model, Paauwe and Richardson (1997), propose that HRM activities give rise to “HRM outcomes” as the immediate effects of HRM practices. HRM outcomes categorized as “employee skills” (employee competences, co-operation), “employee attitudes” (motivation, commitment, satisfaction) and “employee behaviour” (retention, presence). These outcomes act as mediating variables linking HPWS practices and organizational performance (Katou & Budhwar, 2010). HRM outcomes are viewed as a “key mediator” of the relationship between HRM systems and organizational performance (Guest, 2002, p. 340). According to the model presented in Figure 2, HRM systems can be regarded as the stimulus, and employee attitudinal response as the effect. The model proposes that HPWS will help employees enhance their skills and knowledge, motivate them to use their knowledge, and express behaviours that meet organizational goals (Paauwe, 2004).

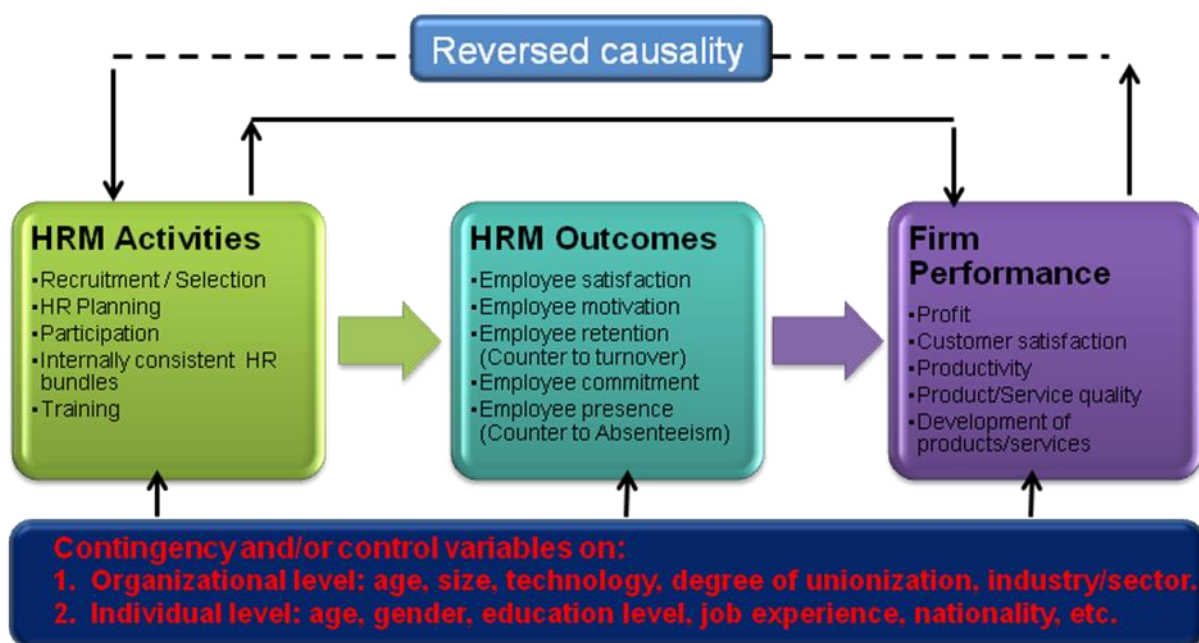


Figure 2: HRM practices in relation to HRM outcomes and organizational performance

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

In their model, the authors identify two causal relationships. The first is between HPWS practices (such as selective recruitment, HRM planning, decentralization, rewards, and participation) and HRM outcomes (such as satisfaction, motivation, and commitment). The second causal relationship arises between HRM outcomes and performance outcomes (such as productivity, quality, customer satisfaction, and profit). The model explains the mechanism by which HPWS practices are associated with organizational performance proposing that employee attitudes and behaviours are the main intermediate variables between HPWS practices and performance. HPWS practices will enhance employee attitudes and motivate employees to learn and facilitate their learning toward what is important and expected by the organization (Wright & Nishii, 2006). HRM scholars have not addressed the detailed explanation of these links, arguing that linking HRM practices to

performance may be in the area of behavioural theory and organizational psychology (Ramsay et al., 2000; Guest, 2002).

The model also proposes an indirect relationship between HRM practices and organizational performance. Wright and Gardner (2003), explain this indirect relationship suggesting that some HPWS practices may have indirect effects on organizational performance. For instance, selective hiring creates a more talented work environment when the organization hires talented employees through more sophisticated recruitment practices (Schweitzer & Lyons, 2008). The model also proposes the possibility of two-way causation (dotted line) suggesting that enhanced organizational performance will encourage management to invest more in HPWS practices. Wright and Gardner refer to the reverse causation mechanism (from performance to HPWS) as the economic benefits. For instance, better financial performance permits the organization to invest more in HRM practices, such as increased pay, training, participation, and better opportunities for employees to sustain high levels of performance and avoid any risk of performance decline.

Despite the broad acceptance of the Paauwe and Richardson (1997) model in explicating the HRM–performance relationship, especially with the continuous developments on this model (Purcell, Kinnie, Hutchinson, Rayton, & Swart, 2003; Boselie et al., 2005; Lepak, Liao, Chung, & Harden, 2006; Purcell & Hutchinson, 2007), there has been increasing interest from HRM scholars in understanding the HRM–performance relationship.

Researchers began developing discussions proposing different conceptualizations of the “black box.” Boselie, Paauwe, and Jansen (2001) in their study comparing the effects of HPWS in the Netherlands, UK, and US suggest that there are six outcomes for HPWS that can lead to enhanced performance. The authors propose that employee satisfaction, motivation, retention, presence, social climate, and involvement are the mediating variables that lead to enhanced organizational performance (Boselie et al., 2001). Similarly, Park et al. (2003) in their study examining the effects of HPWS on 52 Japanese multinational subsidiaries operating in the US and Russia argue that employee skills, attitudes, and motivation constitute the “black box.” Park et al. (2003) begin their article criticizing current research, stating that

The existing research has also neglected to examine the intervening mechanisms or the “black-box” through which practices are hypothesized to impact firm performance. The results of this study indicate that synergistic “bundles” or systems of HR practices positively affect the performance.... In particular; these relationships are mediated through employee skills, attitudes, and motivation to various degrees shedding some light on the processes through which HR practices affect firm performance. Therefore, this research not only demonstrates that HR practices have a positive influence on firm performance, but also articulates the mechanisms through which HR practices improve performance. (p. 18)

Other studies propose more complex mediating mechanisms while implicitly supporting the concept of HRM outcomes as the key mediator in this relationship. For

instance, Lepak, Liao, Chung, and Harden (2006) proposed “organizational climate” as the mediating variable between HPWS and firm performance. Drawing from Reichers and Schneider’s (1990) definition of organizational climate, the authors refer to organization climate as the employee’s perception of formal and informal organizational policies, practices, and procedures. Lepak et al. (2006) argue that human resource policies and management practices shape organizational climate. Organizational climate will then influence employee collective attitudes and behaviours, which in turn influence organizational performance. As shown in Figure 3, HRM systems create an organizational climate which helps individuals “determine what is appropriate in a given work environment and serves as a guideline towards the standard and goals of the organization” (Lepak et al., 2006, p. 224).

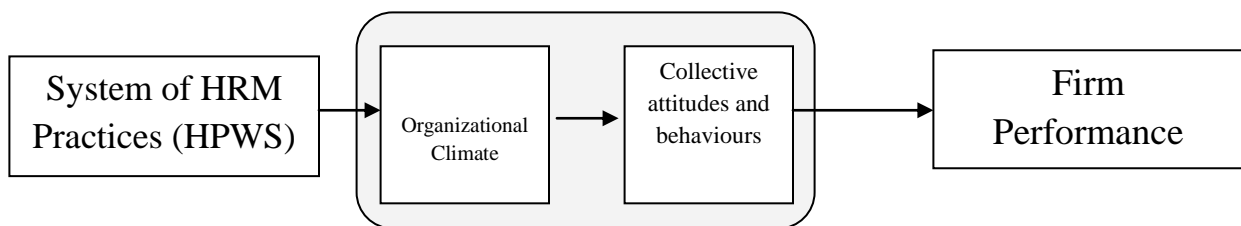


Figure 3: Linking HRM System, HRM System Mechanisms, and Organizational Performance according to Lepak, Liao, Chung, and Harden (2006)

In a similar approach, Wei and Lau (2010) suggest an organization’s “adaptive capability” as the key mediator between HPWS and firm performance (p. 1847). In their work, the authors introduced adaptive capability as the firm’s ability to adapt to its internal and external resources and respond to environmental changes (Wei & Lau, 2010). As illustrated in Figure 4, HPWS will create an innovative and learning organization formulating a more flexible and responsive workforce that can respond more effectively to

strategic changes generating an adaptive capability. Linking HPWS to firm performance, the authors argue that “effective HPWS should be able to enhance the adaptability of its workforce and generate a firm-level adaptive capability that is needed to improve a firm’s performance” (p. 1492).

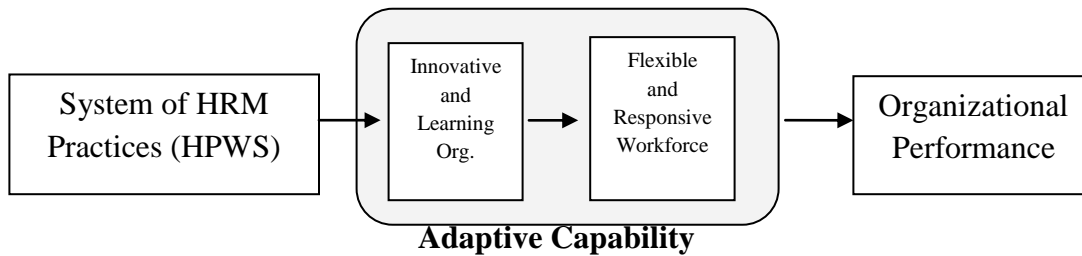


Figure 4: HRM practices in relation to organizational performance according to Wei and Lau’s (2010) Adaptive Capability model

Other researchers employed more advanced tools and methodologies to explain the mediating mechanisms by which HPWS is linked to performance. For instance, Paul and Anantharaman (2003) utilized Kaplan and Norton’s (1992) balanced scorecard to identify the mediating variables between firm performance and HPWS. As shown in Figure 5, the authors used a sequential approach based on multilevel analysis to build their mediating model. First, HPWS gives rise to four intervening variables: competence, teamwork, organizational commitment, and customer orientation. The intervening variables lead to five employee operating performance outcomes: retention, employee productivity, product quality, speed of delivery, and operating cost effectiveness, which lead to enhanced financial performance.

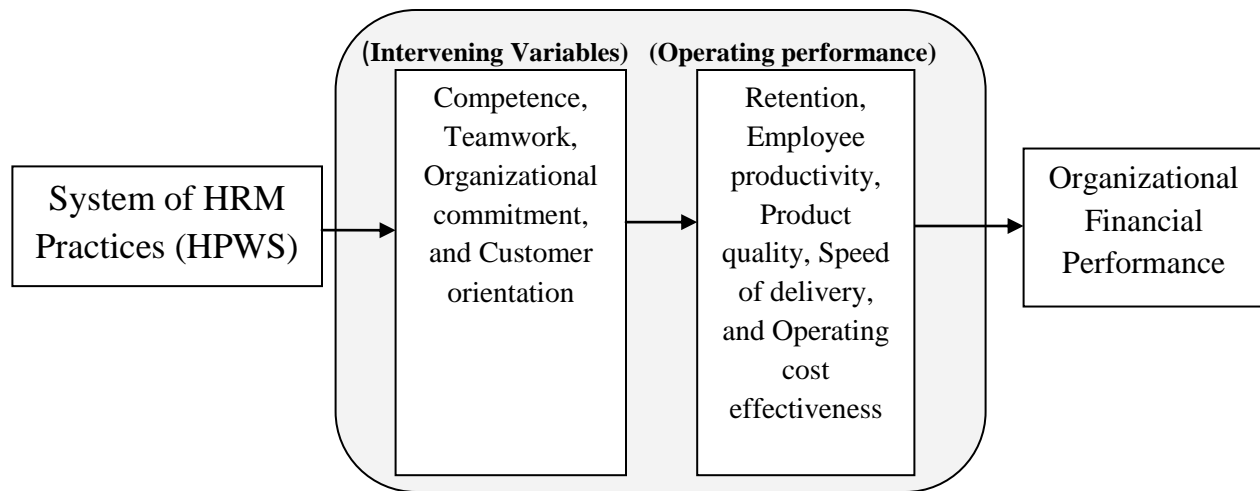


Figure 5: HRM practices in relation to organizational performance according to Paul and Anantharaman's (2003) multilevel analysis based on Kaplan and Norton's (1992) Balanced Score Cards

In conclusion, the majority of studies addressing HRM–performance mediating mechanisms suggests that HPWS will give rise to HRM outcomes. Then, HRM outcomes will lead to enhanced performance. Although there have been different views on the mechanism by which HRM outcomes influence the performance–organizational climate (Lepak et al., 2006), or adaptive capability (Wei & Lau, 2010), the agreement among scholars is that HPWS will lead to better HRM outcomes, leading to more productivity and better performance. However, research has shown that other factors moderate the effects of HPWS on employee attitudes. For instance, in a recent empirical study on MNEs operating in Russia, the US, and Finland, Fey, Morgulis-Yakushev, Park, and Björkman (2009), examined the HRM–performance linkage using a complex approach to understand how contextual factors may affect the HRM–performance relationship. They identified several statistical models to explore the effects of each of HPWS practice individually by surveying and interviewing managers and deputy managers of 241 MNE subsidiaries operating in Russia, the US, and Finland. The authors' findings reported motivation and

abilities as the mediating variables between HPWS and organizational performance. However, the effects of each practice varied from one country to another, which supports the contingency approach considering contextual factors affecting the relationship. The authors conclude

We show that there are important mediating variables that are useful to consider when trying to understand how HRM practices affect MNE subsidiary performance... We demonstrate that HRM practices are levers through which employee ability and motivation can be increased, and these practices in turn increase MNE subsidiary performance when a firm is able to create conditions where its employees are skilled and motivated, these conditions result in a positive effect on performance. (p. 708)

Differences were mainly due to variations in national culture, market, and competitive context. According to the authors, the contextual factors led to mixed HRM outcomes (Fey et al., 2009). For instance, training was more important and motivating in Russia, a country that shifted from communism to a market economy, where many people were trained in areas not related to their current job. This provides empirical evidence that context influences HRM outcomes. This raises one of the key discussions within HRM literature examining whether HPWSs are universally applicable or may not be optimal in different settings (Boyacigiller, Kleinberg, Phillips, & Sackmann, 2004). While some scholars argue that there are universalistic best practices, others suggest that there are only best-fit practices, claiming that the effects of HPWS depend on the organizational context (Safdar, 2011).

1.5.1 Best Fit vs. Best Practice

Within HRM literature, there have been several discussions on the universal applicability of HPWS. While some scholars argued that HPWSs are universally applicable to all types of organizations, other scholars proposed that HPWS, to be effective, must be tailored to fit organizational characteristics and the external environment (Paauwe, 2009). These discussions have evolved, leading to debate on the importance of the HPWS–organizational fit, engendering two main perspectives within HRM literature: the “best practices” and “best fit” approaches to HRM.

1.5.1.1 The Best Practices Approach

The “best practices” or “universal” perspective on HRM was initially proposed by Pfeffer (1996) in his seminal work *Competitive Advantage Through People: Unleashing the Power of the Work Force*. In this work, Pfeffer suggests that HPWSs positively contribute to performance regardless of organizational, industrial, or national context. Under the universalistic approach, HPWSs are assumed to be favoured by employee and employer. Therefore, the greater use of these practices, the higher productivity and profit will be across all types of organizations (Becker & Huselid, 2006). This perspective assumes a positive, linear relationship between HPWS and organizational performance regardless of industry setting, organization strategy, or national context (Paauwe, 2004).

Though the best practice approach has been widely accepted within HRM literature and many empirical studies have sustained the universal applicability of HPWS, many authors criticize this simplistic view. For instance, Marchington and Grugulis (2000), in their work “‘Best practice’ human resource management: Perfect opportunity or dangerous

illusion?,” refer to HPWS practices as the “high-cost,” “high-skill” HRM practices (p. 1106). Despite the agreement that HPWS practices provide employees with a stimulating and motivating working environment when compared with a traditional Taylorist environment, they caution that these practices may be inconsistent and in some cases could lead to conflicting outcomes. Similarly, Boxall et al. (2011) argue that “we need to exercise care with the ‘system’ or ‘bundle’ metaphor: we need to use such terms with awareness that different components of the system or bundle can be pushing in different directions” (p. 1507). Returning to Marchington and Grugulis (2000), the authors demonstrate how HPWS may lead to conflicting outcomes, arguing that teamwork and performance-based pay may conflict with each other, stimulating *resentments* and *jealousies* among team members (p. 144). The authors explain that there may be

potential contradictions between the different practices, especially in relation to the idea that compensation should be at relatively high levels and linked to performance. One of the essential tenets of the team concept is that members should be encouraged to work together to solve problems, be flexible in terms of the tasks they undertake, and see themselves as part of an organization which operates without major status differentials. There are clear contradictions if team members earn varying amounts, especially if they find it difficult to see the rationale behind any differentials. (p. 1114)

Therefore, on a practical level, the best practice approach is considered an idealistic approach. Safdar (2011), drawing on work by Gerhart (2004), argues that the internal compatibility between HPWS activities may not be easily achieved. Matching HRM

activities so that each practice reinforces the effectiveness rather than conflicting with the other practice may not be realistic. Purcell (1999) employs similar reasoning, arguing that the universal approach is part of the “American Dream” or “Utopian quality practices” (p. 36). If these practices are always successful, then why there is a “lack of any sizeable take-up of these HRM practices” with many industries still adopting the Taylorist approach to management (Marchington & Grugulis, 2000, p. 1112).

Another problem with the “best practice” approach to HPWS is that there are discrepancies among the different studies on what constitutes the best practices list. An overview of best practices research clearly shows the disagreement among scholars on what constitutes best practices for HPWS. For instance, despite the importance of employment security proposed by Pfeffer (1998), as one of the key authors, many researchers did not include this practice as well as other practices on his list. Similarly, while some authors included performance appraisal, Pfeffer (1998) did not. Therefore, there is no consensus among HRM scholars on a coherent list of HPWS best practices, which explains the selective approach used by many HRM researchers. Marchington and Grugulis (2000) explain:

Perhaps this does not matter if researchers are clear as to why certain HR practices should be included or excluded, but that does not seem to be the case. The lists seem to be developed based on looking at what other researchers have used or by constructing groupings of practices based on factor analysis, and then attempting to impose some theoretical justification for this ex post facto. (p. 1114)

In conclusion, the best practice approach dominated HRM literature in the early development of the field. Recent research has focused on the “best fit” approach, pointing out that the HPWS–performance relationship is subject to the fit between HPWS internal and external organizational factors.

1.5.1.2 The Best Fit Approach

This approach has its roots in contingency theory, which posits that fitting two variables together has a synergistic effect beyond the summative effect of the same variables (Wood, 1999). Based on the best-fit approach, the structure of HPWS should vary with organizational goals and business strategies as different employee behaviours are required to implement different organizational goals and implement different business strategies (Kepes & Delery, 2009). Accordingly, the precise mix of HPWS practices varies considering different contextual factors such as industry, culture, and type of employer (Kepes & Delery, 2009). HPWS, to be effective, must be tailored to fit the organization’s internal work systems, and external environment (Becker & Huselid, 2006).

Among the earliest studies, addressing the best-fit approach is the work of Delery and Doty (1996). In their work, the authors distinguished three theoretical perspectives to explain the effects of HPWS practices and how context may affect performance outcomes. The authors identified the contingency and configurational perspectives, in addition to the previously discussed universalistic (best-fit) perspective, to explain the relationship between HPWS and firm performance. First, the contingency perspective, which draws from contingency theory and agency theory, emphasizes that, to be effective, HPWS practices must be aligned with the organizational strategy. The effects of HPWS practices

on organizational performance are posited to be dependent *primarily* on the fit between the structure of the HPWS practices and organization's strategy (Delery & Doty, 1996, p. 808). In other words, HPWS should be "strategy-oriented" and the contribution of HPWS to performance is subject to the alignment between both HPWS and strategy (Foley, Ngo, & Loi, 2012, p. 111). In agency theory terms, the organization would be aligning the interests of the employer (principal) and the employee (agent). The organization would reward and control its employees based on the enacted HRM policies and practices. An organization doing a better job of aligning its interests with employee interests will achieve better performance.

Second, Delery and Doty (1996) proposed the configurational perspective, which is more complex and guided by what the authors refer to as "the holistic principle of inquiry," emphasizing the systems approach to HRM (Delery & Doty, 1996, p. 803). The configurational perspective, according to Paauwe (2004), posits that HPWS practices "affect performance not individually but as interrelated elements in an internally consistent bundle or system of HRM practices" (p. 54). The relationship between HPWS and organizational performance is subject to two main types of fit: *horizontal* and *vertical*. The *horizontal* fit is the internal fit referring to the synergies between HPWS practices as well as between HPWS practices and other organizational policies. The *vertical* fit is the external fit, referring to the fit between HPWS practices and other organizational characteristics, such as the organization's strategic and environmental contingencies. Delery and Doty (1996) further explain the horizontal fit, arguing that HPWS effectiveness is subject to the fit between HPWS practices as a bundle and the fit between HPWS

practices and other systems and policies within the organization. For instance, organizations adopting HPWS to improve employee commitment are less likely to use temporary employees and more likely to provide job security to reduce employee turnover while investing in employee training. The vertical fit adds external dimensions to comprehend the relationship between HPWS and firm performance. The vertical fit refers to the fit between HRM practices and an organization's strategic and environmental contingencies. The influence of an organization's HPWS on organizational performance will be subject to the degree to which HPWS practices are aligned with the organization's strategy and the external environment (Becker & Huselid, 2006).

To sum up, despite the differences between the "best practice" and "best fit" approaches and the significance of the horizontal and vertical fit, there has been an implicit agreement among HRM scholars that best fit and best practice approaches are complementary to each other rather than competing (Stavrou, Brewster, & Charalambousa, 2010). For instance, Boxall and Purcell (2003) in their book *Strategy and Human Resource Management* argue that both the best practice and best-fit approaches might be right. For instance, some basic principles, such as employee development, employee involvement, and high incentives, are universally applicable. However, in some unique organizational contexts, some form of specific HPWS design may be more effective than another. For instance, Stavrou et al. (2010) in their meta-analysis study drawing evidence from a large-scale survey of European private-sector businesses, examine the standardization of HPWS within internationally operating organizations. The authors conclude that no perfect or universal set of best practices exists, but rather a combination of "best practice" and "best

fit” depending on the mix of practices of HPWS and other factors, such as the national context. For instance, their findings reported that only staffing practices are related to firm performance in all surveyed organizations across Europe. However, other HPWS practices have different effects in different organizational contexts, which necessitate fit between national context and HPWS practices.

Current research addressing the fit between HPWS practices and organizational context combines both the contingency and configurational perspectives proposing the vertical and the horizontal fit (Kepes & Delery, 2009). Organizations must employ HPWS that achieves both horizontal and vertical fit. The horizontal fit refers to the *internal consistency* of the organization’s HRM policies or practices, while vertical fit refers to the *congruence* of the HPWS bundle with other organizational characteristics (Delery & Doty, 1996, p. 804).

Horizontal Fit

The concept of horizontal fit suggests that coherent and internally aligned HPWS practices cause positive synergistic effects on organizational performance outcomes, while inconsistent HPWS practices cause negative synergistic effects that harm organizational effectiveness (Delery & Shaw, 2001). Kepes and Delery (2009) conducted a comprehensive review of the HRM literature, addressing the internal fit, in their article published in *The Oxford Handbook of Human Resource Management*. The authors distinguish between four different types of internal fit. The first three represent fit within particular HPWS practices, while the last type of internal fit addresses that between different HRM systems within the organization’s overall HRM architecture. HRM

architecture refers to the organization of several different HPWSs within the organization, targeted at different types of employees (Kepes & Delery, 2009).

The first type of internal fit is the *intra-HRM system fit*, which refers to the fit between HRM practices, policies, and processes (Heneman & Milanowski, 2011). This type of internal fit refers to the actual deployment of HRM systems and whether HRM policies match HRM practices and business processes. For instance, many organizations report using merit-based compensation systems; however, the implementation practices and processes may not reflect merit-based compensation. HRM system policies should match both the actual HRM practices and processes applied within the organization. Misfit between the policy and the practice could result in a negative synergistic effect, leading to ineffective or counterproductive consequences for performance (Kepes & Delery, 2009). Employee attitudes and behaviours are affected by processes more than policies so when these are not aligned, employees may demonstrate negative attitudes and behaviours due to perceptions of injustice, which may harm organizational effectiveness (Simons & Roberson, 2003).

Second, internal fit is the *inter-HRM practice fit*. This type of internal fit is fundamental in HRM literature and is addressed in the majority of HRM research. This type of fit addresses the alignment between different HRM practices, such as compensation, performance appraisal, HRM planning, and training, to establish a coherent HRM system. The inter-HRM practice fit suggests that HRM system design must be based on selecting HRM practices in conjunction with, and not in isolation from each other (Kepes & Delery, 2009). These practices when found together, will be more effective and

contribute more significantly to the overall performance. Selecting interrelated and internally consistent HPWS practices sustains the multiple, reinforcing conditions that can lead to the desirable performance outcomes (Stavrou & Brewster, 2005). For instance, if a performance management system requires specific skills based on job requirements, the organization needs to provide training and development opportunities that allow employees to improve in this specific skill and provide some incentives accordingly (Heneman & Milanowski, 2011).

The third type of internal fit is the *intra-HRM practice fit*, which refers to the fit within certain areas of HRM practice. For instance, specific HRM practices within the compensation system may include different elements, such as pay level, pay compression, pay basis, and pay structure. These different elements within the compensation practice area need to be aligned with each other (Kepes & Delery, 2009).

Finally, the last type of internal fit is the *HRM system fit*, which refers to the integration and compatibility between the separate HRM systems for separate jobs or departments within the organization's HRM architecture when different HRM systems are designed for different groups of employees (Lepak & Snell, 2002). While organizations may develop different HRM systems to manage different types of employees, these different systems need to fit with each other and within the overall HRM strategy. Boxall et al. (2011) explain this type of fit:

A careful investigation of HRM recognizes that organizations typically contain a mix of HR systems. Research shows that it is commonplace for

groups such as managers, operating workers, professionals, support staff, and technical specialists to be managed in significantly different ways, including major differences in their levels and types of pay, the duration and security of their contracts, their degree of autonomy, the extent of work pressure they experience, and the quality of their learning opportunities. (p. 1506)

That is to say, an organization may develop different HPWSs to manage its employees; however, these systems should *mesh* to support the overall organizational HRM strategy (Heneman & Milanowski, 2011, p. 46).

There is very limited research investigating the synergistic effects of internal fit on organizational performance. Kepes and Delery (2009) explain this lack of research because of the complexity of internal fit resulting from the multilevel analysis required for this kind of enquiry. However, Becker, Huselid, Pickus, and Spratt (1997) evaluated the extent to which synergistic effects were associated with the internal fit, based on empirical studies for US companies. The authors proposed two terms to assert the validity for internal fit: *powerful connections* and *deadly combinations*. First, let us examine the “powerful connections” between different HRM practices. For instance, the combination of two individual HRM activities has a more positive effect than the sum of each HRM activity’s individual effects. An example might be the combination of valid performance evaluation and a pay-for-performance system. Together, these two activities should have a more positive effect than using either activity alone. On the other hand, “deadly combinations” addresses the negative synergistic effects that occur when HRM activities actually work

against each other, undermining each other's effects. This could be the case, for instance, if team-oriented work structures are combined with individual incentives. Each of these activities alone may produce positive performance outcomes, however, when combined they might harm performance (Becker et al., 1997). Similarly, Appelbaum et al. (2000) asserts this conclusion arguing that

firms adopting a coherent set of workplace practices designed to maximize horizontal fit should have superior performance... there are still few studies of this relationship... bundles, systems, or configurations of internally coherent practices... do a better job of explaining establishment performance than the individual practices do. (p. 34)

Kepes and Delery (2009) comment on the few studies addressing the horizontal fit due to the complexity of internal fit research, arguing that

HRM systems affect the characteristics (e.g. attitudes, motivation, and empowerment) of organizational actors (individual level) and groups of actors (group level). These characteristics, in turn, affect workforce productivity and organizational performance (plant and/or organizational level). Inherent in this perspective are cross-level and multilevel models. This further complicates the design and measurement of HRM systems. Even if HRM managers use valid tools to select the best possible applicants, there is virtually no research that specifically establishes a link between selection techniques at the individual level or group and

organizational performance. Similar observations can be made for virtually every other HRM activity area. There is only very limited research that uses data from multiple levels of analysis to investigate these complex relationships. (p. 395)

However, vertical fit has been more researched and discussed within HRM studies, emphasizing the alignment between HRM practices and other organizational characteristics such as organizational strategy.

Vertical Fit

Vertical fit (external fit) represents the alignment between HRM practices and other organizational characteristics, focusing primarily on organizational strategy (Delery, 1998; Gerhart, 2007; Heneman & Milanowski, 2011; Wright & Snell, 1998; Colbert & Kurucz, 2011). The basic assumption of the vertical fit is that the effectiveness of HRM systems depends on the coherence and integration between organizational strategy and HRM practices (Purcell, 1999). HPWS requires a bundle of HRM practices that reinforce and match the needs of a particular organizational strategy, which constrains an organization's choice of HRM systems in order to be consistent with the organization's strategy (Dolan, Mach, & Olivera, 2005). Therefore, vertical fit is based on linking strategy with HRM systems. For instance, Colbert and Kurucz (2011) link vertical fit to strategic changes resulting from the development process of the organization. The authors argue that a firm's strategy changes in response to the changes in the external context, which requires the organization to adapt its HRM system to "fit with the stage of development of the firm" (p. 402). Heneman and Milanowski (2011), in their article "Assessing human resource practice

alignment: A case study,” explain the importance of the vertical fit addressing the “strategic impact” of HRM systems. The authors state that

to create vertical HRM alignment, the desired performance competencies must be embedded within the actual content of HR practices ... such as having training program content that centers on improving the performance competencies necessary for successful job performance. Without such competency content, HR practices lose their potential for strategic impact.

(p. 46)

The majority of HRM research utilized strategy literature to examine the vertical fit concept further. As Delery and Doty (1996) explain, to understand the vertical fit, a researcher should “[select] a theory of firm strategy and then specify how the individual HR practices will interact with firm strategy to result in organizational performance” (p. 807). Within HRM research, authors used different strategic management typologies to examine how strategy moderates the effects of HRM systems on organizational performance suggesting that firm performance is maximized when the firm adopts an HRM system consistent with its business strategy (Gerhart, 2007; Paauwe, 2009). Accordingly, different typologies for organizational strategy were utilized to clarify the alignment between HRM systems and business strategy, such as Porter’s (1980) differentiation/innovation, focus/quality, and cost reduction strategy typologies and Miles, Snow, Meyer, and Coleman’s (1978) prospector, analyzer, and defender strategic types of organization (Gerhart, 2007).

Delery and Doty (1996) utilized Miles et al.’s (1978) organization strategic types to investigate how the vertical fit of HRM systems affects firm performance. They surveyed

managers and loan officers in 1,050 US banks and categorized each bank based on Miles et al.'s (1978) strategy typology definition. Then, they identified HPWS practices fitting each strategy to realize the vertical fit. The first type was the defender organization. The main characteristic of the defender organization is stability, with only a few adjustments in technology or structure. Therefore, a defender organization does little research and development, importing its technology from outside the organization. The second type of organization is the prospector, characterized by constant change and continual experimentation with new ideas, while acting as creators of change in their industry. As such, prospectors are more concerned with searching for new opportunities and will not be as efficient as defenders. Finally, the third type of organization is the analyzer. Analyzers have characteristics of both defenders and prospectors. They are usually not the initiators of change, as prospectors are, but they follow the changes much more rapidly than do defenders. Delery and Doty (1996), matching strategy with HRM systems, argued that defender and prospector organizations will each require distinct systems of HRM practices that focus on external recruitment, in which human resources are hired for relatively short-term contracts with performance management based on innovation. On the other hand, organizations with defender typology require an internal recruitment system, based on long-term employment and skill development. The authors reported little support for their hypothesis on the effects of aligning HRM systems with firm strategy. In their findings, they reported that only four HRM practices would lead to better performance when aligned with organizational strategy: performance appraisal, internal career opportunities, employee participation, and profit sharing. Although the study findings were widely accepted among HRM scholars, Boxall and Purcell (2003) commented on Delery

and Doty's (1996) study that "the study of bank loan officers, cannot be pressed beyond their sectoral boundaries" (p. 191). They argued that it is more appropriate to limit vertical fit on the alignment between HRM practices and the needs of each sector stating that

Overall, research suggests that the sort of HR practices that foster high commitment from talented employees are most popular in those sectors where quality is a major competitive factor and where firms need to exploit advanced technology (as in complex manufacturing) or engage in a highly skilled interaction with clients (as in professional services). In these sorts of higher value-added sectors, firms need more competence and loyalty from their employees and are more able to pay for them. In sectors where these conditions are not met — where output per employee is not high — employers adopt more modest employment policies. (p. 68)

In conclusion, a "best fit" approach assumes a different form of relationship between HPWS and firm performance, proposing a new dimension for the analysis. Contrary to the "universal" or "best practices" approach, which assumes a positive linear relationship between HRM systems and firm performance, the best-fit approach proposes that the effectiveness of HPWS is subject to achieving the vertical and horizontal fit. To be successful, HPWS should sustain the two forms of fit to maximize firm performance.

Summary

HRM as an academic field of study focuses on employment relationships and staff management and lies at the very core of administrative management. For the last decades, the focus of HRM scholars has been on understanding the contribution of the deployment

of HRM practices within the workplace and its effects on organizational performance. The field of HRM has evolved over the last three decades and has had major shifts. First, early HRM research emphasized the importance of integrating HRM with organizational strategy within the workplace to maximize organizational performance, highlighting the strategic impacts of HRM. Then, HRM studies shifted towards emphasizing the importance of HRM systems in facilitating organizational flexibility to adapt to its changing environment, which is essential for organizational survival. Finally, HRM scholars began exploring the distinctions between different types of organizations to demonstrate the effectiveness of HRM practices in different types of organizations. The majority of recent HRM studies have drawn from the resource-based view of the firm (RB-V). RB-V posits that sustained competitive advantage derives from the resources and capabilities an organization controls that are valuable, rare, imitable, and not substitutable. Scholars argued that HRM advantage arises from two main aspects. First, from human capital as the organizational workforce, which constitutes the main organizational asset, and second, from the process of exploiting the talents of human resources, building a motivated, knowledgeable, and skilled workforce through specific HRM policies and practices, thus developing human resources that lead to enhanced organizational performance. The HRM–performance relationship became the new direction of HRM research, which led to new efforts to build more sophisticated systems of interrelated HRM practices, defined as High Performance Work Systems. This relationship between HRM and organizational performance has received increasing interest from public management scholars as a result of the new waves of reforms and the adoption of NPM. This comes as part of the new movement from the output/outcome approach to measure performance in traditional public

administration, towards using more sophisticated techniques. The new approach is now more focused on understanding the implications of adopting new management practices, such as HPWS, on individual and organizational performance. HPWS is a complex set of distinct but interrelated HRM practices combined in a congruent bundle and utilized as a coherent system to select, develop, motivate, and retain a qualified and competent workforce to obtain organizational strategic goals and objectives. The majority of research proposed that HPWS has synergistic effects that would lead to enhanced employee attitudes and behaviours, which would maximize performance. Several models were developed to explain this relationship, emphasizing the role of employee attitudes as the intermediate variable between HPWS and firm performance. However, different views have emerged among scholars on what specific mix of HRM practices constitutes HPWS and whether these practices are universally applicable or should be tailored to fit organizational context. Several academics propose that HPWSs are universally applicable and positively affect organizational performance regardless of any contextual factors. Other scholars proposed two types of HPWS–organizational fit. HPWS, to be effective, must achieve horizontal (internal) and vertical (external) fit. While the vertical fit proposed that HPWS must be strategically aligned with firm strategy, the horizontal fit proposed that, to be effective, each individual HPWS practice must be consistent with other practices and policies within the workplace to maximize organizational performance.

Considering the above discussion and the presentation of the current HRM literature with specific focus on HPWS, it is clear that a gap exists within HRM literature on the effects of HPWS in the public sector and particularly in the IGO context. Despite the evidence that HPWS is positively related to organizational performance, there is a need

for additional research to support the HRM–performance relationship from different contexts. “The most convincing causal evidence comes not from one study but from a body of research and a multitude of types of evidence...” (Harter, Schmidt, & Hayes, 2002, p. 276, cited in Wright, Gardner, & Moynihan., 2005). Previous research has shown the relationship between HPWS and performance and the effects of these practices on employee behaviours, attitudes, and skills. However, the majority of this research was carried out in the private, non-profit, and national public sectors with no clear evidence on the effects of HPWS in the IGO context. To fill this gap, this study investigates the effects of HPWS on one of the largest UN agencies operating in a non-US or Western European context. Using the dominant theme in HRM research on the relationship between HRM and performance, the next chapter presents the operational model and the hypotheses to be tested in this study. The study draws from Boselie et al.’s (2005) operational model linking HRM practices and firm performance, adapted from Paauwe and Richardson’s (1997) framework. The model explicated and corroborated the relationship between a range of HRM practices and outcomes — such as satisfaction, motivation, turnover, absenteeism, and commitment — then between these outcomes and performance at the organizational level — productivity, quality, and customer satisfaction (Paauwe, 2009). The model summarizes the core set of concepts from normative HRM theory and provides an explanation for the relationship between HRM practices and firm performance. According to the model, HRM practices are applied with a view to “achieving the normative goals of high commitment to the organization plus high quality and flexibility, then higher worker performance will result” (Guest, 1997).

CHAPTER II: THEORETICAL FOUNDATION AND RESEARCH HYPOTHESES

After reviewing the literature on HRM, highlighting the main developments in the field and introducing key terminology, definitions, and theoretical underpinnings, this chapter presents the theoretical foundation and the research hypothesis for this study. The study draws from Boselie et al.'s (2005) operational model adapted from Paauwe and Richardson's (1997) linking HRM practices and organizational performance. The model proposes that employee attitudes and behaviours have a major role in explaining the relationship between HRM practices and performance. The authors make a distinction between HRM practices and HRM outcomes. HRM practices constitute a "system of distributive justice with respect to work, time, rewards, information, and opportunities for training and (career) development (Paauwe, 2004). These systems are implemented by the organization and viewed as a process of social exchange; if employees perceive that the organization values them, they will reciprocate with positive work attitudes and behaviors (Aryee et al., 2002).

HRM practices can be regarded as the stimulus or cause and HRM outcomes are the effects or attitudinal and behavioural outcomes, such as job satisfaction, commitment, and motivation. These outcomes have become a much-researched subject. Research on employee attitudes — such as organizational commitment, job satisfaction, and motivation — demonstrates growing knowledge about these concepts and their measurement. The importance of such measures stems from the antecedents and behavioural consequences in the workplace (Baptiste, 2008). Employee attitudes are seen as a psychological state that

characterizes the employee's relationship with the organization and that have various behavioural consequences on individual and organizational performance (Guest, 2002; Pfeffer, 2005; Purcell et al., 2003). Positive attitudes intuitively lead to improved work performance (Baptiste, 2008)

2.1 Theoretical Framework

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 HPWS practices are associated with organizational performance, identifying two causal relationships. The first causal relationship is between HPWS practices and HPWS outcomes; the second is between HPWS outcomes and performance outcomes. Following this model, this study examines IGO worker's attitudinal outcomes, arguing that deployed HPWS will lead to more motivated, committed, and satisfied employees.

Following this line of reasoning, this study hypothesises that organizational HPWSs would develop employee attitudes. Consistent with HRM theory: key individual worker attitudes — satisfaction, motivation, commitment, and intention to quit — are the determinants of the effects of HPWS. As discussed in the preceding sections, studies have shown that HPWS practices give rise to HRM outcomes (Katou & Budhwar, 2010; Lengnick-Hall et al., 2009; Armstrong et al., 2010; Datta et al., 2005; Appelbaum et al., 2000; Boxall & Macky, 2009; Guthrie, 2001; Safdar, 2011; Stavrou et al., 2010). As shown in figure 6, HRM attitudinal outcomes are viewed as the “key mediator” and the intermediate variable linking HPWS practices and organizational performance (Guest, 2002, p. 340). HPWS practices are defined as IGO activities related to staffing and recruitment, performance appraisal, compensation and rewards, and training and development.

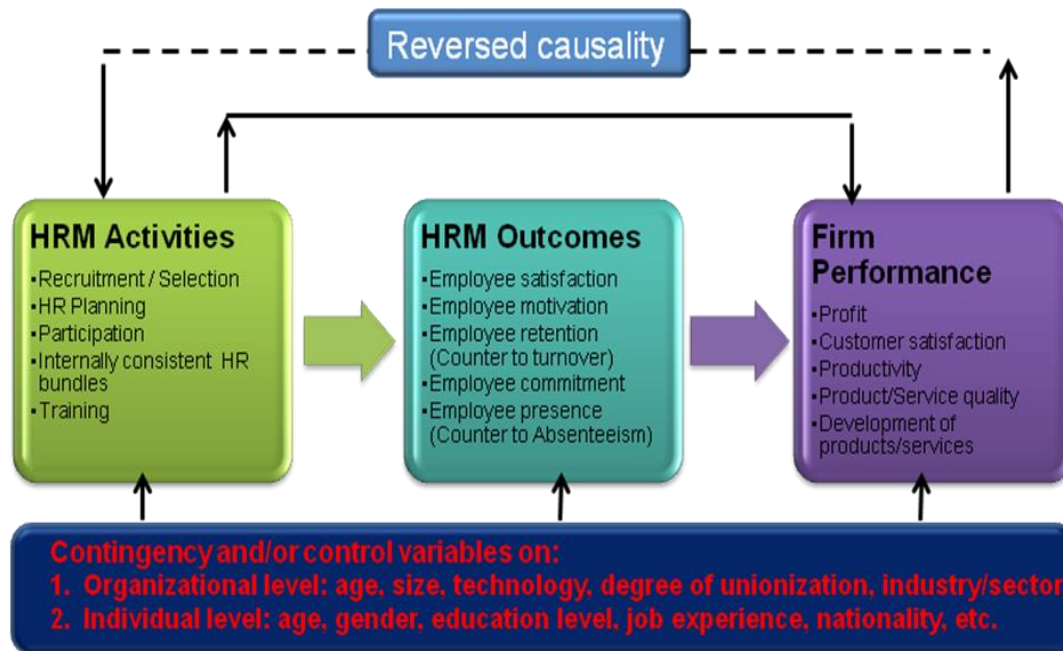


Figure 6: HRM activities in relation to HRM outcomes and organizational performance

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

As shown in figure 6, the model also proposes an indirect relationship between HPWS practices and organizational performance. Wright and Gardner (2003), explain this indirect relationship, suggesting that some HPWS may have an indirect contribution to organizational performance, such as changing organizational culture. Similarly, 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 (Wright & Gardner, 2003). 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. Wright and Gardner (2003) refer to these benefits as the economic benefits that will lead to more investment in HRM. 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).

2.2 Research Hypotheses

This study attempts to provide empirical evidence on the impact of HPWS practices on IGO workers through answering the following research question:

What is the impact of HPWS on employee attitudes in international governmental organizations?

This study draws from normative HRM theory and the systems-based approach, which involves HRM practices and policies as input variables, HRM outcomes as intermediate variables, and organizational performance as the output. The study builds on the hypothesis that HPWS practices will develop employee attitudes to enhance their skills and knowledge and to express behaviours that enhance their productivity and performance

(Wright & Nishii, 2006). In this research, we set out to test the effect of HPWS 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 HPWS. As such, the following hypotheses have been identified:

Hypothesis I: *There are positive effects of HPWS practices on employee commitment.*

Hypothesis I-1: *There are positive effects of staffing and recruitment practices on employee commitment.*

Hypothesis I-2: *There are positive effects of compensation and rewards practices on employee commitment.*

Hypothesis I-3: *There are positive effects of performance appraisal practices on employee commitment.*

Hypothesis I-4: *There are positive effects of training and development practices on employee commitment.*

Hypothesis II: *There are positive effects of HPWS practices on employee job satisfaction.*

Hypothesis II-1: *There are positive effects of staffing and recruitment practices on employee job satisfaction.*

Hypothesis II-2: *There are positive effects of compensation and rewards practices on employee job satisfaction.*

Hypothesis II-3: *There are positive effects of performance appraisal practices on employee job satisfaction.*

Hypothesis II-4: *There are positive effects of training and development practices on employee job satisfaction.*

Hypothesis III: *There are positive effects of HPWS practices on employee motivation.*

Hypothesis III-1: *There are positive effects of staffing and recruitment practices on employee motivation.*

Hypothesis III-2: *There are positive effects of compensation and rewards practices on employee motivation.*

Hypothesis III-3: *There are positive effects of performance appraisal practices on employee motivation.*

Hypothesis III-4: *There are positive effects of training and development practices on employee motivation.*

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

Hypothesis IV-1: *There are inverse effects of staffing and recruitment practices on employee intention to quit.*

Hypothesis IV-2: *There are inverse effects of compensation and rewards practices on employee intention to quit.*

Hypothesis IV-3: *There are inverse effects of performance appraisal practices on employee intention to quit.*

Hypothesis IV-4: *There are inverse effects of training and development 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 (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 (Guest, 2002; Park et al., 2003). In other words, HRM practices should influence, directly or indirectly, organizational performance by creating a workforce that is motivated, committed, satisfied, and possesses strong desire to stay within the organization (Katou & Budhwar, 2007; Guest, 2001). 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).

The main objective of this research is to test the effect of HPWS practices on employee attitudes in IGOs explicitly. According to our research and review of literature, this relationship between HPWS and employee attitudes has never been tested by other researchers before. Testing these hypotheses on an organization like UNRWA will be useful to understand this effect outside the realm of the private sector.

Before we present the research design and methodology, it is important to present the context in which this research is conducted. This research is intended to be conceptual and centred in the public management literature so some predefined criterion must exist within the subject organization. The following section demonstrates the quasi-governmental role of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) in delivering essential public services for over 1.3 million beneficiaries. Additionally, while this empirical study investigates the effects of specific phenomenon — implementing HPWS practices on worker attitudes — it is very important that HPWS becomes part of the research context. The following chapter presents an

overview of the UNRWA, which is the research context for this study. The aim of this overview is to highlight the main characteristics of the Agency and the reform process that resulted in the organization adopting new HRM systems aimed at improving the Agency's staff capacity to deliver better-resourced programs and services.

CHAPTER III: PRESENTATION OF UNRWA

3.1 Introduction

This study aims at examining the effects of HPWS practices on four worker attitudes, namely job satisfaction, commitment, motivation, and intention to quit, based on a staff survey and interviews collected from a cross-section of IGO employees. Few studies have addressed the effects of these practices on public organizations in general and on IGOs in particular. The significance of measuring employee attitudes is based on the assumption that HRM attitudinal outcomes are the key mediator between HPWS practices and organizational performance (Katou & Budhwar, 2010). The study extends the analysis to the unique organizational context of IGOs, which contributes to the current HRM–performance debate. However, selecting the appropriate research context is an essential part of any study in order to achieve valid and reliable results. Therefore, some key elements in subject organization should be considered and specific criteria needs to be fulfilled in order to ensure the appropriateness of the research setting.

This research is intended to be conceptual and centred in the public management literature. The subject organization is non-political with a quasi-governmental role, delivering essential public services for a specific population in a predefined jurisdiction. Additionally, while this empirical study investigates the effects of specific phenomenon, which is implementing HPWS practices, it is essential that HPWS is part of the research context.

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) is an international relief and human development agency. The UNRWA is a subsidiary organ of the United Nations General Assembly (UNGA), created under Article

22 of the United Nations Charter to become the main public service provider to 1.3 million Palestine refugees living in Jordan, Lebanon, and Syria, as well as in the West Bank and the Gaza Strip. UNRWA services include education, health care, social services, and emergency aid. In 2006, UNRWA began a comprehensive reform program to strengthen its management capacity in Human Resources Management (HRM) (UNRWA, 2006b). Within the reform process, the top priority of the organization has been building a new HRM system based on the notion that the organizational workforce is the organization's main asset. Implementing a new HRM system would improve the Agency staff's capacity to deliver better-resourced programs and services to the organization's stakeholders (UNRWA, 2006b). Accordingly, one of the main achievements of the reform process is the deployment of new HRM system that covers the four main HRM activities including: staffing and recruitment, performance management, compensation and rewards, staff development and training (UNRWA, 2006b). The underlying thrust of the reform processes is clear implementation of HPWS, which makes the UNRWA the appropriate context for this study.

Another important criterion for the subject organization is its quasi-governmental role. The UNRWA began its operations in 1950 with only three years mandate to provide emergency relief (food and shelter) to refugees. In the same year, the UNRWA's mandate was extended to include governmental and developmental services, such as education, health, welfare, and urban planning (Rosenfeld, 2009). In the following sections, further details on UNRWA as an organization, its functions and funding are presented to show the uniqueness of the Agency as an IGO providing public services for over one million beneficiaries. This overview aims at highlighting the quasi-governmental role of the

organization and underlining the most recent deployment of HPWS, which makes it a proper setting for this study. This overview begins with brief discussion on the historical events that led to the creation of UNRWA, followed by a description of UNRWA's organization, current programs, and functions. The overview ends with a section addressing key trends in UNRWA's human resources management reforms to further our understanding of the research context.

3.2 UNRWA Overview

UNRWA is the largest agency of the United Nations, employing over 29,000 staff in its eleven offices located in New York, Geneva, Brussels, Cairo, Jerusalem, the Gaza Strip, Jordan, Lebanon, and Syria. The Agency was established in 1948 and has evolved to become one of the biggest employers in the Middle East region, with a considerable bureaucracy and major infrastructure, maintaining schools and clinics and providing a host of social services, special programs, and emergency benefits (Kushner, 2008). Despite its size and importance in the UN system, the literature on UNRWA is relatively rare and there is no significant analysis within social science research focusing on UNRWA (Lindsay, 2009). The majority of publications that address the Agency are internal UNRWA reports, which contain important material on the evolution of the Agency's activities, as well as numerous evaluation and policy reports focusing on specific aspects of its work. Despite its uniqueness as the main provider of public services for over 1.3 million refugees, management practices within the organization have been largely overlooked by researchers (Bocco, 2010).

The UNRWA represents an international governmental organization (IGO) with the functions of a service organization and it relies on donations from the governments of

member states to fund its operations. Since its establishment, there have been continuous demands from donor governments for more efficient use of organizational resources and more effective execution of programs. Accordingly, the Agency underwent several structural changes and concentrated revisions of its policies, and regulations. As in other national public sector organizations, these changes and revisions have led to several reforms as part of the UNRWA's organizational evolution. The most recent organizational reform was in 2006. The Agency began a comprehensive reform program to strengthen its management capacity with special emphasis on Human Resources Management (HRM) (Terbeck, 2009). The reform was major, as it extended to other management aspects, such as the program management cycle and financial management. However, the main emphasis was on the human resources management system with an underlying mandate to adopt HPWS. This focus on HRM systems was based on the notion, from senior management, that the organizational workforce is the organization's main asset, and that well-managed human resources would eventually lead to higher levels of service for Palestine refugees (UNRWA, 2006b). Palestine refugees who fled from Historical Palestine to neighbouring countries, the West Bank, and the Gaza Strip after the 1948 war are the main beneficiaries of UNRWA services. The following section provides historical background on the Palestine refugee crisis, which led to the establishment of UNRWA.

3.3 Historical Background

In 1949, hundreds of thousands of Palestinians fled from their homes in Historical Palestine, a British colony from which the United Kingdom withdrew in 1948. The UK withdrawal was based on UNGA resolution 181 (II) for the partition of Historical Palestine between its Arab and Jewish inhabitants, creating two independent states. According to the

resolution, Historical Palestine was divided into three parts: the first, the independent State of Israel, the second (the West Bank) annexed by Jordan, and the third (the Gaza Strip) seized and administered by Egypt. Arab inhabitants in Jewish-dominated areas refused the UNGA resolution and fled as refugees to other neighbouring Arab countries, the West Bank, and the Gaza Strip, which led to the Palestine refugee crisis (Kats, 1998).

The United Nations grouped Palestine refugees into what has become known as the Palestinian Refugee Camps located in Jordan, Lebanon, Syria, the West Bank, and the Gaza Strip. Under the pressure of the continued Palestine refugee crisis, the UNGA decided to establish the UNRWA as a temporary organization that would assume operational responsibility for providing relief services for large numbers of refugees. On 8 December 1949, UNRWA was created pursuant to UNGA Resolution 302 (IV).

On 1 May 1950, UNRWA began its operations, providing emergency relief (food and shelter) to refugees. Then, its mandate was extended to include governmental and developmental services such as education, health, welfare, and urban planning (Rosenfeld, 2009). The Agency began building its field offices near refugee camps to support the refugees more effectively. The refugee population has changed since the time of UNRWA's establishment. In 1950, there were approximately 750,000 Palestine refugees. Their number has increased by more than six times to 5,115,755 in 2012, with an average annual growth rate of three percent. After six decades of its operations, UNRWA staff provides education, health, welfare and social assistance, microfinance and microenterprise assistance, and housing and urban planning services for one-third (1.3 million) Palestine refugees registered with the UNRWA who live in fifty-eight officially recognized refugee camps. The following section addresses the organization of UNRWA highlighting the

geographical distribution of the Agency offices with an emphasis on the different roles of each of the offices.

3.4 UNRWA's Organization

UNRWA represents an international governmental organization (IGO) with the functions of a service organization. UNRWA is a subsidiary organ of the UNGA and its mandate is renewed every three years. The Agency's headquarters was in Beirut, Lebanon, until 1978, and then resided in Vienna until 1996. Finally, the headquarters was divided between the Gaza Strip and Amman, Jordan. The Agency has four representative and liaison offices located in New York, Geneva, Brussels, and Cairo. The operations are organized into five field offices located in the Gaza Strip, Lebanon, Syria, Jordan, and the West Bank (see Appendix O). The Agency employs over 29,000 workers. The majority of staff is host country nationals (HCN), local employees, with expatriates working in each of the field offices, headquarters, and representative and liaison offices.

The study for this dissertation is the Gaza headquarters and field office, which includes the Office of the Commissioner-General along with the Finance Department, the Department of Human Resources, the Department of Administrative Support, the Department of Infrastructure, and the Department of Internal Oversight. The Amman headquarters office includes the External Relations Department, the Department of Legal Affairs, and the Public Information Office (UNRWA, 2006b).

The Commissioner-General is responsible for managing UNRWA's overall activities. His subordinates, Directors of Operations, are in charge of overseeing general UNRWA operations and assigned to each of the five field offices.

Directors of Operations lead UNRWA's programs managed by five main departments:

- Education Department
- Health Department
- Relief and Social Services Department
- Department of Infrastructure and Camp Development
- Office of the Microfinance and Microenterprise Program (UNRWA, 2010).

All field offices have a similar organizational structure but vary considerably in size (see Appendix P). The number of field office staff range from nearly 3,000 in the Lebanon field office to over 10,000 in the Gaza field office, with the other three field offices falling in between these numbers. The majority of field staff are teachers, health service providers, relief and social services staff, and administrative and support staff. UNRWA staff is responsible for delivering essential public services for over 1.3 million refugees, which explains the high operational cost of running the Agency. The following section address UNRWA's funding and its current financial crisis, which led to the most recent organizational reform.

3.5 UNRWA's funding

Since its establishment, UNRWA's funding comes from voluntary contributions, and mostly from donor states. The main donors are the United States, the European Commission, the United Kingdom, Norway, and Sweden. Only 5% to 6% of these contributions come from non-governmental organizations, the private sector, and individuals (see Appendix Q for a detailed donor structure). In addition to donor contributions, some UN agencies, such as the United Nations Educational, Scientific and

Cultural Organization (UNESCO), and the World Health Organization (WHO), provide funds for education and health programs.

The Agency is underfunded and faces severe financial crises because of the growing refugee needs, which affects operational costs, on one hand, and the decline in donations from Western donor countries after the global financial crises on the other (Terbeck, 2009). For instance, in 2010, UNRWA's budget shortfall amounted to \$140 million (Husseini, 2011). The Agency began launching repeated emergency appeals for food, employment, and cash assistance, seeking stable funding mechanisms for its regular programs. In the following section, an overview of these programs is presented to explain the role of UNRWA.

3.6 UNRWA Functions

UNRWA became operational in May 1950, and was primarily responsible for providing emergency relief services such as food, shelter, clothing, and basic healthcare services to Palestine refugees. According to the UNGA Resolution, the Agency's mandate was to "prevent conditions of starvation and distress among them and to further conditions of peace and stability." However, with the absence of any feasible solution to the Palestine refugee crisis, the UNGA decided to extend the mandate of the Agency and transform its role to human development to pave the way for Palestine refugees to attain self-sufficiency, and independence (Rosenfeld, 2009). The UNRWA became more focused on enabling refugees to become self-supporting and independent. For instance, the Agency moved the refugees from their temporary shelters into permanent urban housing and rural villages. It began implementing public works programs and education. Rather than

focusing on emergency and relief programs, UNRWA's central programs became more focused on building a sustainable life for the refugees.

The Agency established partnerships with other UN programs, such as UNESCO and WHO, to form a basis for effective healthcare and education programs to reintegrate Palestine refugees with their host communities (Rosenfeld, 2009). Then it introduced microfinance and microenterprise programs in 1991 to help refugees become self-supporting and economically independent. Finally, the Agency launched its "Infrastructure and Camp Improvement Unit" to become the largest humanitarian operation in the Middle East for over 60 years (UNRWA, 2012). These five programs are the Agency's "raison d'être." A brief overview of each of these programs is introduced in the following sections.

3.6.1 Education Program

The education program is UNRWA's largest program, accounting for half of the Agency's regular budget. UNRWA operates one of the largest school systems in the Middle East, with 700 schools and 500,000 students registered with the five field offices. The Agency provides basic education to all registered refugee children free of charge up to around the age of 15. In addition to the primary education, the Agency operates ten vocational and technical training centres and three Faculties of Education Science, one in Jordan and two in the West Bank. UNRWA's curriculum follows that of its host countries so that pupils can progress to further education or employment in these countries. This is part of the Agency strategy that aims to integrate refugees into their host countries (UNRWA, 2007).

3.6.2 Health Program

Since its establishment, UNRWA has been the main healthcare provider for the Palestinian refugee population. The Agency provides all basic health needs through its network of 137 primary care clinics located both inside and outside the refugee camps. The Agency also provides its audience with access to secondary treatment in hospitals as well as food aid to vulnerable groups. In 2010, the Agency's health care workers comprised 3,654 professionals, including doctors, nurses, support services, and administrative staff (UNRWA, 2012). Medical services include outpatient care, dental treatment, rehabilitation for the physically disabled, and maternal and child healthcare. The health program also provides necessary environmental health services in refugee camps, including all infrastructure services for sewage disposal, the provision of safe drinking water, sanitation labourers for solid waste management, and garbage trucks (UNRWA, 2012).

3.6.3 Relief and Social Services Program

The relief and social services (RSS) program provides a range of direct and indirect social protection services for refugees in the Agency's five areas of operation. In many countries, Palestine refugees face extreme hardship from local authorities in host countries. For instance, Palestine refugees in Lebanon face many restrictions on entering the job market. Therefore, the program provides social safety-net assistance to the most vulnerable Palestine refugees in these countries (UNRWA, 2010). Under the Social Safety Net Program, UNRWA provides relief and social services to Palestine refugee households below the abject poverty line. Social Safety Net Program services include basic food support, cash subsidies, and an additional family income supplement. The program also offers Cash for Work (CFW), which is one of the most important programs within the RSS.

In addition, it offers direct aid during emergencies caused by violence and political unrest, along with shelter rehabilitation in coordination with other departments (UNRWA, 2007). Finally, as part of its developmental role, the RSS program promotes community-based action within the Palestinian refugee camps through developing the institutional capacity of community-based organizations (CBOs) within the refugee camps. These CBOs organize a wide range of social, cultural, and recreational activities, as well as skills training and rehabilitation that enable vulnerable refugees to become more self-reliant. They also help refugees addressing their most pressing socioeconomic needs through advocacy and awareness campaigns (UNRWA, 2010).

3.6.4 Department of Infrastructure and Camp Development

Of over five million Palestine refugees registered with the UNRWA as beneficiaries, one-third (1.3 million) live in fifty-eight officially recognized refugee camps. Responsibility for these camps is distributed between the five field offices located in Jordan, Lebanon, Syria, the West Bank, and the Gaza Strip (see Appendix O). These camps were supposed to be temporary “tent-cities” and were characterized by concentrations of poverty and extreme overcrowding. During its last 60 years of operations, these camps have transformed into hyper-congested masses of multi-storey buildings and are considered to be among the densest urban environments in the world, displaying extreme poverty and overcrowding (UNRWA, 2012). The Department of Infrastructure and Camp Development is responsible for designing and implementing all infrastructure interventions to improve the quality of life within refugee camps. The main function of this department is to promote environmentally sustainable neighbourhoods through developing housing, and environmental health facilities. Therefore, the department implements all infrastructure

projects, such as the provision of water, storm water runoff, and wastewater management systems. Additionally, the department carries out all interventions related to the development and maintenance of all other UNRWA facilities, including clinics and schools (UNRWA, 2010).

3.6.5 Microfinance and Microenterprise Program

The Microfinance Department (MD) is an independent financial unit within UNRWA, established to promote economic development and alleviate poverty among Palestine refugees. The program provides microfinance services offering income-generating opportunities for the Agency's audience. It works in two main functional areas. First, it provides small loans at an affordable cost for small entrepreneurs through its microcredit services. Second, it provides complementary services such as microenterprise training to households and businesses (UNRWA, 2007). These two areas of intervention allow the Agency to create self-reliant and independent entrepreneurs who contribute to the socioeconomic development among the refugee population. According to Agency records, the department has provided over 202,100 loans across its areas of operation, valued at USD \$224.29 million, with the broadest regional coverage of any microfinance institution in the Middle East (UNRWA, 2010).

This brief overview on the five main programs managed and executed by the UNRWA reveals the critical role and mandate of the Agency, which is renewed every three years by the UNGA. For over sixty years, the UNGA has mandated the Agency to engage in a rich and evolving variety of activities and provided UNRWA with a flexible mandate designed to facilitate the Agency's ability to act and progress. However, over the last 60 years, the UNRWA went into several transitions and adopted a continuous modernization

approach to exceed the expectations of its stakeholders, including staff, partners, host countries governments, and donors. The following section provides an overview on UNRWA transitions over the last decade, highlighting the main reasons for such actions, and the key achievements towards enhancing the levels of Agency service.

3.7 UNRWA in Transition

Since its establishment, UNRWA has been the main service provider for generations of Palestine refugees. The Agency role became more crucial with the absence of any feasible solution for the Palestinian refugee crises. The organization has always been committed to devoting all its resources in the best interests of its beneficiaries through the continuous improvement and modernization of its services. In the 1990s, the Agency began slipping into a severe financial crisis. UNRWA's opportunities to attract extra funding were constrained because of the increasing competition from other humanitarian agencies and the political unrest in the Persian Gulf region (Terbeck, 2009). The significant drop in UNRWA's per capita assistance, which continued for over a decade, had a significant impact on the Agency's levels of service (Brynen, 2003). There were real concerns about the Agency's role as it faced increasing demands against this backdrop. UNRWA began considering different options to face this major challenge and put much effort into overcoming this financial crisis. Among its most recent efforts, the Agency organized an international conference in Geneva in June 2004. The main goal of this conference was to *revitalize* the partnerships between the Agency and its stakeholders (UNRWA, 2006a, p. 142). The Geneva Conference concluded with many recommendations that aimed at helping the Agency improve its capacity to respond more efficiently to the growing needs of Palestinian refugees. One of the main recommendations

was strengthening UNRWA's management framework to develop a stronger operations capacity through building on, or adapting the existing management structure to become more effective. Agency officials concluded that they should adapt new approaches focusing on more efficient service delivery.

In conjunction with the conference, the UNRWA began developing a Medium Term Plan (MTP) for 2005–2009. The MTP was translated into the Organizational Development (OD) transition plan initiative 2006–2009, which provided the framework for organizational reform with specific guidelines on how UNRWA should operate in order to offer and sustain more effective and efficient service delivery through improved management capacity (UNRWA, 2010).

3.8 UNRWA Organization Development (OD) Reforms

In 2006, UNRWA began a comprehensive OD reform process. This reform was financed by specific funding offered by Canada, Australia, the European Commission, Japan, and the US. First, the Agency underwent the Rapid Organizational Assessment (ROA) process by external consultants. The process included an extensive review of all of UNRWA's operational reports and studies; it aimed at critical assessment for organizational management capacity (UNRWA, 2006a). During the ROA, external consultants visited the five field offices and the headquarters so they would be able to identify any existing gaps within the organizational management structures or systems. Accordingly, they concluded that the Agency required a major organizational change. The ROA process ended with several recommendations addressing different areas, such as implementing a results-based management system, decentralized budgeting systems, and new procurement procedures (UNRWA, 2006b).

Among these recommendations, there were real concerns regarding the UNRWA's HRM system. These concerns included the recruitment process, staff training and development, incentives, and performance appraisal procedures. Additionally the report identified disconnects between responsibility and delegated authority, which led to an inadequacy in internal communication, dialogue, and information flow (UNRWA, 2010).

In this context, UNRWA senior management consulted with staff in all field offices, headquarters, and representative offices about the desire to begin the Organizational Development (OD) reform process. These consultations aimed at gaining support and commitment from staff to overcome any uncertainty or anxiety among employees, which is a natural part of any organizational change. The senior management team, who were ultimately responsible for the implementation of administrative reforms, acted as mediators and focused on gaining the support, trust, and co-operation of the different stakeholders before and during the reform process (UNRWA, 2006a).

3.9 The OD Reform

In April 2006, the organization began the OD reform process, embracing a "holistic and comprehensive approach" to bring together all the initiatives designed to strengthen UNRWA's capacity to serve Palestine refugees effectively and efficiently (UNRWA, 2006a, p. 3). The organization identified four main areas of intervention, referred to in the OD documents as the "levers of change" (UNRWA, 2006a, p. 32). HRM was specifically identified as the "main lever of change" and the organization established a Human Resources Task Force (HRTF) with the goal of drafting a Human Resources Management Strategy for the Agency (UNRWA, 2006a). The HRTF was chaired by the Deputy Commissioner-General and consisted of fourteen staff members from diverse Agency

backgrounds, including expatriates and local staff from the field offices. The HRTF was guided by external consultants and advised by a technical team of internal specialists on HRM processes (UNRWA, 2006a).

The HRTF was tasked with considering and making recommendations on reforming the UNRWA's HRM systems, which appeared to be adopting HPWS practices. The recommendations for reforming UNRWA's HRM policies and practices were based on the notion that insufficient attention to staff may cause deterioration of service standards across the Agency (UNRWA, 2006a). The Agency began restructuring its HRM system through a clear and concise detailed plan. Below is an overview of the main areas of change within UNRWA's HRM system based on a review of the reform policy documents.

3.9.1 Staffing and Recruitment Strategy

The main goal of the UNRWA's new staffing and recruitment strategy aims to sustain a competent, motivated, and adaptable workforce, ensuring that knowledge is retained and enhanced in the Agency. Accordingly, the Agency addressed different issues related to the staffing strategy, which targets recruiting high quality staff while retaining and motivating capable staff. Accordingly, the Agency began drafting plans for succession to ensure that staffing gaps are eliminated or at least addressed in a timely manner. It developed new definitions for the main categories of staff, according to their job occupation. In addition, there was a new direction towards ensuring that capable staff members are promoted to more responsible positions. Changes also included developing high-level job descriptions to include the desired competency profile while defining the different career streams and the contractual arrangements (UNRWA, 2006b).

3.9.2 Performance Management

According to the Rapid Organizational Assessment (ROA), conducted by external consultants, UNRWA's old performance appraisal system falls far short of being a useful and reliable performance management tool. Earlier, the performance appraisal process did little to evaluate performance based on results and there was a lack of openness within the evaluation process. Therefore, the Agency developed a clear and objective performance management system appraisal meant to be free of bias and abuse (UNRWA, 2006b). The new performance appraisal system is based on employee participation, dialogue, and feedback. In addition, evaluation and performance appraisal are to be consistent with the UNRWA's strategic objectives, results oriented, and linked to the annual salary increases and promotions (UNRWA, 2006b).

3.9.3 Compensation and rewards

Since its establishment, UNRWA has applied a monetary incentive pay system with the level of incentives for each job in each of the field offices set based on surveying similar jobs in the host country's government. The review process suggested that the Agency must develop a new system in order to be more "participatory, rewarding and encouraging to increase and maintain morale, satisfaction and confidence within the organization" (UNRWA, 2006b, p. 60). Therefore, during the OD reform process a new compensation system was implemented that is meant to be competitive, motivating, and cost-effective in order to enhance the Agency's ability to attract and retain competent and highly qualified staff. The new system also aimed at recognizing employee contributions while ensuring that all posts are classified at appropriate levels in accordance with transparent, objective, and equitable principles to reduce turnover as well as encourage Agency loyalty and commitment (UNRWA, 2006b).

3.9.4 Staff development and training

Within the Agency, there was no systematic and proactive methodology for identifying staff training and development needs. Therefore, the new direction for the HRM team is to adopt a new methodological approach that facilitates analyzing the training needs of staff regularly and systematically. In addition, the new training and development approach is designed to be linked with the performance evaluation process to provide staff members with the knowledge, skills, and attitudes essential to performing their duties and responsibilities (UNRWA, 2006b).

3.9.5 Employee satisfaction and welfare

The last area of focus was employee satisfaction and welfare. A new approach emerging within UNRWA aims at developing and building a more effective HRM team with a proactive, flexible, reliable, confidential, and empowering role. Accordingly, the new approach tends to sustain integrated HRM service delivery in the field offices and headquarters through building the capacity of the HRM team (UNRWA, 2006b).

Summary

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established as a subsidiary organ of the General Assembly pursuant to General Assembly resolution 302 (IV) of 8 December 1949 and commenced operations on 1 May 1950. UNRWA was established in response to the Palestine refugee crisis to provide emergency and relief services for Palestine refugees who were displaced to neighbouring countries. The mandate of the UNRWA has evolved since its establishment. The Agency role extended to become a quasi-governmental role, providing health, education, socioeconomic development, and other services for its audience. The Agency was subject to many reforms in response to the developments in the political, operational,

and financial context. In 2006, the Agency began a comprehensive reform process that aimed at restructuring the UNRWA management system. The UNRWA identified several areas for reform, with an emphasis on HRM as the main area of intervention. HRM reform aimed to establish a new system of HRM policies and practices, which aimed to adopt HPWS in four areas: staffing and recruitment, performance management, compensation and rewards, and staff training and development. The new HRM policies were meant to provide the Agency with an integrated system for staff management with an underlying message of implementing HPWS. The uniqueness of the organization as a non-political IGO with a developmental and humanitarian service role provides an appropriate setting for this research study that can bring insights on deploying HPWS in an IGO context. This dissertation aims to address the implications of implementing the new HPWS practices and investigating their impacts on worker attitudes through a mixed-methods research design. The next chapter provides a discussion of the methodology adopted for this study.

CHAPTER IV: RESEARCH DESIGN AND METHODOLOGY

4.1 Introduction

This study contributes to the advancement of knowledge as the first study of its kind examining HPWS in the IGO context. The significance of such enquiry stems from the implications of HPWS for IGO performance. The agreement among scholars is that HPWS leads to enhanced employee attitudinal outcomes, which influences individual employee performance, leading to enhanced organizational performance.

This chapter explains the research methods and design, the research context, and the participants involved in the study, as well as data collection and analysis procedures, validity and reliability measures, and ethical assurance. The chapter opens with an overview of the research methods and design. Due to the complex nature of employee attitudes and the different perceptions of management practices within any organization, a mixed-methods approach is necessary to allow for understanding the relationships among the variables in the study and for in-depth exploration of the topic (Creswell, 2003, p. 76). The mixed-methods research design employs a combination of quantitative and qualitative approaches through employee surveys and face-to-face interviews. The mixed-methods research design provides an expanded understanding of the research problem and permits for utilizing the strengths of both quantitative and qualitative research (Creswell, 2009). The first section is devoted to discuss the strengths and weaknesses of quantitative and qualitative research methods. It also emphasizes how a mixed-methods approach allows for better understanding of the research problem through utilizing both quantitative and qualitative data collection and analysis techniques. Next section introduces the research

context while highlighting some important aspects of the organization and the reform process that are the main subject of this enquiry. This is followed by an in-depth discussion of the field research processes with an overview on the sampling and selecting research participants. This discussion is followed by an examination of data collection procedures and analysis introducing the constructs and measures used in the quantitative phase of the study. For the qualitative data collection and analysis, open ended interviews with senior management, and staff were conducted using purposive, also known as judgment sampling to select candidate who are knowledgeable but who may have different views that when combined together to present a balanced perspective and understanding for the research problem. All the interview procedures, sampling, and recruitment processes are also discussed. Finally, the assumptions and limitations are reviewed and ethical assurances are presented, followed by a summary of the key points of the chapter.

4.3 Research Methods and Design

The field of HRM is an evolving and still under development with lots of new problems and issues to discover (Paauwe, 2009). This study aims at addressing the effects of different bundles of HPWS practices on employee attitudes, which requires insight from research participants that goes beyond collecting quantitative data based only on close-ended and single-view questions put to the organization's employees. This necessitates more feedback through interviews with HRM personnel, chief program officers, supervisors, and other senior management. Therefore, employing a mixed-methods approach will introduce more insight, especially in this unique organizational context.

Mixed research methods provide an emerging approach to social science research during which the researcher can collect and analyse both quantitative and qualitative data simultaneously or sequentially in a single study. Using the mixed-methods approach permits researcher to collect diverse types of data, which provides best understanding of the research problem. According to Creswell (2003), for a mixed-methods enquiry, the study begins with a quantitative phase with survey so the researcher can generalize his results to the study population. Then, in a second phase, the researcher focuses on detailed qualitative, open-ended interviews to collect detailed views from the participants (Creswell, 2003). The quantitative phase is based on positivism through collecting and analysing empirical data. Researcher main goal is to measure, and analyze causal relationships between the study variables (Sale, Lohfeld, & Brazil, 2002). In contrast, the qualitative phase is based on interpretivism and constructivism that is created from the interaction between the researcher and the object of the study within the context of the situation which (Guba & Lincoln, 1994). Mixed-methods research design, permits researcher to draw from both quantitative and qualitative research and choose the methods, techniques, and procedures of research that best meet their needs and purposes (Creswell, 2003).

Combining quantitative and qualitative data provides a better understanding of the research problem, as it provides the strengths of both quantitative and qualitative research, which offset the weaknesses of both (Creswell & Clark, 2007; Tashakkori & Teddlie, 1998). For instance, in quantitative research, the researcher maintains detached from the research subjects especially when using postal surveys or using data collected from

national surveys (Carr, 1994, p.117). This is considered one of the strengths of the quantitative approach as it avoids researcher involvement and guard from any bias. However, in qualitative studies, the closeness of the relationship between the researcher and the participants may help the researcher to obtain valuable and meaningful data as they interact and spend more time together (Bryman, 1988). Therefore, a mixed method allows collecting data from surveys and interviews. Accordingly, data collected are unbiased but the researcher is able to interact with research subject to further understand the research context and the study object (Johnson & Onwuegbuzie, 2004).

Another important reason for using mixed-methods is bringing the strengths of qualitative and quantitative research that come from the researcher interaction with research participants and the research instruments employed. In quantitative research methods, the researcher use predesigned and predetermined tools and instruments such as surveys and questionnaires. Contrary to the qualitative research where the researcher communicates with participants and tries to understand their experiences based on their own words through interviews and observations (Creswell, 2009). In addition, qualitative research requires an in-depth study of the participants' lives. The researcher can understand and present the world as experienced by the participants without predetermined or standardized answers (Creswell, 2009). This also contributes to the understanding of the data collected from the quantitative data. Therefore, in a mixed-methods approach, while researchers use both interviews and questionnaires, data collected from qualitative interviews, will become an "illuminating picture" that allows to further our understanding of quantitative data (Carr, 1994, p.719).

Finally, sample size contributes the significance of using mixed-methods research design. In quantitative research, the use of large samples allows for generalizing the research findings. However, in qualitative research, the sampling is based on selecting small number of unique cases with the main goal of obtaining detailed information and an in-depth understanding of the research problem. Therefore, in qualitative research the sampling procedures limit the possibility of generalizing the research findings to other settings or situations. Mixed method research design allows for using both surveys and interviews, which help in generalizing the research findings (Creswell, 2009).

There are different designs for the mixed research methods, based on factors such as the sequence of data collection and the role of either qualitative or quantitative data in answering the research question (Creswell, 2009). This study utilizes a mixed-methods approach using an embedded research design. The embedded research design includes the collection of both quantitative data and qualitative data with qualitative data providing a supportive role for the quantitative data, as shown in Figure 7 (Creswell, 2009). Qualitative data, from interviews and from reform document analysis, provide a supportive role for the quantitative data concerning the relationships between the study variables.

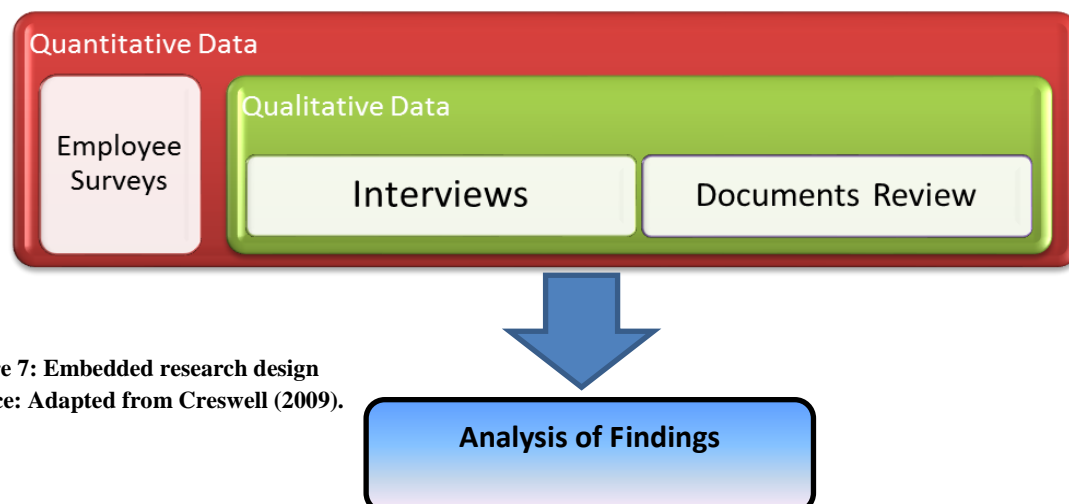


Figure 7: Embedded research design
Source: Adapted from Creswell (2009).

The study uses a cross-sectional study design “where researchers collect information about a phenomenon of interest ... at one point in time using some tool — the test — to collect the information” (Robbins, 2008, p. 56). Therefore, surveys and interviews conducted with program administrators, operations directors, and field staff, representing employees from different countries with varying lengths of service to the Agency, as well as an extensive range of levels of education and professionalism. Statistical analysis of the survey data and interviews of full-time employees provided a representation of the relationships between bundles of HPWS practices adopted by the organization and worker attitudes.

Ten interviews were conducted with administrators, directors, and staff members from different departments, such as HRM services, finance, education, social and relief services, and procurement and logistics, to investigate the effects of adopting HPWS in each department and explore any additional factors that may influence the effects of HPWS on employee attitudes. Interviews conducted with some staff members aimed to gain more insight about employee perceptions of recent changes in HRM systems. These interviews were based on self-designed interview questions and were utilized to delve deeper into any ambiguous data obtained through the questionnaires. The protocol used for conducting interviews was to identify participants, initiate contact, introduce the research and interview process, and obtain a signed consent form prior to conducting the interview (see Appendix H). During the face-to-face interviews, open discussions were allowed and

encouraged to obtain in-depth information on the topic, which provided the rationale for using both quantitative and qualitative data.

4.4 Research Context

The research setting for this study is UNRWA. As mentioned in the previous chapter, the organization began a comprehensive reform program in 2006 to strengthen its management capacity and provide more effective and efficient services to its beneficiaries (UNRWA, 2006a). This reform is referred to by organizational policy documents as the “Organizational Development (OD)” initiative, which aimed at building organizational capacity in different areas, such Human Resources Management (HRM), the Program Management Cycle, and Organizational Processes and Systems. The OD process aimed at strengthening the Agency’s capacity to deliver better-resourced programs and services to refugees. The Agency drafted a “Mid-Term Plan” (MTP) for the reform process with an emphasis on HRM as the main area of organizational change. According to the UNRWA’s MTP:

The Agency’s workforce is its most valuable asset. Over recent years, insufficient attention to staff training and development has been a factor in the deterioration of service standards across the Agency. From this standpoint, renewed investment in building the capacity of UNRWA’s human resources is an independently worthy objective as well as a vital means by which strategic objectives can be realized [...] investing in staff capacity will ultimately benefit the Palestinian community, while also contributing to the quality and impact of the Agency’s interventions. For

these reasons, the MTP incorporates multi-faceted capacity-building components, embracing human resource and career development needs, management information skills and enhance capacity for research and analysis. These components could form the basis for a more comprehensive strategy for staff development. (UNRWA, 2006b, p. 5)

The Agency, in furtherance of the MTP, established a Human Resources Task Force (HRTF) with the goal of drafting a Human Resources Management Strategy for the Agency. The HRTF was established for consultation to elicit a range of views from within the Agency. The HRTF was guided by external consultants and advised by a technical team of internal specialists on HRM processes. Thus, the main task of the HRTF team was to conduct a comprehensive review of HRM policies and processes and identify any inefficiency in the old system. This review was the first step towards creating a new HRM system to deliver better human resourced programs, which appeared to be adopting high-performance work systems (UNRWA, 2006b).

4.5 Research Participants and Sampling

4.5.1 Quantitative Phase

Participants for the quantitative phase of the study were current full-time employees of UNRWA's Gaza headquarters and field office, which employs 505 full-time employees. The organization also employs part-time workers and external consultants; however, participation was limited to the full-time employees to provide consistency in the data.

The determination of sample size is one of the main tasks for any social science researcher. Inappropriate, inadequate, or excessive sample sizes influence the quality and accuracy of research. However, sample size must be representative in order to allow the researcher to generalize the findings of the research to the study population (Bartlett, Kotrlik, & Higgins, 2001). Determining the sample size was based on Cochran's (1977) formulas for continuous and categorical variables. There were a total of 505 individuals in the sampling pool for this study (i.e., employees at the UNRWA's Gaza Strip headquarters and field office). Accordingly, the minimum required sample size to achieve adequate statistical data representative of a population was 218. All 505 individuals were invited to participate in the study, with 238 actually responding and 234 usable responses (a 47% response rate). Unusable surveys were excluded because of either invalid answers, such as marking the same point for all questions, or failure to complete a significant portion of the survey. Copies of the survey tools, interview protocol, and interview questions are provided in the appendices.

As shown in table 1, the sample of 234 employees had the following characteristics: 67.8 percent male; 15.3 percent between the ages of 18–30 years, 49.3 percent between 31–45 years, 35.0 percent between 46–60 years, and 0.5 percent over 60 years. The average length of service was 13.08 years (standard deviation 7.92). Ten and a half percent (10.5%) had no formal qualifications, 20.5 percent had a diploma, 47.3 percent had a university degree, and 21.8 had a postgraduate university degree. Sixty-one point four percent (61.4%) were frontline workers, 25.7 percent supervisors, 12.4 percent middle

managers, and 0.5 percent program managers. The sample was based in the following departments: Engineering, Infrastructure and Camp Development, 21.0 percent; Education, 29.0 percent; Microfinance, 10.0 percent; Procurement, 8.0 percent; Financial Services, 3.0 percent; Human Resources and Administration, 8.0 percent; Job Creation Program, 5.0 percent; Logistics and Support Services, 5.0 percent; Community Services and Mental Health, 2.0 percent; Health, 1.0 percent. These percentages are representative of the number of individuals working in each of the units within the headquarters and field office.

Table 1
Descriptive Statistics for Participant Demographic and Background Characteristics (N 234)

	Frequency	Percentage
Age range		
18 – 30 years old	31	13.2
31 – 45 years old	100	42.7
46 – 60 years old	71	30.3
Over 60 years old	1	0.4
Missing	31	13.2
Gender		
Male	139	59.4
Female	66	28.2
Missing	29	12.4
Current position		
Executive staff	1	0.4
Program Director	10	4.3
Head of Department	16	6.8
Supervisor	54	23.1
Staff	129	55.1
Missing	24	10.3

	Frequency	Percentage
Number of years working with the UNRWA		
Less than 1 year	3	1.3
1–5 years	37	15.8
6 –10 years	49	20.9
11–15 years	46	19.7
16 – 20 years	46	19.6
More than 20 years	35	14.9
Missing	18	7.7
Highest level of education attained		
High School Diploma	23	9.8
College Diploma (2 years)	45	19.2
Bachelor Degree (4 years)	104	44.4
Graduate Degree (Masters/PhD)	48	20.5
Missing	14	6

4.5.1 Qualitative Phase

For the qualitative phase of the study, data were gathered from face-to-face interviews of chief program officers, middle manager, supervisors, and staff members, in addition to the HRM team. The process of selecting participants for the qualitative phase is unlike the random sampling used for the quantitative phase of the study. Although random sampling provides the opportunity for generalizing the results of the population, in the case of qualitative data, random sampling may not be the most effective approach to understand the complex issues related to the research problem (Marshall, 1996). One of the main reasons is the level of knowledge required from the research participant. In social science, it is well known that we as humans are not equally good at observing, understanding and interpreting phenomena. Therefore, some informants may be richer than others and some

participants are more likely to provide insight and understanding for the researcher and random sampling may lead to asking the wrong person about the research problem. (Marshall, 1996). Another reason for not using random sampling refers to the main process of the random sampling, which requires that all the characteristics of population should be known, which is rarely possible in complex qualitative studies (Marshall, 1996). Therefore, for this study, purposive sampling was used for the qualitative phase of the study.

According to Rubin and Rubin (2004), for qualitative data collection from interviews, it is important to select interview participants who are knowledgeable but who may have different views that when combined together, will present a balanced perspective. Researcher will be able to obtain credible results and present different understandings that provide the complete picture drawing from contradictions and inconsistencies that may appear during interview (Rubin & Rubin, 2004). Therefore, judgement sampling, also known as purposeful sampling, was used, which is the most common sampling technique (Marshall, 1996). Using this technique allows the research to investigate a broad range of options to select candidates for the interview, then to choose special individuals who have specific experience useful for the study. Interview participants were selected from different departments, programs and levels of administration to gain a variety of perspective to further understand the effects of the most recent reform on employees. All interviewees had experienced the reform process. For the sample size, the number of required subjects is the one that adequately answers the research question (Creswell, 2009). The appropriate sample size is a function of the purpose of the study, the complexity, range and distribution of experiences or views of interest (Francis, Johnston, Robertson, Glidewell, Entwistle,

Eccles, & Grimshaw, 2010). However, as the study progresses, researcher must maintain flexibility as achieving the adequate sample size takes place only when data saturation occurs (Francis, 2010; Morse, 1995; Padgett, 1998). According to Francis et al (2010), data saturation occurs when new categories, themes or explanations stop emerging. The authors proposed “stopping criteria” as the point of data saturation when three interviews conducted with no new themes emerging. Stopping criterion is tested after each successive interview until there are three consecutive interviews without additional material (Francis et al., 2010). Accordingly, ten interviews were the appropriate sample size for the qualitative phase of the study.

As shown in table 2, Research participants were first selected from the Human Resources Task Force (HRTF). This team was established in 2005 responsible for the specific task of the agency’s HRM strategy from early stage of reviewing and evaluating the current strategy, to final stage of drafting and implementing a new Human Resources Management Strategy for the Agency. The team was established for consultation and to elicit a range of views from within the Agency. The HRTF was chaired by the Deputy Commissioner-General and otherwise consisted of fourteen staff members from diverse Agency backgrounds, including representatives from different departments and level of administration (UNRWA, 2006). They possess very good knowledge of the whole reform process from the early phases of drafting the new HRM strategy, to the final implementation and evaluation processes.

Then four Program Officers were interviewed from the headquarter. Field Program Officers are the heads of the programs who are the familiar with all new implemented

changes and they possess an awareness and understanding and viewed as the middle point between the staff executive directors. They are the responsible for all the support required to contribute to program delivery through any organizational learning, strategic planning, or development. They are mainly responsible for all the implementation aspects of established management policies, operational procedures and guidelines (UNRWA, 2006).

Finally, four staff Project Officers (PO) and Program Assistants (PA) were interviewed. These staff members are considered as the frontline workers and their main responsibility is to ensure the proper delivery of services and the satisfaction of the agency beneficiaries. They mainly provide the administrative and program support representing different programs from the agency.

Table 2
Interview Participant for Qualitative Phase (N 10)

Position within the Organization	Role in the Organization	Number or Interview Participants
<i>Human Resources</i>	Responsible for the specific task of the agency's	2
<i>Task Force Team</i>	HRM strategy from reviewing and evaluating the current strategy, to drafting and implementing a new Human Resources Management Strategy for the Agency.	

Position within the Organization	Role in the Organization	Number or Interview Participants
<i>Chief Program Officers (Executives)</i>	The middle point between the staff and the executive directors responsible for all the support required to contribute to program and the implementation aspects of established management policies, operational procedures and guidelines.	4
<i>Frontline Workers</i>	Ensure the proper delivery of services and the satisfaction of the agency beneficiaries	4

There were some differences between interviews with staff members and senior management. The majority of senior management interviews were conducted according to specific administrative procedures and time limitations because of the bureaucratic nature of the organization in general and because of their senior position. These procedures included first meeting with the senior staff office manager or secretary to explain the reason of the interview. The interviews were also limited to one formal single interview. However, staff interviews were less formal. Staff members were also open to follow-up interviews, which took place with some staff and led to closeness and personal relations that allowed for more discussions on the research topic in general. For instance, during the initial interview with staff members, when asked about how recent changes in HRM affect workplace, staff members gave general responses on specific areas where they perceived

some changes without specifically explaining how these changes to the work environment were perceived. However, during follow-up interviews when closer relationships developed, some staff members shared their feelings, stories, and experiences during the most recent HRM reform. Some interviewees expressed their frustration and criticism of some aspects of the reform processes in general. As mentioned in the literature review chapter, there are some methodological limitations within current HRM literature because senior managers are more likely to provide biased reports on the extent of the effects of HRM reforms, which is one of the common weaknesses in qualitative HRM research findings (Gould-Williams, 2004).

To ensure anonymity and confidentiality, all participants were asked to sign a consent form used for conducting interviews (see Appendix H). The interviews serve to explain data obtained through the questionnaire, to explore the details about the strategic direction of the organization, to investigate perceptions of the effectiveness of reform process, to understand the dynamics of the reform process, to explore HRM effects on individual attitudes, and to investigate additional issues that might be beneficial for the study. To maintain confidentiality, of research participants, their names are not revealed in this study.

4.6 Data Collection Procedures and Analysis

4.6.1 Quantitative Data Collection Procedures

Data collection for the quantitative part was through closed-ended survey questionnaires. The questionnaires included a letter inviting individual participation and assuring that responses would be kept confidential (see Appendix G). After acquiring the organization's permission (see Appendix K), a pilot test was conducted on a sample of 40 employees.

Based on the organization's request, participants were asked to fill in either the English or the Arabic version of the questionnaire due to the large number of host country nationals more comfortable using Arabic. To ensure validity and reliability, the questionnaire was translated into Arabic using the parallel translation technique (Saunders, Lewis, & Thornhill, 2009). The original version of the questionnaire was translated into Arabic by the researcher and by another paid professional translator. The two translated versions were compared to find any differences in the translation. Discrepancies were discussed and corrected by joint agreement between the researcher and the translator. The translated questionnaire was distributed to a group of individuals not involved in this study and the collected data was compared in order to assure the validity and reliability of the questionnaire. Before inviting all the participants to fill in the actual questionnaire, the pilot study, targeting 40 employees in one of the organization's units, was handed out. The participants were asked to note any terms that were difficult to understand or ambiguous. After reviewing the results, it was determined no major changes were necessary in the wording of the survey.

The researcher distributed the questionnaires to employees over a period of six weeks. The researcher followed-up with employees on a regular basis to collect filled-in questionnaires in order to minimize the low response drawback often associated with research questionnaires. Participants were asked to choose to fill in either the Arabic or the English version of the questionnaire. Lodgement box was provided over the period of data collection in in each department to collect filled-in questionnaire. The questionnaire also contained a brief set of demographic questions (see Appendix B) to assess the age, gender,

position within the organization, length of service, and educational attainment of participants.

4.6.1.1 Constructs and Measures

This study attempts to understand the impact of high performance work system practices on IGO workers. The study draws from previous research hypothesising that HPWS, on an organizational level, will affect the attitudes of employees at the individual level, such as job satisfaction, motivation, commitment, and intention to quit (Paauwe, 2009; Gerhart, 2005; Guest, 2002). These measures of individual attitudes are the dependent variables identified for this study. The independent variables are the bundles of HPWS practices. As discussed in the previous chapter, a well-established stream of HPWS research has identified staffing and recruitment, performance appraisal, compensation and rewards, and training and development as the main bundles of HPWS (Boselie et al., 2005; Paauwe, 2009; Batt, 2007). Table 3 below lists the constructs (independent and dependent variables) and their operationalization.

Table 3
Study Variables and Measures

	Variables/Constructs	Operationalization (Measures)
Independent Variables - HPWS Practices	Staffing and recruitment	<i>Schuler and Jackson's (1987) Human Resources Management Practices and Policies Profile (HRMPPP) questionnaire</i>
	Performance appraisal	
	Compensation and rewards	
	Training and development	
Dependent Variables - Employee Attitudes Measures	Organizational Commitment	<i>Porter et al.'s (1974) Organizational Commitment Questionnaire (OCQ)</i>
	Job Satisfaction	<i>Spector's (1997) Job Satisfaction Survey</i>
	Motivation	<i>James Lindner's (1998) Motivational Factors Survey</i>
	Intention to Quit	<i>Single item measure was used for employee 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."</i>

The following sections describe each of the dependent and independent variables

4.6.1.2 Independent Variables

Four different bundles of HPWS practices were conceptualized and measured. The four independent variables are the measures of HPWS practices: staffing and recruitment,

performance appraisal, compensation and rewards, and training and development. These four bundles of HPWS practices are mainly addressed in the UNRWA OD reform documents as discussed in the preceding chapter on UNRWA's reform.

Staffing and recruitment: Staffing practices incorporate the policies and decisions for the recruitment process. Five facets were used to assess staffing practices. Each facet was assessed with one item. Facets are as follows: internal or external resources for hiring, new hires job description characteristics, new hires socialization process, career paths within the organization, and employee advancement within the organization.

Performance appraisal: Performance appraisal incorporates all the policies and processes for evaluating individual employee's performance and productivity in relation to certain pre-defined criteria and organizational objectives (Manasa & Reddy, 2009). Five facets were used to assess the performance appraisal process. Each facet was assessed with one item. Items are as follows: to what extent is the appraisal process results oriented; to what extent does the appraisal process aim at employee development; level of employee participation in the appraisal process; performance appraisal time frame; and whether the appraisal process emphasizes individual or team performance.

Compensation and rewards: Compensation and rewards incorporates all organizational policies and practices for individual employee compensation and benefits. Five items were used to assess compensation practices. These items are: salary level compared to other organizations, perks received by employees, employee benefit package,

incentives for productivity and quality, time frame for incentives, job security, and characteristics of the pay system (hierarchical or egalitarian).

Training and development: Training and development incorporates all practices and policies for planning, managing, and implementing employee training and development programs. Six items were used to assess training and development practices. These items are: the amount of training per employee; the time-frame emphasis of employee training programs; to what extent the training and development is planned and systematic; the application of training and development (task-specific or broad); employee participation in formulating training and development needs; and whether training and development is individual or group oriented.

4.6.1.3 Dependent Variables

The dependent variables for this study were employee attitude measures. These variables are:

Organizational commitment: Within management literature, the construct of organizational commitment has two main perspectives. There is a distinction between the attitudinal, and the behavioural organizational commitment (Meyer & Allen, 1997). For the purpose of this study, attitudinal commitment is the main focus by which employees come to think about their relationship with the workplace (Meyer & Allen, 1997). In this context, organizational commitment “can be thought of as a mind set in which individuals consider the extent to which individuals consider the extent to which their own values and goals are congruent with those of the organization (Modway et al., 1982, p.26). Porter et al.’s (1974) Organizational Commitment Questionnaire (OCQ) was used. The fifteen items on the OCQ are designed to assess respondent

1. Loyalty and desire to remain with the organization,
2. Beliefs in and acceptance of the values and goals of the organization,
3. Willingness to put in extra effort to help the organization succeed.

Job satisfaction: The second dependent variable is job satisfaction. The most-used research definition of job satisfaction is by Locke (1976), who defined it as “. . . a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” (p. 1304). Employee job satisfaction was measured using nine facet scales to assess employee attitudes about job aspects. Each facet is assessed with four items, and a total score is computed from all items. The nine facets are satisfaction with the following: (a) pay, (b) promotion, (c) supervision, (d) fringe benefits, (e) contingent rewards (performance based rewards), (f) operating procedures (required rules and procedures), (g) co-workers, (h) nature of the work, and (i) communication.

Motivation: Employee motivation has been defined as: the psychological process that gives behaviour purpose and direction (Kreitner, 1995). Lindner’s scale for motivational factors (1998) was used to assess employee motivation. The scale was designed and validated by the researcher to measure employee motivation based on ten motivating factors: (a) job security, (b) sympathetic help with personal problems, (c) personal loyalty to employees, (d) interesting work, (e) good working conditions, (f) tactful discipline, (g) good wages, (h) promotions and growth in the organization, (i) feeling of being “in” on things, and (j) full appreciation of work done. For each factor, employees specified their level of motivation within the work environment based on three scales: not motivated, motivated, and highly motivated.

Intention to leave the organization: Intention to quit is the voluntary turnover, which is defined as “a self-arrived decision of an individual to end their current employment” (Terborg & Lee, 1984). A single item measure was used for employee “intention to leave the organization.” Respondents were asked to indicate the degree to which they agreed with this statement: “I intend to leave this organization.”

4.6.1.4 Survey and Scales

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 HPWS 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. The questionnaire design is based upon the typology of HRM practices proposed by Schuler and Jackson (1987) and their empirical work in the US (Sparrow & Wu, 1998). The items are presented as 23 pairs of self-explanatory alternative HRM practices. The 23 items represents the four bundles of HPWS practices reflecting the specific area of intervention according to the UNRWA reform documents. Each bundle evaluates one major HRM function, including staffing and recruitment (SAR), performance appraisal (PA), compensation and rewards (CAR), and training and development (TAD). Participants were told that there are no right or wrong answers, and that they should indicate their choice by the appropriate number (ranging from 1 to 7) between the pair of HRM choices. Respondents choose a score between 1 (highest level) to 3 (moderate level) in the left-hand if they perceived that the organization used the practice on the left; scores of 5 (moderate

level) to 7 (highest level) showed that they perceived that the organization used the HRM choice on the right. A score of 4 would indicate that the individual had mixed attitudes about the choice. A higher score indicates the extent to which the organization uses the ideal type of internal employment system developed by SHRM theorists (e.g., Kerr & Slocum, 1987; Osterman, 1987; Sonnenfeld & Peiperl, 1988) adapted from the work of Delery and Doty (1996).

The four dependent variables are employee commitment, satisfaction, motivation, and intention to quit. A set of questionnaires grouped into one single questionnaire was used to measure these variables. First, organizational commitment was measured based on fifteen items using the Organizational Commitment Questionnaire (OCQ). The scale used assesses the respondent's 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. The Organizational Commitment Questionnaire (OCQ) was originally developed by Professor Lyman Porter (1974). He decided not to copyright the instrument in order to encourage its use by other researchers. Consequently, the OCQ exists in the public domain with no need for formal permission to use it (Appendix L).

Second, job satisfaction was measured based on the Job Satisfaction Survey (JSS; Spector, 1997). JSS is a 36-item 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), Co-workers, Nature of Work, and Communication. Scores for these variables are computed as mean item scores, with a possible range from 1 (*very unsatisfied*) to 7 (*very satisfied*), with higher means indicating higher levels of job satisfaction. The JSS is copyrighted material. However, the author permits free use for non-commercial educational or research purposes and an agreement to share the results (Appendix M).

Third, motivation and intention to leave the organization were the last two aspects of the employee attitude measures. Ten items were used to measure employee motivation based on James Lindner's (1998) Motivational Factors Survey to define the degree of motivation within the workplace using the main ten employee motivating factors. The ten 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, and sympathetic help with personal problems. For each item, 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 as to whether they are not motivated, motivated, or highly motivated. Scores have a possible range from 1 (*not motivated*) to 3 (*highly motivated*), with a higher score indicating more motivation by a 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 Ohio State University's Piketon Research and Extension Center. The survey is copyrighted material; however, permission was granted to use it for this research (Appendix N).

Finally, a single item measure was used for employee 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.”

4.6.2 Quantitative Data Analysis

All statistical analyses were performed using the Statistical Package for the Social Sciences (SPSS). Preliminary statistical analyses consisted of descriptive statistics for all study variables, as well as Cronbach’s alpha internal consistency reliability coefficients for the employee questionnaire subscales.¹ Then, hypotheses were tested using stepwise hierarchical multiple regression analysis in an attempt to estimate the net effect of each of the independent variables.

4.6.3 Qualitative Data Collection Procedures

For the qualitative part of the study, face-to-face interviews were conducted with employees from different departments and levels within the organization. Face-to-face interviews have a higher response rate than other interview approaches, such as telephone or group interviews (Bailey, 2007). During face-to-face interviews, questions can be repeated and further explained when the response indicates misunderstanding. Additionally, open discussions during the interview allow for obtaining rich information on the study. A good interviewer should probe more deeply into issues related to quantitative data and the research question. However, interview questions should be easy to

¹ Cronbach Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale; it is expressed as a number between 0 and 1. Internal consistency describes the extent to which all the items in a test measure the same concept or construct.

comprehend, appropriate for the age and education level of the interviewee, and promote interaction (Kvale & Brinkmann, 2009).

The interviews consisted of a standard format of four open-ended questions. Questions were designed to elicit specific information from the interviewees with follow-up questions used to clarify some answers during the interviews. Each interview was scheduled for 30 to 60 minutes. Some interviews were extended upon the permission of the interviewee in order to continue the discussion. With their permission, notes of the participants' responses were made as the interview progressed including the key concepts and main ideas that arose during the interviews. After the interview, notes were reviewed and compiled and some follow-up interviews were conducted either by telephone or face-to-face to obtain clarification about any ambiguous answers. The majority of interviews were conducted in English. However, some interviews with staff members were carried out in Arabic. Interview questions were translated into Arabic based on the same English question format using the direct translating technique (Saunders et al., 2009). Conducting the interview in Arabic with local staff members was an advantage to this study. Conducting some interviews in Arabic allowed for capturing underlying meanings from the interviewees that could not be captured if interviews had been in English. Communicating with interviewees in Arabic clearly helps to understand their experiences and reality. Kvale (1996) mentioned that "language constitutes reality, each language constructing reality in its own way" (p. 43). Interviews conducted in Arabic were then translated into English. Arabic grammatical and syntactical structures do not exist in English; therefore, rather than using "literal" translation (i.e., translating word-by-word), which can reduce the readability

of the text, another technique was used. This translation technique, referred to as “elegant” translation, aims “towards obtaining conceptual equivalence without concern for lexical comparability” (Deutscher, 1968, p. 337, cited in Birbili, 2000). This technique allows for comparability of meanings during the translation process by the researcher based on his proficient understanding of the language and knowledge of the culture (Birbili, 2000).

4.6.3.1 Transcription

After each interview, information was transcribed immediately to find out key ideas, which were used for follow-up interviews. For interview data, the researcher followed a rough approach to transcription. Long pauses, interruptions and repeated words were edited without changing the meaning of the interview data. This approach makes the text easier for the audience to understand. Interview data from Arabic staff member were translated from Arabic into English to contain the original meaning of the interviewees as much as possible. Direct quotes from interviewees are presented in the following chapters to demonstrate the main findings and support the analysis. For each of the interview questions, findings are represented in regular paragraphs and then followed with direct quotes to support the argument presented.

4.6.4 Qualitative Data Analysis

Interviews provide additional insights that are difficult to gain from closed-ended questionnaires to explore the perceptions of the effectiveness of the recent deployment of HPWS, as well as the effects of the newly deployed HPWS on employees in general, providing the rationale for using both quantitative and qualitative data.

The diverse nature of qualitative data requires a structured process for the data analysis. This process followed a series of steps that aimed at identifying and extracting integrated analytic data units to draw conclusions, test propositions, and identify relationships. The first step is condensing data collected from the interviews and recognizing the main themes and meanings that emerged from each answer, then grouping and categorizing themes into relative meaningful chunks of data. This process enables the researcher to reduce various individual responses to a few relevant themes and units of data under identified categories. Once data units are categorized and unitized, the researcher would be able to analyze quantitatively and draw conclusions, identify relationships, and test propositions (Saunders et al., 2009). For example, some interviewees insisted on emphasizing the distinction between the “intended and the actual” changes in HRM when asked about the reform. Other participants proposed some concepts, such as “austerity measures.” These meanings and concepts that emerged from conversations were rearranged into answering themes for each of the interview questions. These emergent themes were then clustered together to construct categories for answers to provide a well-structured, analytical framework to pursue the analysis (Corbin & Strauss, 2008).

In addition to this approach to qualitative analysis, stories and narratives were used by some interviewees to communicate hidden or underlying meanings behind these stories (Coffey & Atkinson, 1996). For example, one chief program officer was asked how recent changes in HRM practices influenced employee attitudes; instead of giving a direct answer, he chose to give an example of his own experience with the Agency. He told a coherent story to communicate his point during the interview, explaining the actions he took, the consequences of those actions, and the events within the organizational context

highlighting the reform process and its relationship to his achievements with his subordinates. He explained how the new HRM strategy gave him an opportunity to implement major changes within his department that boosted employee morale and commitment towards the job.

4.7 Validity and Reliability

In social science research, validity and reliability are the two main concerns of any researcher. Validity refers to the ability of the research instrument to measure what it is supposed to measure and captures the concept being studied, while reliability refers to the consistency and dependability of the measure when used several times, generating accurate information at an aggregate level (Robbins, 2008). The study utilized existing survey instruments that are popular and have been used extensively to assess employee attitudes in organizational research. These instruments have well-established reliability and validity. JSS has an internal consistency reliability of 0.91, based on a sample of 2,870 (Spector, 1985). OCQ has internal consistency reliability ranging from 0.88 to 0.90 based on a sample of 2,563 participants. The HRMPPP questionnaire was mainly designed by US researchers based on the typology of HRM practices proposed by Schuler and Jackson (1987), based on their empirical work in the US (Sparrow & Wu, 1997). The employee questionnaire, which included all the above surveys, was tested during the pilot study for internal consistency and reliability; a Cronbach alpha for the questionnaire was 0.90, which is considered reliable and thus there was no need to change it.²

² Cronbach Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale; it is expressed as a number between 0 and 1. Internal consistency describes the extent to which all the items in a test measure the same concept or construct.

For mixed-methods studies, one of the main concerns regarding validity and reliability is employing both qualitative and quantitative data in answering the research question (Hesse-Biber, 2010). Therefore, the self-designed interview questions (see Appendix J) were utilized during the second (qualitative) phase of the study to gather data on the effects of HPWS on employee attitudes. Qualitative analysis was conducted based on the guidelines from Creswell (2009) for qualitative content analysis. Then qualitative data provided insights into the quantitative data using the same guidelines for embedded research design (Creswell & Clark, 2007).

4.8 Methodological Assumptions, Limitations, and Delimitations

In the mid-1990s, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) changed its management style and became increasingly interested in policy analysis and management studies while integrating research and knowledge management into its practices. Therefore, there was real interest from the organization in facilitating data collection from the field, while ensuring that there was no influence from the Agency on any of the research participants.

One of the key assumptions of the study is that subjects respond honestly, accurately, and without the influence of others. The data collection occurred only six months after the end of the OD reform, which contributed to the response rate, as employees were fully aware of the changes in the HRM system and wanted to show their perceptions of the OD reform. From the early stages of the field research process, all necessary actions were taken to ensure that the survey would be handed to all current employees. In addition, awareness

sessions were held with some staff members on the importance of the research and the significance of having an accurate answer to questionnaires. Participation was voluntary and personnel with strong views, either positive or negative, could have answered in greater proportion than those with neutral views.

One of the limitations of this study comes from the nature of the cross-section research design, which is common in HPWS literature and has been previously discussed by several academics. According to Paauwe (2004), the cross-sectional data used in research examining the effects of HPWS on employees, does not permit any tests of the causal ordering between the effects of HPWS and performance. While the study results specify the effects of HPWS on employee attitudes, testing the causal relationship with performance outcomes requires a longitudinal research approach involving repeated observations of the same variables over long periods of time, which is difficult and expensive, especially with traditional survey methods (Paauwe, 2004).

Another limitation for this study is that only a single organization was included, due to the lack of resources. Therefore, study findings are limited to the research site and study participants. Although similarities may exist between the findings in this study and that which might be found in other IGOs, caution should be taken in making generalizations about the findings of this study in relation to other comparable institutions. However, limiting research to a single organization assisted in isolating HPWS in an attempt to control for size, age, and technology as well as other possible interdependencies for the effects of HPWS on the organizational level.

Finally, in real life many independent variables will affect employee attitudes in addition to HRM practices. These variables may include work relationships, organizational politics, and organizational leadership (Eby & Allen, 2012; Walumbwa, Hartnell, & Oke, 2010; Chang, Rosen, & Levy, 2009). However, this study was limited to examining HPWS practices as independent variables. Any other variables that may affect the dependent variables were excluded from the study.

4.9 Ethical Assurances

Research ethics refer to the system of moral principles and guidelines that direct the research process in addition to the researcher's set of beliefs (Robbins, 2008). There are two main rules that must be followed during the research process. First, the researcher must be honest about the research from the beginning to the end, and must define and collect valid and reliable information without fabricating or over-generalizing findings. Second, when data are collected from human subjects, they are to be afforded all the rights and protections guaranteed by law (Robbins, 2008).

Maintaining ethical standards throughout the entire research process should be the focus of any researcher. Therefore, proper care was taken to follow protocol for collecting data accurately and objectively. Additionally, every attempt was made to comply with ethical standards for conducting research on human subjects considering all standards and measures to protect the respondents and the organization participating in the study. The University of Ottawa Social Science and Humanities Research Ethics Board (REB) approval was sought before data collection (Appendix A). All research participants were

informed that participation was voluntary and they were provided with an informed consent form with a full statement of the intent of the research.

Summary

The purpose of this study was to examine the effects of HPWS on employee attitudes in the IGO context. As the HRM is an emerging field and the study variables such as the attitude measures are considered complex, this study used a mixed-methods research design. A mixed-methods approach allows quantitative data to be collected; likewise, it provides the benefit of gaining additional insights through qualitative data from face-to-face interviews. Using Cochran's (1977) formulas for continuous and categorical data variables, the minimum required sample size to achieve adequate statistical data representative for the population was 218; the 238 employees who took part in the survey provided a 47% response rate. For the qualitative phase of the study, judgment sampling, also known as purposeful sampling, was used to select knowledgeable interview participants who could present a balanced perspective and understanding of the research problem.

For data collection, existing surveys were used including the Job Satisfaction Survey (Spector, 1997), Porter et al.'s (1974) Organizational Commitment Questionnaire (OCQ), Lindner's questionnaire for motivational factors of employees (1998), and the Human Resources Management Policies and Practices Profile (HRMPPP) developed by Schuler and Jackson (1987), each of which has extensive evidence of reliability and validity. Correlational analysis and multiple regression analysis were selected as the most appropriate statistical techniques for testing the research hypotheses. Qualitative analyses

were conducted based on the guidelines from Creswell (2009) for qualitative content analysis. Ethical guidelines were followed while conducting this research study. The next chapter presents the research findings and the analyses performed to address the research question of this study.

CHAPTER V: RESEARCH FINDINGS

5.1 Introduction

The study examines the impacts of the HPWS practices mentioned in the reform process, which includes staffing and recruitment, performance appraisals, compensation and rewards, and training and development, on the four employee attitude measures, which includes employee commitment, satisfaction, motivation, and intention to quit. This aims to determine which practices have any effects on any of these attitude measures in the IGO context as the intermediate variable to performance. Both quantitative and qualitative approaches were utilized to answer the main research question posed in the previous chapters with the associated hypotheses. The current chapter presents the research findings and the analyses performed to answer the research question and test the associated hypotheses. First, quantitative findings are presented, including descriptive statistics of each of the study variables to summarize the data collected and present the main features of each variable in this study. Then, bivariate analysis is presented to test the relationships between study variables. The study uses correlations to test association, and hierarchal multiple regression analysis to examine the net effect of each of the four bundles of HPWS (staffing and recruitment, performance appraisal, compensation and rewards, and training and development) on employee attitudes. The study also reports the correlation coefficients between each bundle of HPWS practices and each of the employee attitude measures. Then the sixteen hypotheses identified in the previous chapter are tested using hierarchal multiple regression analysis in an attempt to estimate the net effect of each of the independent variables on each of the dependent variables. Finally, the primarily evaluation

of study findings is discussed and a summary of the key findings is presented. After presenting quantitative data, qualitative data is presented from the face-to-face interviews with staff members and senior management. The qualitative data are used to verify the quantitative data on the recent OD reform within the UNRWA. Qualitative data analysis is based on extracting integrated analytic data units to draw conclusions, test propositions, and identify relationships between study variables.

5.2 Quantitative Results

Prior to discussing the main research findings to answer the research question and test the research hypotheses, several preliminary analyses were performed, including descriptive statistics for all study variables and Cronbach's alpha internal consistency reliability for the study questionnaires. Table 4 shows the descriptive statistics for demographics and background characteristics of the sample. As shown in the table below, most of the participants were in the middle age categories, with 42.7% between 31 and 45 years old and 30.3% between 46 and 60 years old. The majority of the participants (59.4%) were male.

Table 4

Descriptive Statistics for Participant Demographic and Background Characteristics (N 234)

	Frequency	Percentage
Age range		
18 – 30 years old	31	13.2
31 – 45 years old	100	42.7
46 – 60 years old	71	30.3
Over 60 years old	1	0.4
Missing	31	13.2

	Frequency	Percentage
Male	139	59.4
Female	66	28.2
Missing	29	12.4
Current position		
Executive staff	1	0.4
Program Director	10	4.3
Head of Department	16	6.8
Supervisor	54	23.1
Staff	129	55.1
Missing	24	10.3
Number of years working with the UNRWA		
Less than 1 year	3	1.3
1–5 years	37	15.8
6 –10 years	49	20.9
11–15 years	46	19.7
16 – 20 years	46	19.6
More than 20 years	35	14.9
Missing	18	7.7
Highest level of education attained		
High School Diploma	23	9.8
College Diploma (2 years)	45	19.2
Bachelor Degree (4 years)	104	44.4
Graduate Degree (Masters/PhD)	48	20.5
Missing	14	6

The most common current position was staff, 55.1%, followed by supervisor, 23.1%. Over 80% of the participants have been working with the UNRWA for over 6 years. This indicates that all participants did experience the new implemented practices.

Educationally, the most common degree is a bachelor's degree, 44.4%, graduate degree, 20.5%, and college diploma, 19.2%.

5.2.1 HRM Practices Measures

As discussed earlier, there are four independent variables and four dependent variables related to the research hypotheses for this study. The four independent variables are the measures of HPWS practices. In order to measure these variables, the HRM Practices and Policies Profile (HRMPPP) questionnaire is used. The means and standard deviations of the 23 pairs of HRM choices are presented in Tables 5 to 8, below.

The items are presented as 23 pairs of alternative HRM practices, representing four bundles of HPWS practices. Each item used a seven-point rating scale. Respondents were asked to make a decision as to which option best reflected the organizational HRM practice conducted in that specific area. Participants were told that there were no right or wrong answers, and that they should indicate their choice by the appropriate number (ranging from 1 to 7) between the pair of HRM choices. Respondents choose a score between 1 (highest level) to 3 (moderate level) in the left-hand if they perceived that the organization used the practice as described; scores of 5 (moderate level) to 7 (highest level) showed that they perceived that the organization used the HRM choice at the right-hand side. A score of four would indicate that the individual had mixed attitudes regarding the choice. In the section below, an overview of each bundle of HPWS practices is presented, followed by tables indicating the sample choice of each practice highlighted in italics in Tables 5 to 8.

Staffing and Recruitment

The first bundle of HPWS practices is staffing and recruitment. Staffing and recruitment practices are measured using five items. The first question investigates the

extent to which the organization uses internal human resources for hiring. Using internal resources for new hiring is perceived as rewarding and motivating for employees (Schuler & Jackson, 1987). Higher scores also refer to a well-defined internal career and staffing system with greater opportunities for internal staff to grow and be promoted within the organization. Other measures represent new hires job description characteristics. As shown in Table 5 below, higher scores also indicate more fixed and explicit job descriptions, a more extensive socialization process for new hires, broader career paths within the organization, and more opportunities for employee advancement within the organization.

Table 5

Descriptive Statistics for HRM staffing and recruitment practices of UNRWA employees

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
<i>Staffing and Recruitment Choices (SARC)</i>				
SARC1	New position staffed from external resources	<i>New position staffed from internal resources</i>	4.57	1.72
SARC2	Job description is flexible and adaptive	<i>Job description is fixed and explicit</i>	4.78	1.68
SARC3	<i>Organization offers narrow career paths</i>	Organization offers broad career paths	3.50	1.46
SARC4	Advancement within the organization can be achieved only one way.	Advancement within the organization can be achieved through many avenues.	4.03	1.80
SARC5	The socialization process of new employee is limited.	<i>The socialization process of new employee is extensive.</i>	4.25	1.90

Results indicate that respondents perceived more reliance on internal resources for new hiring (*Mean = 4.57, Std. Deviation = 1.72*), and their job description is fixed and

explicit with specific and fixed roles and responsibilities (*Mean = 4.78, Std. Deviation = 1.68*). The next question investigates whether the organization offers narrow or broad career paths. Results also indicate that the employees perceive that the organization offers narrow career paths (*Mean = 3.50, Std. Deviation = 1.46*), which may be one of the main characteristics of a public organization that relies heavily on specialization and centralization. There was also agreement within the sample that the socialization process for new employees is extensive (*Mean = 4.25, Std. Deviation = 1.90*). Finally, results indicate non-significant results indicating mixed perceptions towards the opportunities for advancement within the organization (*Mean = 4.03, Std. Deviation = 1.80*).

It is clear from these findings that respondents agree that after the reform there was an uptake of three practices from the staffing and recruitment bundle. Results indicate that employees believe that the organization relies heavily on internal resources, uses fixed and explicit job descriptions, and employs an extensive socialization process for new hires. However, they perceived some limitations in the opportunities for advancement within the organization, referred to as the narrow path for advancement, which is limited to the specific area of practice or the same business unit.

Performance Appraisal

The second bundle of HPWS practices is the performance appraisal. Performance appraisal processes are measured using five items. For the first item, higher scores refer to the degree to which performance appraisals are results-oriented, addressing the actual performance rather than focusing on behaviours with less attention to performance

outcomes. The second item examines whether the appraisal process emphasizes employee development based on feedback and specific expected performance. The third and fourth items investigate the level of employee participation in the appraisal process and the time frame for the appraisal process respectively. The last item investigates whether the performance appraisal process emphasizes group or individual performance.

As shown in Table 6, according to the respondents' perceptions, the Agency uses performance appraisal processes that tend to be results-oriented rather than behaviourally oriented (*Mean = 3.61* , *Std. Deviation = 1.69*). However, employees perceived little attention towards their own development in the appraisal process (*Mean =3.60*, *Std. Deviation =1.86*), with more focus on short-term results (*Mean =3.80*, *Std. Deviation =1.82*).

Table 6

Descriptive Statistics for performance appraisal practices of UNRWA employees

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
<i>Performance Appraisal Choices (PAC)</i>				
PAC1	<i>Performance appraisal tends to be Results-oriented</i>	Performance appraisal tends to be behaviourally oriented	3.61	1.69
PAC2	<i>The primary purpose of the appraisal is Performance.</i>	The primary purpose of the appraisal is Employee Development.	3.60	1.86
PAC3	<i>Low level of employee participation in the appraisal process</i>	High level of employee participation in the appraisal process	3.80	1.82

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
PAC4	Appraisal process emphasizes short-term criteria	Appraisal process emphasizes long-term criteria	3.99	1.67
PAC5	<i>Appraisal emphasis individual performance.</i>	Appraisal emphasis group performance.	3.83	1.94

Other results have shown marginally significant results regarding the perception of low participation in the appraisal process (*Mean = 3.80, Std. Deviation = 1.82*).

According to the survey results, the performance appraisal process focuses on results, but other aspects of the process are not fully adopted by the Agency, as perceived by the employees. For instance, results indicate that there is little attention paid to employee development. HRM literature emphasize 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). Results also indicate non-significant results for mixed perceptions among employees regarding the performance appraisal time frame whether it focused on long- or short-term criteria (*Mean = 3.99, Std. Deviation = 1.67*). Finally, results indicate a marginally significant result on the perception of more focus on individual performance rather than group performance during the appraisal process (*Mean = 3.83, Std. Deviation = 1.94*).

Compensation and Rewards

The compensation and rewards bundle of HPWS practices is measured using seven items. The first item examines employee perceptions towards the level of salaries compared with other organizations. The other items investigate the extent to which

employees perceive that they receive many perks, a flexible benefits package, and rewards for productivity and quality of work. The last two items examines employee perceptions towards job security and the nature of the compensation system. As shown in Table 7, below, results indicate that respondents perceived very limited use of HPWS practices in this specific function of HRM. These results were further detailed in the qualitative results as interviews with many employees revealed that the organization implemented new austerity measures, which have great impacts on the levels of reward and incentive packages. The job satisfaction survey results also indicate that two main measures of job satisfaction with pay and remuneration, and monetary and non-monetary fringe benefits have the lowest scores of measures of employee satisfaction.

Table 7

Descriptive Statistics for compensation and rewards practice of UNRWA employees

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
<i>Compensation and Rewards Choices (CARC)</i>				
CARC1	<i>The organization pays low salaries when compared with other organizations.</i>	The organization pays high salaries when compared with other organizations.	3.34	1.64
CARC2	<i>Employees receive few perks.</i>	Employees receive many perks.	3.17	1.53
CARC3	<i>Benefits package is a standard, fixed package.</i>	Benefits package is a flexible package.	3.87	1.93
CARC4	<i>The pay system contains no incentives to reward productivity, quality or other desired results.</i>	The pay system contains many incentives to reward productivity, quality or other desired results.	2.92	1.48

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
CARC5	<i>The incentives tend to be short-term.</i>	The incentives tend to be long-term.	3.29	1.65
CARC6	<i>Typically there is no job security</i>	Typically there is high job security	3.84	1.97
CARC7	<i>Our compensation system is hierarchical in nature.</i>	Our compensation system is egalitarian in nature.	2.63	1.65

Results have shown that employees perceived that the organization pays low salaries when compared with other organizations ($Mean = 3.34, SD = 1.64$), and the compensation system within the Agency has few perks ($Mean = 3.17, SD = 1.53$), with very few incentives for productivity and quality ($Mean = 2.92, SD = 1.48$). The respondents also reported that the compensation system tends to focus on short-term results ($Mean = 3.29, SD = 1.65$), and is hierarchal in nature rather than egalitarian ($Mean = 2.63, SD = 1.65$). Results also indicated non-significant results regarding employee perceptions of standard versus fixed benefit packages ($Mean = 3.87, SD = 1.93$), and low job security ($Mean = 3.84, SD = 1.97$).

Results indicate that employee perceptions of current rewards and compensation practices clearly demonstrate very little use of HPWS practices in this specific area. This is clear from employee perceptions of low salaries and few perks received, in addition to the other measures, including the rewarding for productivity and quality measures.

Training and Development

The last bundle of HPWS practices is training and development. Higher scores indicate that the respondents agree that there is planned and systematic extensive training that is task specific and based on employee participation, with group rather than individual

orientation. As shown in Table 8, results indicate little uptake of these practices. First, respondents' perceptions of the training and development programs were that they were unsystematic and not well planned ($Mean = 3.69, SD = 1.83$). Respondents also indicated that they received limited training ($Mean = 3.31, SD = 1.75$) and training and development programs were characterized as task specific ($Mean = 4.50, SD = 1.68$). However, training and development programs do focus on the long-term ($Mean = 4.22, SD = 1.72$), with relatively high employee participation ($Mean = 4.26, SD = 1.74$).

Table 8

Descriptive Statistics for training and development practices of UNRWA employees

Items	Low-Score Choice	High-Score Choice	Mean	Std. Deviation
<i>Training and Development Choices (TAD)</i>				
TAD1	The emphasis of employee training program is short-term.	<i>The emphasis of employee training program is long-term.</i>	4.22	1.72
TAD2	<i>There is a limited amount of training per employee.</i>	There is an extensive amount of training per employee	3.31	1.75
TAD3	The training and development received has broad applications.	<i>The training and development received is task-specific.</i>	4.50	1.68
TAD4	<i>Training and development received is unplanned, and unsystematic.</i>	Training and development received is planned, and systematic.	3.69	1.83
TAD5	Employee participation in formulating training and development needs is low.	<i>Employee participation in formulating training and development needs is high.</i>	4.26	1.74
TAD6	<i>Training and development is oriented toward individuals.</i>	Training and development is oriented toward groups.	3.36	1.83

Finally, the majority of training received is oriented towards individual rather than group performance ($Mean = 3.36, SD = 1.83$). These results indicate that respondents perceive little uptake of HPWS practices in this area, especially with the amount of training received and the training planning processes.

As shown in the four tables above and summarized in table 9 below, based on respondents' views and perceptions of current HRM practices, six of the HPWS practices were found to be used to some extent (hiring mainly from within the organization, using fixed and explicit job descriptions, an extensive socialization process for the new employees, employee participation in formulating training and development, the emphasis of the employee training program is long-term, and the training and development received is task-specific). There was little uptake of the other HPWS practices. However, as indicated by the standard deviations, there was little consistency in practice across the sample. These measures constitute the independent variables in the study. The main purpose of measuring current HRM practices is to understand the effects of these measures on employee attitudes, as shown in the next section.

Table 9

Summary of HRM practices as perceived by UNRWA employees

Used practices	Neutral	Little used
New position staffed from internal resources	Advancement within the organization can be achieved through many avenues (ns)	Organization offers broad career paths
Job description is fixed and explicit	Appraisal process emphasizes long-term criteria (ns)	Performance appraisal tends to be behaviourally oriented
The socialization process of new employee is extensive.		The primary purpose of the appraisal is employee development

Used practices	Neutral	Little used
Employee participation in formulating training and development needs is high		High level of employee participation in the appraisal process (ns)
Emphasis of employee training program is long-term.		Emphasis on group performance
The training and development received is task-specific.		The organization pays high salaries when compared with other organizations.
		Benefits package is a flexible package (ns)
		The incentives tend to be long-term.
		Employees receive many perks
		The pay system contains many incentives to reward productivity, quality, or other desired results.
		Typically there is high job security
		Our compensation system is egalitarian in nature.
		There is a limited amount of training per employee.
		Training and development is oriented toward groups.
		Training and development received is planned, and systematic.

Overall, respondents' views have shown little use of HPWS practices, especially in the area of rewards and compensation. One possible explanation of these results is the new austerity measures implemented during the reform process. Previous research examining organizational reforms has also shown that reforms are associated with increased managerial control, especially under austerity measures, which may explain employee perceptions towards current HRM practices (Brunetto & Farr-Wharton, 2004). This explanation is also supported by the interviews with some staff members. As shown in the

next section, during the interviews, many employees expressed their concerns regarding the new austerity measures within the organization, which influenced employee views and perceptions towards the newly deployed HRM system. The interviews support this explanation, as one senior staff member stated:

Now employees are always requested to identify their training needs and meeting their supervisor to discuss their performance and how to improve it. However, training depends on our budget. Although there is nothing stopping any member of staff applying for training, it goes back to the top management to decide the budgeting priorities and the final approval is subject to finances. (Personal Interview, January 9, 2012)

Accordingly, workers' views of the newly implemented HPWS were influenced by the new financial measures that aimed at significant cost cutting. Another possible explanation is that the process of reform is a long-term endeavour and time is an important factor for employees to have positive views on the reform process (Bauer, 2009). The main purpose of collecting this data was to examine the bivariate relationships between the dependent and independent variables. The next section summarizes the results of the attitude measures that constitute the dependent variables in this study.

5.2.2 Attitude Measures

The four dependent variables are employee attitude measures: employee commitment, job satisfaction, motivation, and intention to quit. A set of questionnaires grouped into one single questionnaire was used to measure these variables. These questionnaires included the Organizational Commitment Questionnaire (OCQ) designed by Porter et al. (1974), the Job Satisfaction Survey (JSS) designed by Spector (1997), and the

motivation factors survey designed by James Lindner (1998). The following sections present the statistical analysis of each of these questionnaires.

5.2.2.1 Organizational Commitment

The Organizational Commitment Questionnaire (OCQ) has fifteen items designed to assess respondents' commitment based on measuring 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. Scores for these variables are computed as mean item scores with a possible range from 1 (*low commitment*) to 7 (*highly committed*), with higher means indicating higher levels of organizational commitment. Table 10 below provides the means, standard deviations, reliability coefficients, and Cronbach alpha values for multi-item measures.

The reliability coefficients for the OCQ scales ranged from 0.70 to 0.80. The results suggest that respondents were committed to the organization and have a strong desire to remain in the organization (*Mean = 4.76, Std. Deviation 1.01*). The highest score is for the measure that the employee believes in and accepts the values and goals of the organization. The results suggest that to a certain extent, employees believe in and accept the values and goals of the organization (*Mean = 4.87, Std. Deviation 1.23*). Then, the second score shows that respondents are loyal to the organization and have a real desire to remain with the organization (*Mean = 4.78, Std. Deviation 1.25*). Finally, the last measurement for employee commitment was willingness to put in extra effort to help the organization succeed. Similarly results showed that the respondents are willing to put in extra effort to help the organization succeed (*Mean = 4.62, Std. Deviation 0.96*).

Table 10
Descriptive Statistics for organizational commitment questionnaire results

Items	N	Mean	Std. Deviation	Cronbach's Alpha
Loyalty and desire to remain with the organization	231	4.78	1.25	0.70
Beliefs in and acceptance of the values and goals of the organization	231	4.87	1.23	0.76
Willingness to put in extra effort to help the organization succeed.	231	4.62	0.96	0.80
Total Commitment	231	4.76	1.01	0.85

Job Satisfaction

Job satisfaction is the second dependent variable. Job satisfaction is measured using the Job Satisfaction Survey (JSS) designed by Spector (1997). JSS is a 36-item 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), co-workers, nature of work, and communication. Table 11 below, provides the means, standard deviations, reliability coefficients, and Cronbach alpha values for multi-item measures. Scores for these variables are computed as mean item scores, with a possible range from 1 (*very unsatisfied*) to 7 (*very satisfied*), with higher means indicating higher levels of satisfaction. The reliability coefficients for the JSS scales ranged from .63 to .94.

Table 11
Descriptive Statistics for job satisfaction survey results

Item	N	Mean	Std. Deviation	Cronbach's Alpha
Pay and remuneration	233	3.48	1.51	0.86
Promotion opportunities	233	4.28	1.33	0.63
Immediate supervisor	230	4.98	1.61	0.94
Monetary and non-monetary fringe benefits	233	3.34	1.46	0.65
Appreciation, recognition, and rewards for good work	233	4.14	1.29	0.72
Operating policies and procedures	230	4.82	1.41	0.82
People you work with	230	4.37	0.82	0.91
Job tasks themselves	230	4.85	1.34	0.93
Communication within the organization	230	5.07	1.39	0.86
Total satisfaction	233	4.36	1.09	0.92

The results suggest that respondents are very satisfied with communication within the organization (*Mean = 5.07, Std. Deviation 1.39*), and very satisfied with their immediate supervisors (*Mean = 4.98, Std. Deviation 1.61*). Respondents are satisfied with the nature of work (*Mean = 4.85, Std. Deviation 0.82*), and satisfied with operating procedures (*Mean = 4.82, Std. Deviation 1.41*). However, they are neutral about co-workers (*Mean = 4.37, Std. Deviation 0.82*), promotion opportunities (*Mean = 4.28, Std. Deviation 1.33*), and appreciation, recognition, and rewards for good work (*Mean = 4.14, Std. Deviation 1.29*). These results are also clear from the HRMPPP results, in which participants responded to two questions on career paths within the organization and opportunities for advancement. Respondents were dissatisfied with pay and remuneration (*Mean = 3.48, Std. Deviation 1.51*), and monetary and non-monetary fringe benefits (*Mean = 3.34, Std. Deviation 1.46*). These results are also consistent with HRMPPP results in which participant answers indicated very little uptake of HPWS in compensation and rewards practices.

Motivation and Intention to Quit

Motivation and intention to leave the organization are the last two aspects of employee attitude measures. Ten items were used to measure employee motivation, based on the work of James Lindner (1998), to define the degree of motivation within the workplace using 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, and 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 to correspond to whether they are not motivated, motivated, or highly motivated. Scores have a possible range from 1 (*not motivated*) to 3 (*highly motivated*), with a higher score indicating higher motivation. A total score is computed from all items. Scores for these variables are computed as mean item scores.

As shown in Table 12 below, reliability coefficients, Cronbach alpha values, for multi-item measures is 0.89. Results indicate that employees are motivated by these factors (*Mean = 2.21, Std. Deviation 0.51*). However, the highest motivating factors are the organization's personal loyalty to employees (*Mean = 2.31, Std. Deviation 0.64*) and nature of interesting work (*Mean = 2.41, Std. Deviation 0.64*).

Table 12

Descriptive Statistics for motivation of UNRWA employees Cronbach alpha value for aggregated, multi-item measures 0.89.

Motivating Factor	N	Mean	Std. Deviation
Interesting work	228	2.41	0.64
Good wages	228	2.21	0.70
Appreciation for job well done	228	2.26	0.70
Job security	225	2.24	0.82
Good working conditions	227	2.19	0.70
Promotions and growth in the organization	228	2.09	0.80
Feeling of being "in" on things	228	2.29	0.68

Motivating Factor	N	Mean	Std. Deviation
Personal loyalty to employees	227	2.31	0.64
Tactful discipline	220	2.17	0.60
Sympathetic help with personal problems	227	1.88	0.68
Total Motivation	229	2.21	0.51

Finally, intention to leave the organization is measured using a single item based on the simplistic approach utilized by several researchers (Gould-Williams, 2004). Scores for this variable (reversed) is computed as a mean item score with a possible range from 1 (*strongly disagree*) to 7 (*strongly agree*). Higher means indicates higher levels of intention to leave the organization. As shown in Table 13, below, respondents were asked to select the degree to which they agree with the statement “I intend to leave this organization.”

Table 13

Descriptive Statistics for intention to quit of UNRWA employees

	N	Mean	Std. Deviation
Intention to Quit	224	2.68	1.91

Higher scores indicate that respondents agree with the statement. Results indicate that respondents have no intention to quit (*Mean = 2.68, Std. Deviation 1.91*).

The above analysis provides the mean values of each of the dependent variables representing attitude measures of IGO workers. Based on the above analysis, it is clear that the lowest score for the attitude measures is the intention to quit, with *Mean = 2.68*. This indicates a strong desire from respondents to remain with the organization. These results are in congruence with those obtained from the Organizational Commitment Questionnaire

(OCQ) for which results reported indicated that respondents are also committed to the organization, with $Mean = 4.76$. Employee motivation results also indicate that employees are motivated to work within the organization, with $Mean = 2.21$, for a score of 2 as the midpoint. Results have shown that their main motivator is the interesting nature of their work. Finally, the reported results indicate the overall indicators of employee satisfaction in that employees are satisfied, to a certain extent, with their working conditions, with $Mean = 4.36$. However, respondents are very satisfied with communication within the organization ($Mean = 5.07$, $Std. Deviation 1.39$) and very satisfied with immediate supervisors ($Mean = 4.98$, $Std. Deviation 1.61$). Results reported also showed that respondents are not satisfied with pay and remuneration ($Mean = 3.48$, $Std. Deviation 1.51$) and not satisfied with monetary and non-monetary fringe benefits ($Mean = 3.34$, $Std. Deviation 1.46$).

The next step is to examine the bivariate relationships between each of these attitude measures and previously reported measures of HPWS practices to evaluate the net effect of each of the independent variables (HPWS) on the each of the dependent variables (attitude measures). This is the main step in testing the research hypotheses. The first section evaluates the correlation between dependent and independent variables, but not their causation. Correlation analysis ascertains the degree of relationship and the association between two variables. However, correlation does not mean that one variable is the cause and other is the effect. Once the correlation is discussed, the next section introduces the regression analysis. Regression analysis provides insight into the effect (if any) of each of the independent variables on the dependent variable through examining the

nature of the relationship between the variables so that we may be able to predict the value of the dependent variables based on independent variables.

5.2.3 Bivariate Analysis

This section outlines the bivariate relationships between the dependent and independent variables. Correlations and multiple regression analyses are performed to examine the relationships between study variables. All statistical analyses are performed using SPSS. After the data entry into SPSS tables, skewness and kurtosis tests were performed to examine the data distribution for the dependent variables (commitment, job satisfaction, motivation, and intention to quit). These tests are important to examine whether non-parametric alternatives, that do not assume normality, are necessary to test the robustness of the parametric conclusions. According to the classical guidelines provided by Bulmer (1965), values of skewness and kurtosis between 0 and 0.50 (in absolute value) are indicative of approximately normal distributions; values between 0.50 and 1.00 (in absolute value) are indicative of moderate non-normality; and values greater than 1.00 (in absolute value) are indicative of high non-normality. The values of skewness and kurtosis for the dependent variables are outlined in Table 14, below, which indicates that three variables are approximately normal distributions, and one variable is moderately non-normal. Additionally, histograms for each variable distribution are constructed as shown in (see Appendix S).

Table 14
Skewness and kurtosis for the dependent variables

Dependent Variable	Skewness	Kurtosis
<i>Commitment</i>	0.14	0.61
<i>Satisfaction</i>	0.04	-0.80
<i>Motivation</i>	0.28	-0.87
<i>Intention to quit</i>	-0.93	-0.28.

Based on this analysis, non-parametric alternatives to the Pearson correlation coefficients (Spearman rank correlations) that do not assume normality are used to supplement the Pearson correlations to test the robustness of the parametric conclusions.

5.2.3.1 Correlations

The next step in statistical analysis is to examine the correlation between dependent and independent variables for the study. The correlation matrices are outlined in Tables 15 and 16. The results show that the relationships are in the anticipated directions, with the associations being between training and development, performance appraisal, and compensation and rewards, with each of the four dependent variables. The highest association is between training and development and job satisfaction with $r_s = 0.600$ significant at ($\rho < 0.01$). Job satisfaction also has a relatively strong association with both performance appraisal, with $r_s = 0.569$ significant at ($\rho < 0.01$), and compensation and rewards, with $r_s = 0.506$ significant at ($\rho < 0.01$). Finally, there is a moderate association between job satisfaction and staffing and recruitment practices with $r_s = 0.361$ significant at ($\rho < 0.01$). For employee commitment, the results indicate that it has the 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 staffing and recruitment practices is the lowest, compared to other practices, with $r_s = 0.229$ significant at ($\rho < 0.01$). The only non-significant association is between performance appraisal and employee motivation at ($\rho < 0.05$). However, there is a significant correlation between motivation and the other bundles of HPWS practices. For instance, a positive correlation exists between training and development and motivation with a positive Spearman correlation of $r_s = 0.197$ significant at ($\rho < 0.01$). Correlation matrices are introduced in Tables 15 and 16 below.

Table 15
Non-parametric 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. HPWS	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

**Correlation is significant at the 0.01 level (1-tailed).

*Correlation is significant at the 0.05 level (1-tailed).

Table 16
Correlation Matrix

		1	2	3	4	5	6	7	8	9
1. Commitment	Pearson Correlation	1								
	Sig. (1-tailed)									
	N	231								
2. Satisfaction	Pearson Correlation	.738**	1							
	Sig. (1-tailed)	.000								
	N	231	233							
3. Motivation	Pearson Correlation	.260**	.275**	1						
	Sig. (1-tailed)	.000	.000							
	N	229	229	229						
4. Intention to Quit	Pearson Correlation	-.464**	-.318**	-.182**	1					
	Sig. (1-tailed)	.000	.000	.003						
	N	224	224	223	224					
5. Staffing and Recruitment	Pearson Correlation	.210**	.336**	.117*	-.074	1				
	Sig. (1-tailed)	.001	.000	.038	.135					
	N	231	233	229	224	234				
6. Performance Appraisal	Pearson Correlation	.470**	.558**	.041	-.187**	.354**	1			
	Sig. (1-tailed)	.000	.000	.269	.003	.000				
	N	231	233	229	224	233	233			
7. Compensation and Rewards	Pearson Correlation	.300**	.508**	.201**	-.065	.328**	.341**	1		
	Sig. (1-tailed)	.000	.000	.001	.165	.000	.000			
	N	231	233	229	224	233	233	233		
8. Training and Development	Pearson Correlation	.471**	.586**	.183**	-.205**	.293**	.387**	.604**	1	
	Sig. (1-tailed)	.000	.000	.003	.001	.000	.000	.000		
	N	230	231	228	223	231	231	231	231	
9. HPWS	Pearson Correlation	.486**	.672**	.179**	-.158**	.599**	.646**	.807**	.804**	1
	Sig. (1-tailed)	.000	.000	.003	.009	.000	.000	.000	.000	
	N	231	233	229	224	234	233	233	231	234

** Correlation is significant at the 0.01 level (1-tailed).

* Correlation is significant at the 0.05 level (1-tailed).

As shown in summary Tables 17 and 18 below, the two dependent variables of commitment and satisfaction have the strongest association with the four bundles of HPWS practices. The strongest association reported is between training and development,

performance appraisal, compensation and rewards, and each of the attitude measures. Results have also shown that the aggregate effects of HPWS have the highest association with each of the dependent variables. This also indicates that HPWS are mutually reinforcing, overlapping, and have synergistic effects on employee attitudes. These findings of association do not necessarily indicate any kind of causation or an effect of one variable on the other. As mentioned earlier, correlation analysis indicates the relationship between two random variables, including strength and direction. It varies from -1 to 1. A value of -1 indicates a perfect negative correlation, 0 indicates no correlation, and +1 indicates a perfect positive correlation. However, this does not necessarily indicate any causation between the two variables.

Table 17

Summary of correlations between employee commitment and bundles of HPWS practices

HRM Practice	Pearson Correlations <i>r</i>	Spearman Correlations <i>r_s</i>
Staffing and Recruitment	0.210**	0.229**
Performance Appraisal	0.47**	0.454**
Compensation and Rewards	0.300**	0.313**
Training and Development	0.471**	0.469**
HPWS	0.486**	0.506**

** Correlation is significant at the 0.01 level (1-tailed).

Table 18
Summary of correlations between employee job satisfaction and bundles of HPWS practices

HRM Practice	Pearson Correlations <i>r</i>	Spearman Correlations <i>r_s</i>
Staffing and Recruitment	.336**	.361**
Performance Appraisal	.558**	.569**
Compensation and Rewards	.508**	.506**
Training and Development	.586**	.600**
HPWS	.672**	.683**

** Correlation is significant at the 0.01 level (1-tailed).

The following section examines the research hypotheses for this study, using hierarchal multiple regression analyses in an attempt to estimate the net effect of each bundle of HPWS practices on individual worker attitude measures. In other words, this section evaluates which bundle of HPWS is a significant predictor of employee attitude measures.

5.2.3.2 Regression Analysis

The research hypotheses identified were tested using hierarchal multiple regression in an attempt to estimate the net effect of each of the independent variables (bundles of HPWS practices) on the dependent variables (employee attitudes). Analysis was performed using SPSS REGRESSION for evaluation of assumptions. Four models are presented in tables 19 - 22 below, combining the independent variables (X_i), to predict the dependent variable (Y_i). The regression model used is:

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$$

Where: Y_i = dependent variable (employee attitude measure)

X_1 = Staffing and recruitment bundle.

X_2 = Performance appraisal bundle.

X_3 = Compensation and rewards bundle.

X_4 = Performance appraisal bundle.

β_0 = Intercept of the regression equation.

β_{1-4} = Coefficients of the regression equation for X_i ; $i = \{1-4\}$.

For the first regression analysis model, Y_1 is the first dependent variable representing employee commitment. In the second multiple regression analysis, dependent variable Y_1 , is substituted with Y_2 representing employee job satisfaction. Then, the same procedure for the other two dependent variables is followed, substituting the dependent variable motivation as Y_3 , and finally Y_4 representing the intention to quit.

The hierarchical multiple regression method is based on entering the variables into the model in a specified order, based on the significant contribution of the independent variable to increase the predictive power of the model (Brace, Kemp, & Snelgar, 2006). The order in which the independent variables are entered into (or taken out of) the model is determined according to the strength of their correlation with the dependent variable. In this study, the stepwise method is utilized to select the best model to understand the relationship between the dependent and independent variables. Stepwise is the most sophisticated method used to build statistical models based on hierarchical multiple regressions (Brace, Kemp, & Snelgar, 2006). Using the stepwise method, each variable is entered in sequence and its value assessed. If adding the variable contributes to the model then it is retained, but all other variables in the model are then re-tested to see if they are

still contributing to the success of the model. If they no longer contribute significantly, they are removed. Thus, this method should ensure that the final model has the smallest and the strongest possible set of predictor variables.

The results for the stepwise hierarchal multiple regressions are shown in tables 19 - 22. These results let to transformation of the variables to reduce skewness, reduce the number of outliers, and improve the normality, linearity, and homoscedasticity of residuals. In the next section, the four models are presented to examine the relationship between the study variables. Based on the regression equations, results reveal that each of the independent variables except staffing and recruitment significantly contributes to explaining the variance in one or more of the attitude measures. A detailed presentation of each of the four models associated with the four dependent variables is discussed below.

Model 1: Employee Commitment

Table 19 below displays the unstandardized regression coefficients (B) and intercept, the standardized regression coefficients (β), the semi-partial correlations (sri^2), R , R^2 , and adjusted R^2 after using the stepwise method. Each variable was entered in sequence and its value assessed. If adding the variable contributed to the model then it is retained, but all other variables in the model were then re-tested to see if they are still contributing to the success of the model. If they no longer contribute significantly, they are removed. After assessing the contribution of all the variables to the model, R found to be significantly different from zero. After the last step only two variables were found to be statistically significant predictors of employee commitment.

Table 19

Results of Regression Analysis with HPWS as Predictors of Employee Commitment

Model 1: Commitment

Variables	<i>B</i>	<i>SE B</i>	β	<i>sr</i> ² (incremental)	Partial Correlations
Training and Development	.305	.053	.340***	.222	
Performance Appraisal	.309	.054	.339***	.097 ^a	
Compensation and Rewards					-.034
Staffing and Recruitment					-.011
			$R^2=.319$		
			Adjusted $R^2=.313$		
			F Value=53.213***		
			N=229		

- a. Semi-partial correlation sr_i^2 - representing change in R^2 after entering performance appraisal as predictor.
 *statistically significant at .05 level
 **statistically significant at .01 level
 ***statistically significant at .001 level

As seen in Table 19, the first model shows that two bundles of HPWS practices are powerful and statistically significant predictors of employee commitment. These bundles are 1) performance appraisal and 2) training and development. This pattern of results suggests that over a third of variability in employee commitment is predicted by the performance appraisals process and the training and development programs in the organization. Staffing and recruitment practices in addition to compensation and rewards add no real contribution to the prediction of employee commitment.

This indicates that both performance appraisal and training and development have positive effects on employee commitment. For this dependent variable, adjusted $R^2 = 0.319$, which shows that the model accounts for 31.9% of variance in employee commitment significant at ($\rho < 0.001$). Accordingly, bundles, training and development ($\beta = .340$, $\rho < .001$), and performance appraisal ($\beta = 0.339$, $\rho < .001$), are statistically

significant predictors of employee commitment. The model also reveals that neither rewards and compensation, nor recruitment bundles are statistically significant predictors of employee commitment. In other words, staffing and recruitment, and compensation and rewards bundles have no effect on employee commitment. Accordingly, there is no indication of the positive impacts of these two bundles of HPWS practices on employee commitment in IGOs. These results suggest that null hypotheses $HI-2_o$ and $HI-4_o$ should be rejected at ($\alpha < .05$). Results also indicate no effects of staffing and recruitment, and compensation and rewards on employee commitment, which suggests that null hypotheses $HI-1_o$ and $HI-3_o$ should be accepted at ($\alpha < .05$) as summarized in Table 20 below.

Model 2: Job Satisfaction

Table 20 below displays the unstandardized regression coefficients (B) and intercept, the standardized regression coefficients (β), the semi-partial correlations (sri^2), R , R^2 , and adjusted R^2 after using the stepwise method. After assessing the contribution of all the variables to the model, R found to be significantly different from zero. After the last step only three variables were found to be statistically significant predictors of job satisfaction.

Table 20

Results of Regression Analysis with HPWS as Predictors of Job Satisfaction

Model 2: Job Satisfaction

Variables	<i>B</i>	<i>SE B</i>	β	<i>sr</i> ² (incremental)	Partial Correlations
Training and Development	.324	.059	.334***	.344 ^a	
Performance Appraisal	.357	.051	.363***	.127 ^b	
Compensation and Rewards	.204	.066	.185**	.021 ^c	
Staffing and Recruitment					.076
		$R^2=.493$			
		Adjusted $R^2=.486$			
		F Value=73.457***			
		N=229			

a. Semi-partial correlation sr_i^2 - predictors: (Constant), training and development.

b. Semi-partial correlation sr_i^2 - predictors: (Constant), training and development performance appraisal.

c. Semi-partial correlation sr_i^2 - predictors: (Constant), training and development performance appraisal and compensation and rewards.

*statistically significant at .05 level

**statistically significant at .01 level

***statistically significant at .001 level

These bundles are performance appraisal, compensation and rewards, and training and development; each of these bundles has positive effects on employee job satisfaction. For this model, adjusted $R^2 = 0.493$, which indicates that the model accounts for 49.3% of variance in job satisfaction measures as significant at ($p < 0.001$). Three bundles of HPWS practices are powerful and statistically significant predictors of employee job satisfaction: training and development ($\beta = .334, p < .001$), performance appraisal ($\beta = .363, p < .001$), and compensation and rewards ($\beta = .185, p < .01$). The model also reveals that staffing and recruitment is not a statistically significant predictor of employee job satisfaction. These results suggest that null hypotheses H_{II-2o} , H_{II-3o} , and H_{II-4o} should be rejected at ($\alpha < .05$). Results also indicate no statistically significant effects of recruitment on employee job

satisfaction, which suggests that null hypothesis *HIII-1_o* should be accepted at ($\alpha < .05$), as summarized in Table 20, below.

Model 3: Motivation

Table 21 displays the unstandardized regression coefficients (*B*) and intercept, the standardized regression coefficients (β), the semi-partial correlations (sr_i^2), *R*, R^2 and adjusted R^2 after using the stepwise method. Each variable was entered in sequence and its value assessed. If adding the variable contributed to the model then it is retained, but all other variables in the model were then re-tested to see if they are still contributing to the success of the model. If they no longer contribute significantly, they are removed. After assessing the contribution of all the variables to the model, *R* found to be different from zero. The results reveal that only the compensation and rewards bundle, of the four HPWSs, is a statistically significant predictor of employee motivation.

Table 21

Results of Regression Analysis with HPWS as Predictors of Motivation

Model 3: Motivation

Variables	<i>B</i>	<i>SE B</i>	β	sr^2 (incremental)	Partial Correlations
Training and Development					.080
Performance Appraisal					-.025
Compensation and Rewards	.103	.033	.200**	.040 ^a	
Staffing and Recruitment					.062
$R^2=.040$					
Adjusted $R^2=.036$					
F Value= 9.37**					
N=227					

- a. Semi-partial correlation sr_i^2 - predictors: (Constant), compensation and rewards
 **statistically significant at .01 level

For the employee motivation dependent variable, adjusted $R^2 = 0.040$, which indicates that there is very little effect of the compensation and rewards independent variable on employee motivation. These effects account for only 4.0% of the variance in employee motivation, which is significant at ($\beta = .200, \rho < 0.01$). Only compensation and rewards has a positive statistically significant effect on employee motivation. The model also reveals that staffing and recruitment, performance appraisal, and training provisions are not statistically significant predictors of employee motivation. Accordingly, there is an indication of small positive impacts of only one bundle of HPWS practices on employee motivation in IGOs. These results suggest that null hypotheses $HIII-1_o$, $HIII-2_o$, and $HIII-4_o$ should be accepted at ($\alpha < .05$). The model also indicates that null hypothesis $HIII-3_o$ should be rejected at ($\alpha < .05$) as summarized in Table 20, below.

Model 4: Intention to Quit

Table 22 displays the unstandardized regression coefficients (B) and intercept, the standardized regression coefficients (β), the semi-partial correlations (sr_i^2), R , R^2 and adjusted R^2 after using the stepwise method. After assessing the contribution of all the variables to the model, R found to be different from zero. The results reveal that only one of the four bundles of HPWS is a statistically significant predictor of employee intention to quit.

Table 22

Results of Regression Analysis with HPWS as Predictors of Intention to Quit

Model 4: Intention to Quit

Variables	<i>B</i>	<i>SE B</i>	β	sr^2 (incremental)	Partial Correlations
Training and Development	-.349	.112	-.205**	.042 ^a	
Performance Appraisal					-.115
Compensation and Rewards					.072
Staffing and Recruitment					-.007
		$R^2=.042$			
		Adjusted $R^2=.038$			
		F Value=9.739**			
		N=222			

- a. Semi-partial correlation sr_i^2 - predictors: (Constant), training and development
 **statistically significant at .01 level

For the employee intention to quit dependent variable, adjusted $R^2 = 0.042$, which indicates that the model accounts only for 4.2% of variance in employee intention to quit, significant at ($\beta = -.205$ $\rho < 0.01$). Accordingly, there is a very little inverse effect of only one bundle of HPWS, namely the training and development bundle, on employee intention to quit. Therefore, training and development is the only statistically significant predictor of employee intention to quit. The model also reveals that the other three bundles of HPWS practices, including staffing and recruitment, performance appraisal, and compensation and rewards, are not statistically significant predictors of employee intention to quit, which indicates that only one bundle of HPWS practices has effects on employee intention to quit in IGOs. According to these results, the null hypotheses H_{III-1_o} , H_{III-2_o} , and H_{III-3_o} should be accepted at ($\alpha < .05$). Results also show that null hypotheses H_{III-4_o} should be rejected at ($\alpha < .05$) as summarized in Table 23, below.

Table 23
Summary of Hypotheses Tested

Hypotheses		
HI	<i>Hypothesis I-1:</i> <i>There are positive effects of staffing and recruitment practices on employee commitment.</i>	Not Supported
(Partially Supported)	<i>Hypothesis I-2:</i> <i>There are positive effects of compensation and rewards practices on employee commitment.</i>	Not Supported
Dependent Variable	<i>Hypothesis I-3:</i> <i>There are positive effects of performance appraisal practices on employee commitment.</i>	Supported
Employee Commitment	<i>Hypothesis I-4:</i> <i>There are positive effects of training and development practices on employee commitment.</i>	Supported
HII	<i>Hypothesis II-1:</i> <i>There are positive effects of staffing and recruitment practices on employee job satisfaction.</i>	Not Supported
(Partially Supported)	<i>Hypothesis II-2:</i> <i>There are positive effects of compensation and rewards practices on employee job satisfaction.</i>	Supported
Dependent Variable	<i>Hypothesis II-3:</i> <i>There are positive effects of performance appraisal practices on employee job satisfaction.</i>	Supported
Job Satisfaction		

	Hypothesis II-4: <i>There are positive effects of training and development practices on employee job satisfaction.</i>	Supported
HIII	Hypothesis III-1: <i>There are positive effects of staffing and recruitment practices on employee motivation.</i>	Not Supported
(Partially Supported)	Hypothesis III-2: <i>There are positive effects of compensation and rewards practices on employee motivation.</i>	Supported
Dependent Variable	Hypothesis III-3: <i>There are positive effects of performance appraisal practices on employee motivation.</i>	Not Supported
Motivation	Hypothesis III-4: <i>There are positive effects of training and development practices on employee motivation.</i>	Not Supported
HIV	Hypothesis IV-1: <i>There are inverse effects of staffing and recruitment practices on employee intention to quit.</i>	Not Supported
(Partially Supported)	Hypothesis IV-2: <i>There are inverse effects of compensation and rewards practices on employee intention to quit.</i>	Not Supported
Dependent Variable	Hypothesis IV-3: <i>There are inverse effects of performance appraisal practices on employee intention to quit.</i>	Not Supported
Intention to Quit		

Hypothesis IV-4: There are inverse effects of training and development practices on employee intention to quit. Supported

Table 24
Summary of Interpretation of Hypotheses Tested Indicating the Effects of HPWS on each Attitude Measure

Attitude Measure	Staffing and Recruitment	Compensation and Rewards	Performance Appraisal	Training and Development	(R ²) Proportion of variance explained
Commitment	○	○	●	●	31.9%
Job Satisfaction	○	●	●	●	49.3%
Motivation	○	●	○	○	4.0%
Intention to Quit	○	○	○	●	4.2%

● Significant predictor

○ Non-significant predictor

Another important finding from the above analysis is that the results have shown a very strong desire of employees to remain with the organization. Yet, further analysis shows that HPWS has no effect on intention to quit, except for rewards and compensation, with 4% effect on the variance. This may be what has been referred to by one of the senior executives within the Agency as the paternalistic approach to HRM adopted in the organization, stating that the well-being of staff is considered paramount. The next section brings further insight into these results through introducing the qualitative findings of the study, which help to clarify any ambiguities from the quantitative data.

5.3 Qualitative Results

This section presents the results of the qualitative analysis from face-to-face interviews with some staff members and senior management. Semi-structured, self-designed interview questions are utilized to understand results from the quantitative data further. Four open-ended interview questions were developed to assist in answering the main research question and bring more insight into the research. As discussed earlier, after each interview, all the answers were first categorized and each category was coded based on terms that emerged from each answer. Then data were unitized to reduce various individual responses to a few relevant units of data under the previously identified categories (Saunders et al., 2009). The units of data were either number of words or a line or transcript as shown in the tables below. As data are rearranged, key themes and patterns or relationships are expected to appear. This technique enables the researcher to develop and test propositions to draw conclusions and analyze quantitatively (Yin, 2003). The codes are also thematic to correspond to the variables addressed by the quantitative data. For example, there were numerous answers regarding the effects of the newly implemented HPWS practices on employee attitudes, including more motivation and more commitment towards organizational goals; each of these responses were coded to reflect a specific proposition related to the main research question. The qualitative data were used to verify the quantitative data. The conclusions drawn from the data were used to clarify ambiguous data received from the surveys, and to provide additional insights that were difficult to gain from closed-ended questionnaires. As shown in the next section, the results for each of the four interview questions are reviewed after the analysis, and then the primary themes are summarized and presented in the tables below.

5.3.1 Staff and Senior Management Perceptions of the Recent HRM Reform

The first interview question is as follows: How do you perceive the recent changes in human resource management in the organization? The main goal of this question is to explore the changes in HRM practices within the UNRWA, which will help in understanding its effects on employees. This question also aims at exploring the different aspects of this change and employee perceptions towards the new HRM system. As shown in Table 22, the main response to this question is related to the degree of change in HRM practices during the reform process, including the different areas mentioned in the reform documents. When categorizing the answers, key words like major, substantial, significant, and important are considered under the first positive answer. However, words like minor, slight changes, insignificant, and limited areas are under answer (b). A total of 7 out of the 10 interviewees responded positively to this question indicating that since the reform, the organization has made major changes in HRM strategy, which led to gradual changes in the work environment.

Table 25

Descriptive Statistics for Responses to the Interview Question “How do you perceive the changes in human resources management in the organization?”

Changes in human resources management in the organization?	Frequency	Percentage
(a) Major changes that led to new work environment and new organizational culture	7	70%
(b) Minor changes and some areas need more development and new HRM practices	3	30%

Respondents emphasized the importance of the new HRM strategy as a response to the constantly changing economic, social, and political environment on one hand and the mandate of the organization on the other. While the vision for the Agency has continually developed in response to these changes, HRM strategy has been treated as an afterthought. Only after the reform, the new HRM system encouraged employee participation, praise and feedback, and decentralization in the decision-making process, which positively affected a variety of desirable outcomes, including satisfaction and performance, with more commitment to the organization. Respondents emphasized how these changes established a new culture with less time-consuming processes, diminishing bureaucratic mindsets, and openness for new ideas and creativity.

Respondents in this category also emphasized that the new system led to better communication, which also positively influenced the flow of work and the work environment. The majority of respondents emphasized how the bureaucratic structure within the Agency diminished, especially the barriers between senior management and staff. One participant stated that

Changes are substantial and since these changes were implemented, the culture has changed and especially that there is no more barriers between staff and top management. We feel these changes in our daily operations as these changes were inclusive. The recent reform has significantly changed the Agency. I believe the main reason behind this is that the change was real as there was a new direction towards establishing a new culture within the Agency with a new focus on staff wellbeing as the top priority. This

new approach was translated in the newly enacted policies and procedures.

(Personal Interview, December 7, 2011)

Managers indicated that there was a keen desire from the top management to achieve dramatic change within the Agency, specifically related to staff management through a new HRM system. This desire was translated into actions that were perceived by staff and management. Therefore, there was strong support from staff and management towards the change. One executive staff member emphasized that these changes were one important step in the right direction towards better performance. He mentioned how changes strengthen the Agency's capacity to deliver better-resourced programmes and enhanced services to refugees. The interviewee was very supportive to the recent changes stating that

Definitely, recent HRM reform has significantly changed the work environment. We believe that our mandate is very crucial and the only way to have excellent service for our beneficiaries is to have loyal and committed staff. Therefore, the recent changes in human resource management gave us more flexibility so we are able to meet our staff expectations, which are reflected in their work performance. (Personal Interview, January 9, 2012)

Among senior management respondents, there were real concerns about the big picture and how this change will move the organization a step forward. They perceived the new changes as an important step towards meeting the challenges of serving the refugees. The main view among these respondents is that the newly implemented HPWS practices led to clarity in strategic direction, focus, and priorities. For instance, one Chief Program Officer

argued that the new staffing and recruitment practices make the staff selection process very comprehensive, transparent, and open. The new procedures allowed internal candidates to apply for these positions, which afforded the opportunity for many qualified internal staff to find new positions within the organization. The officer stated that

The UNRWA needs this change to meet the new challenges and I am very optimistic that these changes will help us to provide excellent services... For instance, we have deployed new selection procedures for new recruitments. The new system is more comprehensive and it is also very flexible, which give us more opportunities to make sure that we hire top candidates. New policies are focusing on the bottom line, which is delivering the best services through professional and qualified staff.
(Personal Interview, October 12, 2011)

In contrast, three of the participants expressed concern that changes were minor and some areas within HRM system should be developed to meet the staff demands. Respondents noticed that the new changes were limited and did not meet the employee expectations. Participants were reluctant to express all their concerns with the newly implemented system. They showed how they were very interested in the reform process as there was a strong demand for change. However, one of them argued that their interactions with their managers did not change their perceptions of authority and seniority. One of the responses in this category reported

Yes, you may be right with the plans and the intentions within the organization to improve our working conditions and enhance the work environment. However, we still feel that there is a lot to be done to make a

difference. For instance, the opportunities to advance within the organization are limited. Career is a major issue for us here, especially for those who are ambitious and work hard to improve their knowledge and develop their skills. I was able to earn my Master degree while working. I have to admit that my supervisor appreciated this and admired my achievements. However, I have to wait for an opening and then apply to a better position and compete with external applicants as promotion opportunities within the organization are very limited. (Personal Interview, February 6, 2012)

Another interviewee stated that “transferring from one career path to another is a very long process within the organization. We need to work for years and years in the same job before we can be promoted or get a more advanced position in any other post in another office (Personal Interview, November 28, 2011).

Answers to this question — the perception among employees toward the reform process — have shown that the process was generally perceived positively by the majority of respondents. Although answers from participants demonstrated slight variations in perception, the agreement among participants is that there was a positive change after the reform process. However, the differences in the answers on the perceptions towards the reform process among staff and senior management could be mainly because senior staff perceives the reform process more positively than those lower in the hierarchy (Martin, Jones, & Callan, 2006). Therefore, answers demonstrated different perceptions from respondents at different levels of hierarchy. During the interviews, senior level employees reported positive views on the reform. However, the majority of survey respondents were

from staff members and frontline workers, which explains the tendency among survey respondents to perceive little change in HRM practices. This difference in perception was also clear from some participants, as one participant viewed the flexible employment process positively as attracting different employees and bringing new blood into the organization; however, other staff members viewed this as unfair, allowing outsiders to compete within the organization. It is noticeable that employees were expecting more change in different areas that would lead to better working conditions. This is consistent with the attitude measures reported from the quantitative findings, the results of which indicated that employees were not “very satisfied” but “rather satisfied” with the current job. This is also clear from responses that showed a kind of discomfort among staff members about the lack of opportunity for advancement within the organization despite their efforts to enhance their conditions.

In addition to the above findings, it was clear that senior management involvement through extensive communication during the reform process has contributed positively to the reform process, as conveyed by participants. There was an agreement among participants that communication led to diminishing bureaucracy and any gaps between management and staff were removed. Many respondents emphasized that the contribution of the reform process on the work environment was also linked to better performance outcomes.

Overall, the reform process was perceived differently by staff members. Although the majority of staff members agreed on the positive changes that took place within the organization, it is clear that, from the nature of the paternalistic management within the Agency, the staff had higher expectations from the reform process. Additionally, the upper

management approach to manage the reform led to the acceptance of some of the shortcomings of the reform process, related to the pay scheme that resulted from the austerity measures. However, there were generally positive attitudes among respondents to the newly implemented HPWS.

5.3.2 Employee Expectations from the HRM reform and Staff Demands

The second interview question is the following: How do you evaluate the changes in human resource management practices when compared with the organization's staff demands? This question aims at investigating if there are any specific issues related to employee demands and expectations in the area of the new HRM system, and the actual implemented change plan. Despite the fact that the participants described that the changes in HRM are major in the previous question, 6 of the 10 interviewees indicated that changes in HRM still do not fully meet the staff demands in some specific areas. As shown in Table 23, some participants were very specific about expressing concerns with salaries and other monetary incentives and benefits. Words used in this category include pay system, salaries, incentives, and monetary rewards, as shown in the answer (a). The participants agreed that HRM is designed to meet staff demands, however, for the financial commitments; the organization was not able to implement the new HRM system fully.

Table 26

Descriptive Statistics for Responses to the Interview Question “How do you evaluate the changes in human resources management practices when compared with the organization’s staff demands?”

Staff demands and changes in human resources management in the organization?	Frequency	Percentage
(a) New implemented HRM system did not respond to staff demands in specific area of compensation and rewards systems	6	60%
(b) HRM changes do meet staff demands	4	40%

One of the participants from the HRM team declared that there was an issue regarding the benefits packages, pay, and incentive systems, and monetary rewards in general. He expressed an understanding of the staff demands in this specific area but also emphasized the complexity of the political and institutional constraints. In developing the new HRM system, the sequencing of funding posed a significant constraint given that the implementation of the new pay system is contingent upon funding for, and completion of, other initiatives. He explained that the funding for all HRM initiatives, as provided by the Agency’s donors, would be inadequate, but he also noted that

One of the main characteristics of our organization is the paternalistic managerial style which emphasizes equal opportunities, individual development, job security, and a very attractive pay system; however, the organization faces severe financial crises and increasing responsibilities on one hand, with a decline in donations from member state governments on

the other hand. Donations are the only resource for our services. We have lots of commitments towards our beneficiaries and we cannot compromise the quality of our services. (Personal Interview, November 21, 2011)

Another interviewee stated that

I do not think that the new HRM policies were fully deployed. The reform process included deploying a new pay system with new scales, which has been one of the main demands of the staff union for years; however, the new system, which included providing a better salary, for which we were waiting for years, was not implemented. (Personal Interview, October 12, 2011)

One of the participants argued that the organization new HRM system was designed to meet the staff demands. However, the organization has implemented new austerity measures because of the current decline in financial resources, which affected its capacity to meet these demands.

Four of the ten participants stated that changes in HRM systems are addressing the staff demands. As shown in Table 23 for answer (b), participants in this category used keywords such as address staff needs, meet staff expectations, and meet employee demands. One participant noted, "HRM is becoming the main priority for the headquarters. The focus of the organization is to address the staff needs." (Personal Interview, October 12, 2011). Another stated, "As a service organization, human capital is our main asset and more specifically the frontline workers, you know, who interact with our clients.

Therefore, the demands of these employees are on the top of our priorities.” (Personal Interview, October 12, 2011).

It appears that the participants agreed about the reality that the organization identifies staff demands and believes that HRM practices would improve the work environment through more satisfied and committed employees. However, one participant agreed that the organization worked for years to build a plan for enhancing the working conditions within the Agency; however, the reform was not fully implemented because of the “high bill of the required changes” (Personal Interview, October 12, 2011)

Consistent with the answer to the previous question, employees had higher expectations from the reform process. 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 HPWS 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 the answers to this interview question, as six of the ten respondents reported in their answers that one of their main concerns relates to the specific area of compensation and rewards. However, it appeared from the answers that this was not a major concern among the Agency workers, especially in that respondents had generally positive views of the reform process, except the area of compensation and rewards. Answers were consistent with the quantitative

findings, which reported a satisfaction with other aspects of the reform process. However, employees had higher expectations from the HRM reform process and they expected enhancement in all aspects related to HRM; however, they showed an understanding of the current austerity measures. This was clear from the answers, as none of the interview participants raised any other concerns regarding other aspects of the reform process. More positive indicators were stated by many participants, as demonstrated in the next question. One possible explanation for this may be derived from the general characteristics of public organization employees, where the civil service model is associated with expected behaviours of the employee, such as objectivity and loyalty, undermining the effects of the monetary rewards (Charbit & Michalun, 2009). This indicates an understanding of some of the shortcomings of the reform process, specifically in the area of rewards and compensation.

Another possible explanation is the general characteristics of international compensation systems within IGOs. Previous research has shown that the unique nature of multinational enterprises, including IGOs, which rely on donors for their operations, face funding challenges when it comes to compensation and rewards systems (O'Sullivan, 2010). In many cases, donor countries budgets vary in terms of salaries and in the exchange rates upon which salaries are to be calculated. Therefore, within an organization that relies on donor countries to fund projects, salaries may vary according to the donor country's funding for specific projects, which may influence the internal equity. On the other hand, external equity is also a challenge, due to the complexity of determining suitable market rates and a possible lack of HRM expertise in using salary surveys to determine the appropriate salary levels (Festing, Eidems, & Royer, 2007).

Another important implication for this question is that during reforms, the issue of devoting financial resources and better planning is paramount. Rather than focusing solely on the reform process and policies, there should be better planning of the resources needed and the capacity of the organization to deploy its plans on the ground. There is an apparent consistency between the findings reported from the answers to this question and quantitative findings specifically from the JSS. The results have shown overall satisfaction with other aspects of the job within the UNRWA. However, only one area reported dissatisfaction related to the rewards and incentives. This emphasizes the importance of informed decision-making before and during the reform process.

5.3.3 HRM Practices and Employee Attitudes

The third interview question is the following: Describe how recent changes in HRM practices may influence employee attitudes and the levels of staff motivation, commitment, satisfaction, and intention to quit. This question aims at addressing the attitude measures that are the focus of the research question. In fact, as shown in table 24 below, 9 of the 10 participants clearly stated that HPWS practices were positively perceived by employees, which consequently led to positive effects on employee attitudes. Key words used in this category included “new HRM systems are motivating,” “employee wellbeing,” and “thrilled, best employer” as indicated in answer (a) below. For the other answers, respondents who said that recent changes made no difference, or said there were lots of things that needed to be done are categorized as (b). There is near-unanimous agreement among participants that recent changes in HRM practices have had positive effects on employee attitudes. One senior staff member gave an example from when he began his employment:

I would have to say when I first took this position I was very surprised by what I inherited. There was quite a mess within the department and the staff was not appreciated or treated very nicely or fairly in a lot of ways. I took this position as a challenge and I thought I could make a difference and I was really motivated to put in all kinds of hours, all kinds of work, took things home. Recent changes within the organization paved the path for me to change the work environment. For instance, when I first began reviewing my staff performance based on the old performance appraisal system, things were vague and not clear. Now, with the newly deployed performance appraisal system, I am able to meet every individual and discuss his performance and what are the expectations from him. I am able to give every employee what he deserves by way of admiration and appreciation. I did not really think I was doing that good of a job until people from the department started coming to me and telling me what a big difference and how things had turned around. Nothing is more motivating for any employee than showing him the appreciation he deserves. Even the top management was very happy with my progress and the new spirit that I was able to bring to the department. (Personal Interview, October 12, 2011)

Table 27

Descriptive Statistics for Responses to the Interview Question “Describe how recent changes in HRM practices may influence employees’ attitude and the levels of staff motivation, commitment, satisfaction and intention to quit”.

Recent changes in HRM practices influence on employees’ attitude and the levels of staff motivation, commitment, satisfaction and intention to quit?	Frequency	Percentage
(a) Changes in HRM system have positive effects on employees attitudes	9	90%
(b) Changes in HRM system have no effects on employees attitudes	1	10%

Consistent with this answer, another participant from the HRM team gave an example of the new HRM strategy, emphasizing the new direction within the organization to develop the new role of the Human Resources (HR) department:

The new focus on employee wellbeing brought lots of responsibilities towards our staff onto our shoulders. Our role as the HRM department became more vital. Managers and supervisors have higher expectations from our department and they believe that we are obliged to improve the level and quality of our services. Now employees are always so thrilled with our new role serving them and providing them with all the help needed. (Personal Interview, October 12, 2011)

Other participants were not very specific in their responses, such as one who stated, “definitely these changes mean a lot to us and their effects on each and every one within

the organization is clear, as we felt that the organization consider its staff demands, their needs, and their wellbeing” (Personal Interview, November 29, 2011). Participant responses to this interview question clearly indicate that changes in HRM have positive effects on employee attitudes. Only one participant responded that

There are still lots of things to be done on the ground so we can feel the difference. I agree that there are lots of efforts and resources devoted to making the change; however, we are not fully satisfied with the progress made when compared to the resources devoted and the time spent to make the change. However, I have to admit that I would never think of leaving the Agency. Despite the few shortcomings in our system, the Agency is one the best employers here. (Personal Interview, February 6, 2012)

This question was very important, as it directly addresses the research question about the link between worker attitudes and HPWS. As it appears from the above answers, there is an agreement among participants on the positive link between HPWS practices deployed during the reform process and employee attitudes. Consistent with quantitative findings, answers to this interview question have also emphasized the different effects of HPWS measures on employee attitudes. The above answers clearly indicate that the new performance appraisal system had strong positive effects on a wide variety of employees. The respondents clearly stated that the process led to a new relationship emerging after a new performance appraisal system was deployed that had positive effects on the different aspects of the supervisor/subordinate relationship. Similar findings were reported from the quantitative data and particularly the regression analysis, as it was very clear that performance appraisal is a strong predictor of employee attitudes. The findings are also

consistent with the correlation analysis, as there was a strong association between each bundle of HPWS practices and employee attitudes measures as there was unanimous agreement on the relationship between the new HRM reform and employee attitudes. Another important inference similar to the findings from the other two questions, the issue of austerity measures was also raised during this question from the participants as some staff members were disappointed with the reform outcomes in general when considering the resources devoted to the process. Similar to the previous question, one plausible explanation derives from the austerity measures, which restrained the process because of the financial constraints, which also explain the relatively the moderate scores for employee commitment and satisfaction from the quantitative results. Finally, the above question shows the importance of the role of HRM personnel. It is clear that the HRM team is the primary driver for the reform process. This contributes to the role of the team during the reform process.

Overall, it is clear from the answers to this question that there is a link between HPWS and employee attitudes consistent with the findings from the quantitative results. However, it was not clear which practices exclusively have more effects on employee attitudes. Although one participant stated that performance appraisal had great influence on employee attitudes, there were no real insights into the other aspects of the HPWS adopted. The reform process has definitely led to enhanced employee attitudes, as the overall new strategic direction within the organization led to enhanced perception about the future among employees. This indicates that the organization would consider their demands once the financial resources permit better practices to be deployed.

5.3.4 HRM Reform and Organizational Performance

The fourth and last interview question is the following: Discuss how the new HRM policies and procedures affect the quality and level of services provided by your organization linked to employee attitudes? The main goal of this question is to understand the effects of the new HRM system on employee outcomes, while linking this answer to organizational performance outcomes, which is the bottom line of the recent changes.

As shown in table 25 below, most participants, 8 of 10, were able to give examples about how the new policies and procedures led to an enhanced level of service and better performance outcomes. Key words used to capture the effects of HPWS and its relationship to the newly implemented HPWS related to the specific areas that affect performance such as “communication,” “decentralization,” and “power delegation.”

Table 28

Descriptive Statistics for Responses to the Interview Question “Discuss how new HRM policies and procedures affect the quality and level of services provided by your organization linked to employees’ attitudes?”

How new HRM policies and procedures affect the quality and level of services provided by your organization linked to employees’ attitudes?	Frequency	Percentage
Communication and power delegation led to superior performance	5	50%
The organization needs to fully implement the new policies and procedures so that employees can feel the difference	3	30%
The organization needs to have more fair pay system	2	20%

The most common response, given by 5 participants, was that better communication in general led to an enhanced level of service. One of the participants specifically mentioned that the new performance appraisal system permitted for “more feedback from the supervisors so they can clearly explain their expectations, while listen to their staff demands” (Personal Interview, December 6, 2011). Another participant explained that participation in decision-making and delegation led to an enhanced level of service and eliminated lots of paper work, allowing the staff to respond more effectively and efficiently for organization beneficiaries. One of the participants stated that

New policies and procedures aimed at enhancing the level of service from the HRM department. This new procedure was mainly designed for the education department, which is the most important program of the UNRWA. In the old system, assigning a temporary replacement for any absent staff, or any employee who will go on long leave may take up to three to five working days. This issue, when dealing with area offices, makes things complicated and the process may take longer and cause a delay in service delivery. However, the newly deployed system led to decentralization and automating the process of selecting temporary staff members. In addition, the delegation of authority allows supervisors in remote areas to assign a replacement for absent employees in one hour, minimizing paper work service interruption. (Personal Interview, October 12, 2011)

Another participant said, “Decentralization empowers employees and motivates them so they can serve our clients faster without waiting for an approval from upper management” (Personal Interview, January 9, 2012). Other participants were able to give general positive responses to this question. One Program Officer mentioned that

The recent changes within the Agency clearly identified the strategic priorities. The newly implemented policies and procedures provided us with all the resources and means required to meet our mission and provide excellent service to our clients. Especially with the growing refugee population and the increased demands, we are able now to hire excellent candidates whenever we need through a very flexible and smooth process and less bureaucracy. (Personal Interview, January 18, 2012)

Three participants agreed on the recent changes; however, they did not link the level of service and quality to the effectiveness of the new HRM system implementation. One participant argued that the organization needed to implement the new policies more effectively for them to become realities, rather than only policies, stating that

Although we feel the difference, which changed the workplace positively, we are still awaiting the reform to be fully implemented so the frontline workers can feel the change. We all believe that we have a noble cause that we are working for — serving the refugees. However, we would like to be more appreciated. (Personal Interview, October 12, 2011)

Similarly, another respondent emphasized the need for more effective implementation of the new HPWS and devoting more financial resources to building staff capacities, stating that

Now employees are always requested to identify their training needs when meeting their supervisor to discuss their performance and how to improve it in order to better serve our beneficiaries. However, training depends on our budget. Although there is nothing stopping any member of staff from applying for training, it goes back to the top management to decide the budgeting priorities and the final approval is subject to finance. (Personal Interview, January 9, 2012)

Another participant emphasized the uniqueness of the organization working in the field of humanitarian aid, stating that

I have to acknowledge that as a humanitarian organization, we believe in our mission working in areas with hardship and very bad socioeconomic conditions. Therefore, I believe that we are very lucky to work for this organization. On one hand, millions are benefiting from our services. On the other hand, we have stable jobs and salaries, overseas training opportunities, and senior staff who admire and appreciate our work. However, I believe, just like many of us, that we have lots of expectations from the Agency and it is the time to feel the change. (Personal Interview, December 19, 2011)

The other two participants were unable to provide a specific answer to this question but generally agreed on how the new policies and procedures will lead to better services to customers. One participant noted, "I cannot give a specific answer to this question, but the Agency has to fix the pay issue and I'm not just saying that people are overpaid, paid poorly, or underpaid. What I'm saying is that it needs to

be more consistent across the board so we can feel that we are rewarded” (Personal Interview, November 29, 2011). The other participant stated, “the management is still working on a new pay system and many of us are confused about the new austerity measures and these promises” (Personal Interview, February 6, 2012).

It is clear from the answers to this interview question that respondents agreed on the link between HRM reform, through implementing HPWS, and organizational performance. Although the answers did not specifically indicate the attitudinal outcomes, it was clear that there were specific factors that directly led to enhanced organizational performance. The main five areas addressed by the answers are performance appraisal, employee wellbeing, employee participation and decentralization, training and development, and identifying HRM strategic priorities. Among these five areas, it is clear that performance appraisal has major effects on the communication process within the organization. As it was clear from answers to the previous question, and to this question, the new performance appraisal process led to closer interaction between supervisors and subordinates, and removed many barriers that directly influence performance outcomes. The second aspect of the reform process that led to enhanced performance is employee wellbeing, which became one of the organization’s strategic priorities. This is clear from linking the answers of the various participants that the new strategic direction within the organization is clearly addressing HRM as strategic priority. Answers also indicated that training, development is one of the main concerns of the employees, and those new changes within the organization’s HRM system led to more focus on building employee capacities with the newly implemented HRM

system. Another important finding from the interviews is that employee performance in the case of the UNRWA is linked to its nature as a humanitarian service organization. These findings are consistent with the quantitative findings and provide a plausible explanation for two major findings from the quantitative results related to employee motivation and the strong desire to remain with the organization. Results have shown that employees are motivated and have a very strong desire to remain with the organization. This may be referred to as the organization's mission, which is considered an intrinsic motivator for employees rather than the other aspects of the job, including HRM practices. Quantitative findings have shown that there is no effect of HPWS on those two attitude measures and employees are motivated by the organization's mission, and have strong desire to remain within the organization because of the relatively noble cause of serving the refugees.

5.3.5 Review of Qualitative Results

As shown in the previous discussion, the qualitative data provided more insight into the data collected from the survey. Open discussions during the interviews led to an in-depth review of the different aspects of the study, such as the perceptions among employees regarding the reform process, the adopted HPWS practices, and the link between HPWS and employee attitudes. Four primary themes emerged from the qualitative analysis of the four interview questions related to the research question:

- (a) Participants had generally positive views regarding the reform process, especially regarding open communication, decentralization, worker wellbeing, and the general new organizational strategic approach focusing on HRM.

- (b) Participants agreed on the link between the recent reform and employee attitudes towards their jobs and the workplace culture; however, some employees emphasized the need for more effective implementation for the new HPWS.
- (c) Despite the fact that the participants expected better outcomes related to the rewards and incentives area during the reform process, 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.
- (d) Participants agreed that the new austerity measures had some impact on the reform process, which was negatively perceived by participants.

According to the responses to the four interview questions, the newly implemented HRM practices have positive effects on employee attitudes and the work environment. However, there are different perceptions among interviewees on the effectiveness of the new HRM policies. Some respondents are critical regarding the specific area of compensation and rewards. Previous research has shown that the effectiveness of any organizational policies and practices enacted as a reform depends to a certain degree on processes associated with implementing the promulgated policies as processes and on how these policies are actually developed and implemented in practice (Gerhart, Wright, McMahan, & Snell, 2000). Organizations that adopt HPWS must exhibit a high level of execution and administration of these practices in order to achieve the desired impact on employee attitudes. Therefore, effective implementation of HPWS practices is a key factor in achieving HRM outcomes. In the next section, findings of the qualitative and

quantitative data collected are presented to answer the research question and test each of the four major hypotheses for this study.

5.4 Evaluation of Findings

This section includes an analysis and evaluation of the research findings based on the quantitative and qualitative data collected and the findings reported in the above sections. As shown in the previous sections, before completing multiple regression analyses for hypothesis testing, descriptive statistics for each of the study variables were completed and internal consistency reliability coefficients for the multi-item measures were calculated. Then the skewness and kurtosis of the distributions were examined to test the normality of the data distribution of the dependent variables. Then, histograms were constructed for the data distributions of the four dependent variables, as shown in Appendix S. Accordingly, non-parametric alternatives to the Pearson correlation coefficients (Spearman rank correlations) that do not assume normality were used to supplement the Pearson correlations, which contributes to the robustness of the parametric conclusions.

Results have shown that in an IGO context, some bundles of HPWS practices have positive effects on some worker attitudes measures. These findings provide some support for previous research addressing the link between the bundles of HPWS and employee attitudes in different organizational contexts. The correlation coefficients and the regression models of the relationships between each bundle of HPWS practices and employee attitudes, indicates that HPWS has positive and statistically significant effects on one or more of the employee attitudes measures. However, results varied from powerful effects to less positive effects of the HPWS bundles on each of the attitude measures. The

results partly support the four major hypotheses empirically. The next section summarizes the research findings and addresses the qualitative and quantitative findings in relation to each of the four dependent variables.

Organizational Commitment

The first research hypothesis states that there is a positive effect of HPWS (staffing and recruitment, performance appraisal, compensation and rewards, and training and development) on employee commitment. Correlation coefficients examine whether there is an association between each bundle of HPWS practices and organizational commitment. As shown in Table 14, results indicate that there is relatively moderate (staffing and recruitment, compensation and rewards), to strong association (performance appraisals, training and development) between organizational commitment and each bundle of HPWS. However, the regression analysis investigates which bundle of HPWS is predictive of employee commitment. Regarding the organizational commitment, the first dependent variable in the regression analysis indicates is that both performance appraisal and training and development among IGO employees have significant effects on the degree of employee commitment towards the organization. As shown in the first regression model, two of the HPWS practices in the model are significant predictors of employee commitment with $R^2 = 0.319$. This indicates that over 30% of the variation in employee commitment can be explained with the predictor variables. Results indicate that the best unique predictor of employee commitment is training and development ($\beta = .340, \rho < .001$), and then performance appraisal ($\beta = 0.339, \rho < .001$). Both performance appraisal and training and development explain the 31.9% variance in employee commitment, which partially supports the hypothesis (*H1*) regarding the positive effects of bundles of HPWS

practices on commitment, which in turn leads to a higher probability of the rejection of a null hypothesis. This indicates the importance of performance appraisal and training and development among IGO employees. Previous research on the relationship between training provision and employee commitment demonstrates that training leads to improvements in organizational commitment, based on the social exchange theory (Bartlett, 2001; Bartlett et al., 2003; Gould-Williams, 2004; Al-Emadi & Marquardt, 2007). Social exchange theory posits that employees enter into a relationship with the organization through an unwritten psychological contract with the organization to maximize the benefits they obtain (Blau, 1964). Accordingly, employees perceive training provisions as part of this psychological contract in exchange for displaying organizational commitment, which may explain outcomes related to staff training and development in an IGO context (Newman, Thanacoody, & Hui, 2011; Bartlett, 2001). Another plausible explanation for the importance of training and development programs may be referred to the strong effects of the processes of “labour skills formation” in this specific organizational context (Fey et al., 2009, p. 697). Research on multinational enterprises operating in different national contexts has shown that HRM practices in specific countries are expected to have particularly strong effects on employees. In the case of UNRWA, operating in regions with no political or economic stability caused some weaknesses in the educational system. Therefore, training and development is viewed as crucial for individuals to build their skills and compete in the job market. Similarly, for performance appraisal, previous research has shown that when the performance appraisal process is characterized by employee participation in setting goals and standards for performance, also increases chances of employee commitment (Vasset, Marnburg, & Furunes, 2011). In

addition, performance appraisal helps the organization in clarifying employee roles and reduces any ambiguities, which also leads to higher levels of commitment (C. Pettijohn, L. S. Pettijohn, Taylor, & Keillor, 2001). These findings were also clear from the interviews, as participants clearly stated the importance of the new performance appraisal procedures in enhancing employee performance. Results have also shown that staffing and recruitment procedures have no significant effects on employee commitment. Qualitative findings from interviews have shown respondents' experience of limited opportunities for other positions and promotions within the organization. One of the interviewees clearly stated that promotion opportunities within UNRWA are very limited. However, this is perceived by senior management as a 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 the 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 applies 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. (Personal Interview, October 12, 2011)

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 a flexible and comprehensive staff selection process, which negatively affects employee attitudes.

Job Satisfaction

The second research hypothesis states that there is a positive effect of HPWS (staffing and recruitment, performance appraisal, compensation and rewards, and training and development) on job satisfaction. Correlation coefficients as shown in Table 15, have shown a relatively strong association between each bundle of HPWS and job satisfaction, which indicates a strong relationship between HPWS and job satisfaction. The regression analysis investigates which bundle of HPWS is a significant predictor of job satisfaction among IGO workers. As shown in the second regression model, three bundles of HPWS practices in the model are significant predictors of job satisfaction with adjusted $R^2 = 0.493$. This indicates that almost 50% of the variation in job satisfaction can be explained with the predictor variables. Results also indicate that the best unique predictor of job satisfaction is performance appraisal practices ($\beta = .363, \rho < .001$). The second predictor of job satisfaction is training and development ($\beta = .334, \rho < .001$), and finally compensation and rewards, with ($\beta = .185, \rho < .01$). The four HPWS bundles explain 49.3% in the variance in job satisfaction, which partially supports the hypothesis (*HII*) regarding the positive effects of bundles of HPWS practices on job satisfaction, which in turn leads to a higher probability of rejection of the null hypothesis (*HII_o*). Results are consistent with previous studies (Beutell & Wittig-Berman, 1999; Pettijohn et al., 2001) on the effects of performance appraisal on employee job satisfaction. Many studies have shown positive significant relationships between job satisfaction and compensation, training and development, and performance appraisal (Beutell & Wittig-Berman, 1999; Pettijohn et al., 2001). For instance, C. Pettijohn, L. S. Pettijohn, Taylor, & Keillor (2001), in their study addressing the effects of performance appraisal on employee attitudes, have shown that the

performance appraisal process establishes a feedback system between employees and their managers, which permits managers to clearly define subordinates roles within the workplace, which minimizes role ambiguity among employees in different types of organizations, which, in turn, negatively correlates with job satisfaction. Therefore, in the case of UNRWA, interviews have shown how new communication through the performance appraisal process enhanced the work environment through feedback from supervisors.

Employee Motivation

The third research hypothesis states that there is a positive effect of HPWS (staffing, performance appraisal, compensation, and training and development) on employee motivation. Correlation coefficients have shown a positive association between three bundles of HPWS and employee motivation. The result has shown a moderate association between employee motivation and staffing and recruitment, training and development, and compensation and rewards practices. Only performance appraisal has no relationship with employee motivation. The regression analysis investigates which bundle of HPWS is predictive of motivation among IGO workers. For this dependent variable, the regression analysis indicates only one bundle of HPWS is a statistically significant predictor of motivation. As shown in the third regression model, only compensation and rewards is a significant predictor of motivation with $R^2 = 0.040$. This indicates that only 4% of the variation in employee motivation can be explained by the predictor variable, which indicates that it is the only unique predictor of motivation ($\beta = .200, \rho < .01$). This indicates that only one bundle of HPWS has a weak, but statistically significant positive effect on employee motivation, which, in turn, leads to a higher probability of accepting a

null hypothesis (H_{III_0}). Although some previous research has shown that compensation and benefits can positively affect employee motivation across sectors (Milne, 2007; Shahzad & Bhatti, 2008), results from the surveys and qualitative data from the interviews show that employees are not very motivated by the incentives that have been paid by the Agency because of the austerity measures. However, during interviews, some participants clearly stated that the organizational mission is one of their main motivators. Previous research on employee motivation shows that employees are intrinsically motivated by the nature of the role of UNRWA as a humanitarian organization that serves refugees (Deci, Koestner, & Ryan 1999). Additionally, one of the general characteristics of public organization employees is that the civil service model is associated with expected behaviours of the employee, such as objectivity and loyalty, undermining the effects of the monetary rewards that also give rise to internal motivators (Charbit & Michalun, 2009). Previous research on public service motivation (PSM) has shown that public jobs would be intrinsically motivating because employees would embrace work characterized by high task significance (Brewer, 2010, Perry, Hondeghem, & Wise, 2010). Therefore, employees possess unique motives, such as civic duty and compassion. This research defined Public Service Motivation as the “general, altruistic motivation to serve the interests of a community of people, a state, a nation or human kind” (Rainey & Steinbauer, 1999, p. 20).

Intention to Quit

The last research hypothesis states that HPWS practices (staffing, performance appraisal, compensation, and training and development) negatively affect (inverse relationship) employee intention to quit. The correlation analysis has shown that performance appraisal, training and development, and incentives and rewards have a

significant moderate negative association with intention to quit. This indicates that only staffing and recruitment has no relationship with employee intention to quit. The regression analysis indicates that only the training and development bundle has an inverse relationship on employee intention to quit. The fourth regression model, $R^2 = 0.042$, indicates a very weak relationship between HPWS and intention to quit. This indicates that only 4.2% of the variation in employee intention to leave the organization is explained by training and development as the unique predictor ($\beta = -.205, \rho < .01$). These results lead to a higher probability of accepting the null hypothesis (H_{IV_0}). The majority of research addressing what factors impact employee 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, interviews demonstrate an apparent explanation for the strong desire among employees to work for the organization, which may be referred to the paternalistic approach from management and the general work environment. During the interviews, participants clearly demonstrated their desire to remain with the Agency because of the new direction within UNRWA focusing on HRM as new priority. In addition, humanitarian IGOs operate in non-stable situations, as UNRWA does, under stressed political and socioeconomic conditions; the majority of employees have a strong desire to remain with the organization for job security.

In conclusion, the findings reported here demonstrate a link between some bundles of HPWS practices, and enhanced worker commitment, job satisfaction, motivation, and inversely on intention to quit. Results have shown multiple outcomes of HPWS practices in the IGO context. Of the four bundles of HPWS practices used in this study, only 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 on employee satisfaction and motivation. Finally, staffing and recruitment has no relationship with any of the four measures or employee attitudes. Findings demonstrate that HPWS is perceived differently by individual workers, which may contribute to explaining the different effects of HPWS in the IGO context. Additionally, previous research within HRM literature emphasized that country differences and contextual factors may impact the perceptions of individual workers towards HPWS, especially in an IGO context (Fey et al., 2009). These different explanations of the research findings are further discussed in the next chapter.

Summary

The purpose of this mixed-methods study is to examine the effects of bundles of HPWS on employee attitudes in an IGO context. Quantitative data from the correlation analysis revealed that HPWS has a significant positive relationship with each HPWS practice. This relationship varied from one employee attitudes measure to the other, reflecting the uniqueness of this study. However, commitment and satisfaction have the most powerful relationship with each of the HPWS practices. Correlation analysis ascertains the degree of relationship and the association between two variables. However, correlation does not mean that one variable is the cause and other is the effect. Therefore, regression analysis was used to examine the effects of each HPWS practice on each

employee attitudes measure to further our understanding of the effects of HPWS in the IGO context. Findings showed that the effects of HPWS practices vary considerably on employee attitudes measures among IGO workers. As shown by the previous discussion, for employee commitment, the first dependent variable, only performance appraisal, and training and development, have positive effects on employee commitment. Job satisfaction is only affected by performance appraisal, compensation and rewards, and training and development. For the third dependent variable, compensation and rewards have little effect on employee motivation, while, training and development has similarly little effect on employee intention to quit.

Qualitative data from interviews led to an in-depth review of the different aspects of the study, such as perceptions among employees regarding the reform process, the adopted HPWS practices, and the link between HPWS and employee attitudes. Data from interviews revealed that there were major changes in HRM practices; however, employee perceptions regarding these changes varied considerably. The participants in this study had generally positive views regarding the reform process, especially regarding the open communication, decentralization, worker wellbeing, and generally the new strategic approach focusing on HRM. Interviews also revealed an agreement about the link between the recent reform and employee attitudes towards the job and the workplace culture. Findings demonstrated that employees were expecting better outcomes related to the rewards and incentives area to be considered in the reform process. The new austerity measures caused some constraint on the reform process, which resulted in some shortcomings with the reform process, as viewed by the participants.

The overall findings revealed that the choice of HRM practices is an important factor that needs to be considered by IGO managers, rather than the common belief that one-size HRM fits all. It is also very important to understand how specific bundles of HPWS practices contribute to organizational performance, as some of these practices may outperform others in specific organizational contexts. The study also contributes to the evidence suggesting that HPWS may not have similar outcomes because of organizational differences. Finally, in the case of UNRWA, results suggest that the effectiveness of the reform was subject to the processes associated with implementing the promulgated policies. Effective implementation of HPWS practices is a key factor in achieving HRM outcomes. The next chapter presents the conclusions from this analysis while presenting some recommendations for educational practice and future research in this area.

CHAPTER VI: CONCLUSIONS

In the last two decades, there has been an increasing interest in evaluating the effects of HRM on organizational performance searching for an evidence for positive relationship linking both in private public and non-profit sector. This study contributed to this body of research by extending the analysis of the effects of HRM from the private and public sectors to the IGO context. The study has undertaken an evaluation of the effects of HRM reform in adopting bundles of HPWS practices in an IGO context on four worker attitudinal outcomes, namely commitment, job satisfaction, motivation, and intention to quit. The results were based on a staff survey and interviews collected from a cross-section of employees working in one of the largest UN agencies providing basic public services, including health, education, infrastructure, and socioeconomic security to over 1.3 million beneficiaries. The findings from this study suggest that there is, in fact, a significant positive relationship and positive effects of some bundles of HPWS practice and worker attitudinal outcomes in an IGO context. However, the effect of these bundles varies considerably from one to another, and there are positive relationships between some bundles of HPWS practices on different employee attitude measures.

IGOs are public organizations that operate in different national contexts and whose members are state governments that voluntarily join these institutions (Pease, 2003). These multinational bodies, such as the United Nations (UN), the World Bank (WB), the International Monetary Fund (IMF), and the World Trade Organization (WTO), serve different mandates and aim at maintaining global socioeconomic stability between member states' governments. The majority of IGOs are public service providers that operate across

national boundaries, hire expatriates, deal with cultural diversity, and rely on donations from member states' governments to fund their programs. The intent of this research is to investigate the effects of HPWS on worker attitudes in an IGO context through answering the following research question: What is the impact of HPWS on employee attitudes in international governmental organizations?

The study identified correlations between four independent variables that measure bundles of HPWS practices and employee commitment, satisfaction, motivation, and intention to quit. Then, regression models were identified to explore the effects of each HPWS bundle and employee attitude measures. This examination could provide data about HRM practices that may help leaders identify best practices and their expected attitude outcomes and improved performance.

This study is based on data collected from surveys and interviews of a cross-section of employees working for an IGO located in the Middle East. Interviews were conducted with administrators, directors, and staff representing employees with varying lengths of service to the organization as well as an extensive range of levels of education and professionalism. Surveys and interviews of full-time employees provided a representation of the perception of HRM practices and an assessment of employee attitude measures.

One of the main limitations of the study was created by the differences between actual HRM practices and employee perceptions of the effectiveness of the HRM practices, making it difficult to investigate all aspects of their influence on employee attitudes within the organization. The second limitation of the study is that it was conducted on a single IGO. The findings of the study are limited to the research site and study participants.

Although similarities may exist between the findings in this study and other IGOs, caution should be taken in generalizing these findings to other comparable organizations. For example, UNRWA headquarters employees have mixed local and international staff from different countries. In addition, the organization provides both humanitarian and developmental services, meaning that the results may differ from those that would be found in an organization that is political and hires only local staff in a different geographic location.

Care was taken to follow the appropriate protocol for collecting data accurately and objectively. The procedures in this research study were consistent with the standards for conducting research with human subjects. The University of Ottawa Social Science and Humanities Research Ethics Board (REB) approved the study prior to data collection. Participants were informed of the purpose of the study as well as risks and benefits of their involvement. The sample population participated on a voluntary basis and participants received informed consent forms and an assurance of confidentiality.

The study began by reviewing the reform documents to identify the areas at which the organization decided to modernize its HRM systems, policies, and practices. Accordingly, four major were identified. These areas are staffing and recruitment, performance appraisal, compensation and rewards, and training and development. Then, using correlations and hierarchical multiple regression, four models were identified to examine which dimension or HPWS practice would be predictive for the four main employee attitudes, namely: employee commitment, job satisfaction, motivation, and intention to quit.

The research findings from the quantitative data provided some support for previous research on the effects of the bundles of HPWS and their relationship to employee attitudes. Of the four bundles used in this study, employee training and development was shown to have a consistent positive effect on employee commitment and satisfaction, with inverse effects on employee intention to quit. Performance appraisal was also found to have significant positive effects on employee job satisfaction and commitment. Results also showed that compensation and rewards have minor positive effects on employee job satisfaction and motivation. However, staffing and recruitment practices have no statistically significant relationship with any of the employee attitude measures. In addition to quantitative data, this study used qualitative data from face-to-face interviews with some staff members and senior management. The qualitative data were also used to verify quantitative data on the recent OD reform within the UNRWA, and to illuminate any ambiguous data obtained from the questionnaires. Interviews provided additional insights that would have been difficult to gain from closed-ended questionnaires in order to explore the perceptions of the effectiveness of the recent deployment of HPWS, as well as the effects of the newly deployed HPWS on employees in general, providing the rationale for using both quantitative and qualitative data. Qualitative data from interviews has shown positive views among participants regarding the reform process, especially regarding open communication, decentralization, worker wellbeing, and the general new organizational strategic approach focusing on HRM. However, qualitative data from interviews shows that the effectiveness of the recent organizational reform depends on the processes associated with implementing the promulgated policies and how these policies are implemented in practice. Some participants have shown concerns about the new austerity

measures that influenced the execution and administration of the new HPWS practices, which were negatively perceived by participants.

The following sections feature the main conclusions of the study and present recommendations for practical application of the study, as well as recommendations for future research. First, the contribution of this empirical enquiry into HRM literature comes from extending the research on HPWS beyond the private sector and national public sector organizations. This study contributes to the ongoing HRM–performance debate by extending the analysis to IGOs, providing empirical evidence on the effects of HPWS in this unique context. Additionally, this study helps public administrators in general and UNRWA’s senior management in making more informed decisions through understanding the effects of adopting specific bundles of HPWS. The following sections summarize the contributions of this study to each of these areas.

6.1 Theoretical Contribution to HRM literature

The main research problem being addressed within this mixed-methods study is that the majority of previous research investigating the relationship between HPWS 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 HPWS in public organizations in general and in particularly in the IGO context. Despite the substantial research addressing the relationship between bundles of HPWS practices and organizational performance in private sector organizations, there is little research within HRM literature addressing HPWS in public organizations. Additionally, although many HRM scholars have referred to worker attitudes as the intermediate variable

between HPWS and organizational performance outcomes, there is very little evidence concerning the impacts of HPWS on 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 HPWS 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 IGO headquarters. The study findings partially support the four research hypothesis. Accordingly, the study presents evidence on the link between some bundles of HPWS practices, and enhanced worker commitment, job satisfaction, motivation, and inversely on intention to quit. Results have shown multiple outcomes of HPWS practices in the IGO context. Of the four bundles of HPWS practices used in this study, 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 HPWS is perceived differently by individual workers, which may contribute to explaining the different effects of HPWS in the IGO context. Interviews with staff members have also 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

HPWS. 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. In this respect, IGOs are somewhat similar to private, multinationals, and national public organization in the different outcomes of the different HRM practices. This study has shown that HPWSs are not universally applicable but must be tailored to fit organizational characteristics and the external environment (Paauwe, 2009), extending the debate to IGOs by providing empirical evidence on the different effects of HPWS on employee attitudes. One of the main findings of this study regarding the effects of specific HPWS practices in the IGO context 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 HPWS 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, for IGO 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. These findings are consistent with the configurational perspective in the HRM literature.

HPWS are coherent work systems that operate among a holistic set or bundled pattern of multiple HRM practices and activities and cannot be isolated from the organizational context. This is contrary to the universal model of HRM, which argues that HPWS 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 when designing HPWS. Accordingly, this study urges IGO administrators to examine the efficacy of using a one-size-fits-all approach for HPWS. Findings from this study draw more attention to the effects of organizational context on the transfer of specific management practices to public organizations generally and IGOs in particular. IGO managers cannot simply assume that management practices and principles can and will work anywhere with the same results.

The study results also demonstrate the importance of planning, administering, and managing the reform process and its implications on employee perceptions. Results from interviews have shown that some participants reported disappointment due to the gap between announced policies and actual practices, arguing that they were expecting better outcomes from the reform process. This brings up one of the main issues within HRM literature, discussed in Chapter Two, relating to the intra-HRM system fit. This refers to the fit between HRM policies, and actual HRM practices and processes (Heneman & Milanowski, 2011). For HPWS to be effective, policies should match both the actual HRM practices and processes applied within the organization. A misfit between the policy and the practice could result in ineffective or counterproductive effects on employee attitudes

(Kepes & Delery, 2009). Employee attitudes and behaviours are affected by processes more than policies, so when policies and processes are not aligned, employees may demonstrate negative behaviours due to perceptions of injustice, which may harm organizational effectiveness (Simons & Roberson, 2003).

6.2 Contribution to the Field of Public Administration

This study contributes to the field of public administration in several ways. First, it furthers our understanding of the impact of management on the performance of public organizations through empirical evidence drawn from theories of HRM. The growing interest among scholars in understanding the effects of management on performance presupposes that the adoption of best practices will lead to improvement in organizational performance (Boyne et al, 2010). The study findings evaluate the link between HRM and organizational performance by providing evidence on the effects of these practices on employee attitudes, which is the intermediate variable that links HRM practices and organizational performance. The study, therefore, contributes to the empirical base that guides management on what really fits the organization best. Findings have shown that HPWS practices correlate with and influence employee attitudes. However, these correlations and effects could not be found for all HPWS practices included in this study. HRM practices such as training and development programs and performance appraisals were found to have important effects on levels of employee commitment, job satisfaction, motivation, and intention to quit. This makes some practices outperform others in public organizations. These findings provide support for the thesis that HRM practices do lead to enhanced performance outcomes (Gould-William, 2010). These results also extend the debate over the universal applicability of HPWS, which dominates management literature

in private sector organizations, to the public management literature. Public sector reform has been one of the main issues researched in the last few decades, especially the adoption of New Public Management (NPM), which has transferring market-based approaches to public organizations. However, the research addressing the effects of these practices in public organizations lags behind. The study findings demonstrate how variance in employee attitudes measures differs from one specific practice to another. Similar to the private sector, therefore, the direct relationship between HPWS practices and organizational performance is too simplistic; different variables and contextual factors must be considered in order to expand our understanding of the effects of HPWS on organizational performance (Guest, 2011; Paauwe, 2009; Fey et al., 2009). This opens prospects for future research to address the exact fit between HRM and other organizational characteristics as a critical factor that may determine what exactly is valued and influential to an organizational workforce. The results of the regression analysis are consistent with the “best fit” perspective in HRM literature, that bundles of HPWS must be consistent with an organization’s specific characteristics and tailored to possess the horizontal and vertical fit to be effective. Therefore, similarities regarding the importance of the fit between HRM practices and the organization may exist between the private and public sectors.

Finally, the study sheds light on organizational reforms in general, and the effectiveness of HRM reform in public organizations. The results obtained from the interviews revealed different perceptions between senior management and staff members regarding the newly deployed HPWS. Most employees confided that they perceived real intentions for major changes in HRM policies and practices. The employees indicated that

the new policies aimed at increased recognition, empowerment, and open communication. Therefore, they were expecting more tangible changes in specific areas, such as internal promotion, a new pay system, and training and development programs. However, at the end of the reform, participants demonstrated some negative perceptions towards the reform process, especially when considering the organizational resources devoted to the change process. This was also clear from survey results regarding the actual HPWS practices. Employee perception is an important factor that influences HRM activity outcomes. Previous research examining employee perceptions towards HRM practices showed that while managers describe the performance evaluation process as an open discussion between employees and management, employees felt that employee-goals were set without consulting them (Kooij, Jansen, Dikkers, & De Lange, 2010). In a similar study, better communication between management and staff, involving them in decision-making activities, was perceived as information overload from staff, leading to negative individual outcomes (Gould-Williams, 2004). Therefore, individual work-related HRM outcomes are affected by employee perceptions of HRM practices, instead of by the intended HRM policies (Edgar & Geare, 2005). Managers should consider employee perceptions of the newly promulgated HRM practices during the reform process through extensive communication in order to avoid any contradictions between the intended HRM policies and actual HRM practices as experienced by the employee.

Along the same line of reasoning, there are some implications relating to the process of developing, implementing, and administering the reform process. Researchers argue that the implementation of certain practices during the reform process is not a sufficient condition but is a necessary condition for attaining the desired organizational

reform outcomes (Khilji & Wang, 2006). Organizations adopting HPWS should consider how to develop, implement, and administer HPWS practices in order to achieve a high level of HRM outcomes on the organizational level (Gerhart et al., 2000). During the interviews, some participants reported that the organization announced new austerity measures that affected the deployment of HPWS, especially with implementing the new pay system and providing more training. The implication seems to be that the organization needs to secure and sustain financial, human, and other organizational resources for successful reform. In the case of UNRWA, the financial crisis (discussed in Chapter Three) resulted in funding restrictions on organizational plans for the reform, which undermined the effectiveness of the reform process. Finally, public managers also need to consider the uniqueness of the public organization in the case of planning and designing HRM systems, considering the differences in the efficacy of HPWS practices between private and public organizations.

6.3 Contribution to UNRWA

Findings of this study contribute to the practical application of HPWS within UNRWA and other IGOs in general. The results of this study provide empirical evidence of the relationship between HPWS and UNRWA employee attitudes. Proof of these relationships should provide IGO leaders with the necessary information to make informed decisions regarding the specific structure of its HRM systems. This study provides organizational leaders with information that will guide the process of selecting and implementing the human resources management systems that supposedly influence the attitudes of their employees and ultimately result in enhanced organizational performance.

Based on the research findings, the UNRWA may need to invest more into employee training and development programs and the performance appraisal process, as these two bundles of HPWS practices proved to contribute to develop an organizational workforce that is more committed to the organization and more satisfied. Managers desirous of enhancing employee attitudes will need to focus on those two bundles. Additionally, the organization needs to reconsider its recruitment, staffing, compensation, and rewards practices. The research findings showed that these practices have no significant effects on UNRWA workers. During the interviews, employees expressed their keen desire for a better compensation and rewards system. Interviews also have shown that employees are looking for more internal promotion and a new pay system. The most common response received from interviews was the mention of the need for more effective implementation for the new HPWS policies and better administration with adequate financial resources.

Results have also shown IGO leaders that there is a need to consider the complexity of the long and demanding reform process in general and the adoption of HPWS in particular as it directly relates to staff, which is the main organizational asset. In this context, leaders clearly need to understand that in light of employee perceptions, upper management should ensure adequate resources for effective implementation and administration of the reform process. Additionally, the HRM team role should focus on educating and informing employees about organizational motives behind any changes or delays in the reform process.

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 HPWS. 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 UNRWA field offices, in addition to other 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. The case of the UNRWA as an IGO serving beneficiaries in different environments, may contribute to understand how environment complexity that may affect performance outcomes (Andrews, 2010)

This study serves as an exploration into HPWS and its impacts on employee attitudes. Continued research is needed to better identify any other factors that might moderate the relationship between HPWS and employee attitudes, such as managerial style or organizational culture. Even though this study has brought some insight into HRM reform in the IGO context and the adoption of HPWS, it would also be valuable to replicate this study after the end of the austerity measures, when the organization can fully implement HPWS using the same bundles to see if the results change with a better-administered reform processes.

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APPENDICES

Appendix A: Ethics Approval Letter



Université d'Ottawa **University of Ottawa**
 Bureau d'éthique et d'intégrité de la recherche Office of Research Ethics and Integrity

Ethics Approval Notice **Social Science and Humanities REB**

File Number: 03-11-26

Type of Project: PhD Thesis

Title: The Effects of High Performance Work Systems on International Organizations: A Case Study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Approval Date (mm/dd/yyyy)	Expiry Date (mm/dd/yyyy)	Approval Type
08/02/2011	08/01/2012	Ia

(Ia: Approval, Ib: Approval for initial stage only)

Special Conditions / Comments:

N/A



Université d'Ottawa **University of Ottawa**
Bureau d'éthique et d'intégrité de la recherche Office of Research Ethics and Integrity

This is to confirm that the University of Ottawa Research Ethics Board identified above, which operates in accordance with the Tri-Council Policy Statement and other applicable laws and regulations in Ontario, has examined and approved the application for ethical approval for the above named research project as of the Ethics Approval Date indicated for the period above and subject to the conditions listed the section above entitled "Special Conditions / Comments".

During the course of the study the protocol may not be modified without prior written approval from the REB except when necessary to remove subjects from immediate endangerment or when the modification(s) pertain to only administrative or logistical components of the study (e.g. change of telephone number). Investigators must also promptly alert the REB of any changes which increase the risk to participant(s), any changes which considerably affect the conduct of the project, all unanticipated and harmful events that occur, and new information that may negatively affect the conduct of the project and safety of the participant(s). Modifications to the project, information/consent documentation, and/or recruitment documentation, should be submitted to this office for approval using the "Modification to research project" form available at:
http://www.rges.uottawa.ca/ethics/application_dwn.asp

Appendix B: Demographics Section of Questionnaire

Please place a check mark in the appropriate blank box for each question.

Please select your age range:

- 18 – 30 years old
- 31– 45 years old
- 46 – 60 years old
- Over 60 years old

Gender:

- Male
- Female

Please indicate your current position:

- Executive staff
- Program Director
- Head of Department
- Supervisor
- Staff

The number of years working with the UNRWA _____

Please select the highest level of education attained:

- High School Diploma
- College Diploma (2 years)
- Bachelor Degree (4 years)
- Graduate Degree (Masters/PhD)

**Appendix C: Human Resources Management Practices and Policies Profile
Questionnaire
(HRMPPP)**

Listed below are a number of human resources management strategies that may be used in your organization. The human resource strategies have been broken down into four main human resources practices: staffing and recruitment, performance appraisal, compensation and rewards, and training and development. Mark your response on each work continuum scale which best describes your organization.

Human resource management practices you experienced while working with the UNRWA.

Directions: Please circle a number (1–7) indicating your response on each work continuum scale that best describes the human resource management practices you experienced.

Staffing and Recruitment

When staffing new positions we use	Internal Sources	External Sources
	1 2 3 4 5 6 7	
Job descriptions tend to be	Fixed and Explicit	Flexible and Adaptive
	1 2 3 4 5 6 7	
The career paths offered to all employees are	Narrow	Broad
	1 2 3 4 5 6 7	
Advancement within the organization can be achieved only one way (single ladders), or through many avenues (multiple ladders)	Single ladder	Multiple Ladders
	1 2 3 4 5 6 7	
When a new employee is hired, the socialization process of introducing them to organizational culture, norms, and ways of doing things tends to be	Limited	Extensive
	1 2 3 4 5 6 7	

Performance Appraisal

When appraising employee performance the criteria for the appraisal tends to be	Behaviourally oriented	Results Oriented
	1 2 3 4 5 6 7	
The primary purpose of the appraisal is	Employee Development	Performance
	1 2 3 4 5 6 7	
The level of employee participation in the appraisal process is	Low	High
	1 2 3 4 5 6 7	
The appraisal process emphasizes	Short-term Criteria	Long-term Criteria
	1 2 3 4 5 6 7	
Does the appraisal emphasis performance	Individually	Group Performance
	1 2 3 4 5 6 7	

Compensation and Rewards

Compared with what other organizations pay employees in similar positions we pay	Low Salaries	High Salaries
	1 2 3 4 5 6 7	
Our employees receive	Few Perks	Many Perks
	1 2 3 4 5 6 7	
Our benefits package is a	Standard, fixed package	Flexible package
	1 2 3 4 5 6 7	
Our pay system contains incentives that, to some, extent reward productivity, quality or other desired results	No Incentives	Many Incentives
	1 2 3 4 5 6 7	
The incentives tend to be	Short-term	Long-term
	1 2 3 4 5 6 7	
Typically there is	No Job Security	High Job Security
	1 2 3 4 5 6 7	

Our compensation system is Hierarchical in nature, where the top management receives far more pay and benefits, or Egalitarian in nature, where all employees are compensated equally	Hierarchical	Egalitarian
	1 2 3 4 5 6 7	

Training and Development

The emphasis of employee training program is	Short-term	Long-term
	1 2 3 4 5 6 7	

The amount of training per employee is	Limited	Extensive
	1 2 3 4 5 6 7	

The training and development received is	Task-specific	Broad application
	1 2 3 4 5 6 7	

Training and development received is	Unplanned, unsystematic	Planned, systematic
	1 2 3 4 5 6 7	

Employee participation in formulating training and development needs is	Low	High
	1 2 3 4 5 6 7	

Training and development is oriented toward	Individuals	Groups
	1 2 3 4 5 6 7	

Comments/Reactions to any of the above responses:

Any additional thoughts, comments, or suggestions?

Appendix D: Organizational Commitment Questionnaire (OCQ)

Listed below are a series of statements that represent possible feelings that individuals may have about the company or organization for which they work. With respect to your own feelings about the organization for which you are now working, please circle a number (1–7) indicating the extent to which you agree with the following statements. Please be sure to read the answer choices for every statement as they periodically reverse order.

		Strongly Disagree						Strongly Agree
1	I am willing to put in a great deal of effort beyond that normally expected in order to help this department/organization.	1	2	3	4	5	6	7
2	I talk up this department/organization to my friends as a great one to work for.	1	2	3	4	5	6	7
3	I feel very little loyalty to this department/organization.	1	2	3	4	5	6	7
4	I would accept almost any type of job assignment in order to keep working for this department/organization.	1	2	3	4	5	6	7
5	I find that my values and the department/organization's values are very similar.	1	2	3	4	5	6	7
6	I am proud to tell others that I am part of this department/organization.	1	2	3	4	5	6	7
7	I could just as well be working for a different department/organization as long as the type of work was similar.	1	2	3	4	5	6	7
8	This department/organization really inspires the very best in me in the way of job performance.	1	2	3	4	5	6	7
9	It would take very little change in my present circumstances to cause me to leave this department/organization.	1	2	3	4	5	6	7
10	I am extremely glad that I chose this department/organization to work for over others I was considering at the time I joined.	1	2	3	4	5	6	7
11	There's not too much to be gained by sticking with this department/organization indefinitely.	1	2	3	4	5	6	7
12	Often, I find it difficult to agree with this department/organization's policies on important matters relating to its employees.	1	2	3	4	5	6	7
13	I really care about the fate of this department/organization.	1	2	3	4	5	6	7
14	For me this is the best of all possible departments/organizations for which to work.	1	2	3	4	5	6	7
15	Deciding to work for this department/organization was a definite mistake on my part.	1	2	3	4	5	6	7

Appendix E: Job Satisfaction Survey (JSS)

Listed below are a series of statements that represent possible feelings that individuals may have about the company or organization for which they work. With respect to your own feelings about the organization for which you are now working, please circle a number (1–7) indicating the extent to which you agree with the following statements. Please be sure to read the answer choices for every statement as they periodically reverse order.

		Strongly Disagree						Strongly Agree
1	I feel I am being paid a fair amount for the work I do.	1	2	3	4	5	6	7
2	There is really too little chance for promotion on my job.	1	2	3	4	5	6	7
3	My supervisor is quite competent in doing his/her job.	1	2	3	4	5	6	7
4	I am not satisfied with the benefits I receive.	1	2	3	4	5	6	7
5	When I do a good job, I receive the recognition for it that I should receive.	1	2	3	4	5	6	7
6	Many of our rules and procedures make doing a good job difficult.	1	2	3	4	5	6	7
7	I like the people I work with.	1	2	3	4	5	6	7
8	I sometimes feel my job is meaningless.	1	2	3	4	5	6	7
9	Communications seem good within this organization.	1	2	3	4	5	6	7
10	Raises are too few and far between.	1	2	3	4	5	6	7
11	Those who do well on the job stand a fair chance of being promoted.	1	2	3	4	5	6	7
12	My supervisor is unfair to me.	1	2	3	4	5	6	7
13	The benefits we receive are as good as most other organizations offer.	1	2	3	4	5	6	7
14	I do not feel that the work I do is appreciated.	1	2	3	4	5	6	7
15	My efforts to do a good job are seldom blocked by red tape.	1	2	3	4	5	6	7
16	I find I have to work harder at my job because of the incompetence of people I work with.	1	2	3	4	5	6	7
17	I like doing the things I do at work.	1	2	3	4	5	6	7
18	The goals of this organization are not clear to me.	1	2	3	4	5	6	7
19	I feel unappreciated by the organization when I think about what they pay me.	1	2	3	4	5	6	7
20	People get ahead as fast here as they do in other places.	1	2	3	4	5	6	7
21	My supervisor shows too little interest in the feelings of subordinates.	1	2	3	4	5	6	7
22	The benefit package we have is equitable.	1	2	3	4	5	6	7

23	There are few rewards for those who work here.	1	2	3	4	5	6	7
24	I have too much to do at work.	1	2	3	4	5	6	7
25	I enjoy my co-workers.	1	2	3	4	5	6	7
26	I often feel that I do not know what is going on with the organization.	1	2	3	4	5	6	7
27	I feel a sense of pride in doing my job.	1	2	3	4	5	6	7
28	I feel satisfied with my chances for salary increases.	1	2	3	4	5	6	7
29	There are benefits we do not have which we should have.	1	2	3	4	5	6	7
30	I like my supervisor.	1	2	3	4	5	6	7
31	I have too much paperwork.	1	2	3	4	5	6	7
32	I don't feel my efforts are rewarded the way they should be.	1	2	3	4	5	6	7
33	I am satisfied with my chances for promotion.	1	2	3	4	5	6	7
34	There is too much bickering and fighting at work.	1	2	3	4	5	6	7
35	My job is enjoyable.	1	2	3	4	5	6	7
36	Work assignments are not fully explained.	1	2	3	4	5	6	7
37	My supervisor shows too little interest in the feelings of subordinates.	1	2	3	4	5	6	7

Appendix F: Motivational Factors Survey

Please indicate to what extent you are motivated by the following aspects of your company on the right side.

Motivators	Highly Motivated	Motivated	Not Motivated
Interesting work			
Good wages			
Appreciation for job well done			
Job security			
Good working conditions			
Promotions and growth in the company			
Feeling of being in on things			
Personal loyalty to employees			
Tactful discipline			
Sympathetic help with personal problems			

Other suggestions:

Appendix G: Informed Consent for Employee Questionnaire



Université d'Ottawa / University of Ottawa
 École d'études politiques / School of Political Studies
 Programme d'administration publique / Public Administration Program

Consent Form

Title of the study: The Effects of High Performance Work Systems on International Organizations: A Study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Invitation to Participate: I am invited to participate in the abovementioned research study conducted.

Purpose of the Study: The main purpose of the study is the researcher's PhD Thesis. This study examines the effects of the newly implemented Human Resources Management Practices on the UNRWA's workers attitude. The study focuses on understanding the current human resources management practices, and its influence on employee motivation, commitment, job satisfaction, and intention to quit. The UNRWA will receive a copy of the final report and aggregated data, which will help the organization to understand the influence of the current human resources management practices on employee attitudes towards the organization.

Participation: My participation in this study will consist essentially of completing the employee survey, which will take approximately 20 minutes.

Risks: Participation or not in the research project will not affect my individual standing with my employer. There are no anticipated risks to me associated with participating in this study.

Benefits: My participation will provide useful feedback to the UNRWA management, which may be used by the organization to understand the effects of the current human resources management practices on its employees.

Confidentiality and anonymity: I have received assurance from the researcher that the information I will share will remain strictly confidential. I understand that the contents will be used only for the study purpose. The data from this study may be published in academic journals and conferences, without disclosing my identity or the identity of my organization. **Anonymity** will be

protected in the following manner: researcher will identify your responses by a code assigned to you in order to preserve the confidentiality of my responses. The UNRWA will not receive any individual responses, but will instead receive a report of aggregated results.

Conservation of data: The data collected will be saved in secured server and will be processed on secured computers. Any hard copy data will be kept in a secure manner and be guarded in locked office under the responsibility for the researcher. Data will be conserved for five (5) years period and the starting time of the conservation period is the completion of the study.

Voluntary Participation: I am under no obligation to participate and if I choose to participate, I can withdraw from the study at any time and/or refuse to answer any questions, without suffering any negative consequences. If I choose to withdraw, all data gathered until the time of withdrawal will be deleted.

Acceptance: I agree to participate in the above research study

If I have any questions about the study, I may contact the researcher or his supervisor.

If I have any questions regarding the ethical conduct of this study, I may contact the Protocol Officer for Ethics in Research, University of Ottawa,

I HAVE CAREFULLY STUDIED THE ABOVE AND UNDERSTAND THIS AGREEMENT. I FREELY CONSENT AND VOLUNTARILY AGREE TO PARTICIPATE IN THIS STUDY.

There are two copies of the consent form, one of which is mine to keep.

Participant's signature: *(Signature)* Date: *(Date)*

Researcher's signature: *(Signature)* Date: *(Date)*

Appendix H: Informed Consent for Qualitative Interviews



Université d'Ottawa / University of Ottawa
 École d'études politiques / School of Political Studies
 Programme d'administration publique / Public Administration Program

Consent Form

Title of the study: The Effects of High Performance Work Systems on International Organizations: A Study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Invitation to Participate: I am invited to participate in the above-mentioned research study.

Purpose of the Study: The main purpose of the study is the researcher's PhD Thesis. This study examines the effects of the newly implemented Human Resources Management Practices on the UNRWA's workers attitude. The study focuses on understanding the current human resources management practices, and its influence on employee motivation, commitment, job satisfaction, and intention to quit. The UNRWA will receive a copy of the final report and aggregated data, which will help the organization to understand the influence of the current human resources management practices on employee attitudes towards the organization.

Participation: My participation in this study involves being interviewed. The interview will last approximately 30–45 minutes. Notes will be written during the interview.

Risks: Participation or not in the research project will not affect my individual standing with my employer at all. There are no anticipated risks to me associated with participating in this study.

Benefits: My participation will provide useful feedback to the UNRWA management, which may be used by the organization to understand the effects of the current human resources management practices on its employees.

Confidentiality and anonymity: I have received assurance from the researcher that the information I will share will remain strictly confidential. I understand that the contents will be used only for the study purpose. The data from this study may be published in academic journals and conferences, without disclosing my identity or the identity of my organization. UNRWA will neither be present at the interview nor have access to raw notes or transcripts. This precaution will prevent my individual comments from having any negative repercussions.

Anonymity will be protected in the following manner: researcher will identify my responses by a code assigned to me in order to preserve the confidentiality of my responses. The UNRWA will not receive any individual responses, but will instead receive a report of aggregated results.

Conservation of data: The data collected will be saved in secured server and will be processed on secured computers. Any hard copy data will be kept in a secure manner and be guarded in locked office under the responsibility for the researcher. Data will be conserved for five (5) years period and the starting time of the conservation period is the completion of the study.

Voluntary Participation: I am under no obligation to participate and if I choose to participate, I can withdraw from the study at any time and/or refuse to answer any questions, without suffering any negative consequences. If I choose to withdraw, all data gathered until the time of withdrawal will be deleted.

Acceptance: I agree to participate in the above research study.

If I have any questions about the study, I may contact the researcher or his supervisor.

If I have any questions regarding the ethical conduct of this study, I may contact the Protocol Officer for Ethics in Research, University of Ottawa, Tabaret Hall, 550 Cumberland Street, Room 154, Ottawa, ON, K1N 6N5

Tel.: (613) 562-5387

Email: ethics@uottawa.ca

There are two copies of the consent form, one of which is mine to keep.

Participant's signature: *(Signature)*

Date: *(Date)*

Researcher's signature: *(Signature)*

Date: *(Date)*

Appendix I: Recruitment Text for the face-to-face Interview

Dear (interview) participant,

I am a PhD student at the University of Ottawa conducting a research study entitled: **The Effects of High Performance Work Systems on International Organizations: A Study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East**. The main purpose of the study is my PhD Thesis. The study examines the effects of the newly implemented Human Resources Management Practices on UNRWA's worker attitudes. The study focuses on understanding the current human resources management practices, and its influence on employee motivation, commitment, job satisfaction, and intention to quit.

You are invited to participate in this research study. Your participation is voluntary and will involve face-to-face interview about your opinions concerning the impacts of the current human resources management utilized by the UNRWA on employee attitudes. The interview will take approximately 30 minutes and you have the opportunity to select the time and place for the interview. Once the face-to-face meeting occurs, you will be asked to sign a consent form reiterating anonymity, confidentiality, and assuring no punitive measures for non-participation.

If you choose not to participate or to withdraw from the study at any time, you can do so without penalty or loss of benefit to yourself. The results of the research study may be published, but your identity will remain confidential, your name will not be disclosed to any outside party, and your results will be maintained in confidence. In this research, there are no foreseeable risks to you.

Although there may be no direct benefit to you, UNRWA will receive a copy of the final report and aggregated data, which will help the organization to understand the influence of the current human resources management practices on employee attitudes towards the organization.

Appendix J: Qualitative Interview Questions



Université d'Ottawa / University of Ottawa
École d'études politiques / School of Political Studies
Programme d'administration publique / Public Administration Program

Interview Questions

1. How do you perceive the recent changes in human resources management in the organization?
2. How do you evaluate the changes in human resources management practices when compared with the organization's staff demands?
3. Describe how recent changes in HRM practices may influence employee attitudes and the levels of staff motivation, commitment, satisfaction, and intention to quit.
4. Discuss how new HRM policies and procedures affect the quality and level of services provided by your organization linked to employee attitudes?

Appendix K: Permission to Survey Employees



Letter of Permission

United Nations Relief and Works Agency

PhD Student in the Public Administration Program in the Faculty of Social Science, Department of Political Studies, has the permission of UNRWA to conduct research at our Gaza Field Office in support of his dissertation, " **The Effects of High Performance Work Systems on International Organizations: A Case Study of the United Nations Relief and Works Agency for Palestine Refugees in the Near East**".

Organizational approval is predicated upon the following stipulations contained within his research protocol description.

will distribute an invitation to participate in his research by e-mail to the UNRWA staff. He will be using the survey monkey website to deliver an online survey that is based upon four research instruments – "The HRM policies and practices profile" (HRMPPP) based upon the typology of HRM practices proposed by Schuler and Jackson (1987), "Organizational Commitment Questionnaire" (OCQ) developed by Cook and Wall (1980), "Job Satisfaction Survey" (JSS) developed by Spector (1997), and "The Motivation at Work Scale" (MAWS) developed by Gagné et al, (2008).

will also survey five employees' demographics concerning age, gender, race, length of service, and educational attainment.

Additionally, will conduct structured and open-ended question interviews with supervisors and mid-level managers for the purpose of his study. All participants will be notified that participation in this research is voluntary, that they can end their participation at any time, and that there are no implications for nonparticipation.

survey is designed to ensure the anonymity of participants as no information will be collected that can be used to identify and/or directly link a participant to his/her responses. will keep all survey responses and other sensitive research related information in a secure location with limited access.

Upon completion of his degree, has agreed to share a copy of his final research project with the UNRWA.

Appendix L: Permission to Use OCQ*Permission to Use the Organizational Commitment Questionnaire (OCQ)*

E-mail communications as indicated below:

RE: Permission to use Organizational Commitment Questionnaire (OCQ) instrument in dissertation research

You forwarded this message on 10/3/2009 6:21 AM.

Sent: Thursday, August 13, 2009 12:37 PM

The Organizational Commitment Questionnaire (OCQ) decided not to copyright the instrument to encourage its use by others in research. As a consequence, the OCQ exists in the public domain and you do not need formal permission to use it in your dissertation.

Appendix M: Permission to Use JSS

Job Satisfaction Survey, JSS Page

<http://shell.cas.usf.edu/~pspector/scales/jsspag.html>

The JSS is a copyrighted scale. It can be used free of charge for non-commercial educational and research purposes, in return for the sharing of results. See the “Sharing of results” page above for instructions.

Sharing of Results for Researchers Who Use My Scales

All of my scales are copyrighted. I allow free use under two conditions.

1. The use is for non-commercial educational or research purposes. This means no one is charging anyone a fee. If you are using any of my scales for consulting purposes, there is a fee.
2. You agree to share results with me. This is how I continue to update the norms and bibliography.

I would love to see copies of research reports (thesis, dissertation, conference paper, journal article, etc.) in which you used the JSS. Summaries are fine for long documents (e.g., dissertation), and e-mailed documents are preferred (saves copy and mail costs). Be sure to indicate how you want the work cited in the bibliography.

Appendix N: Permission to Use Motivation Factors Survey

E-mail communications as indicated below:

Dear Sir,

I assume you are referring to a survey discussed in the 1998 Journal of Extension article, "Understanding Employee Motivation" <http://www.joe.org/joe/1998june/rb3.php>.

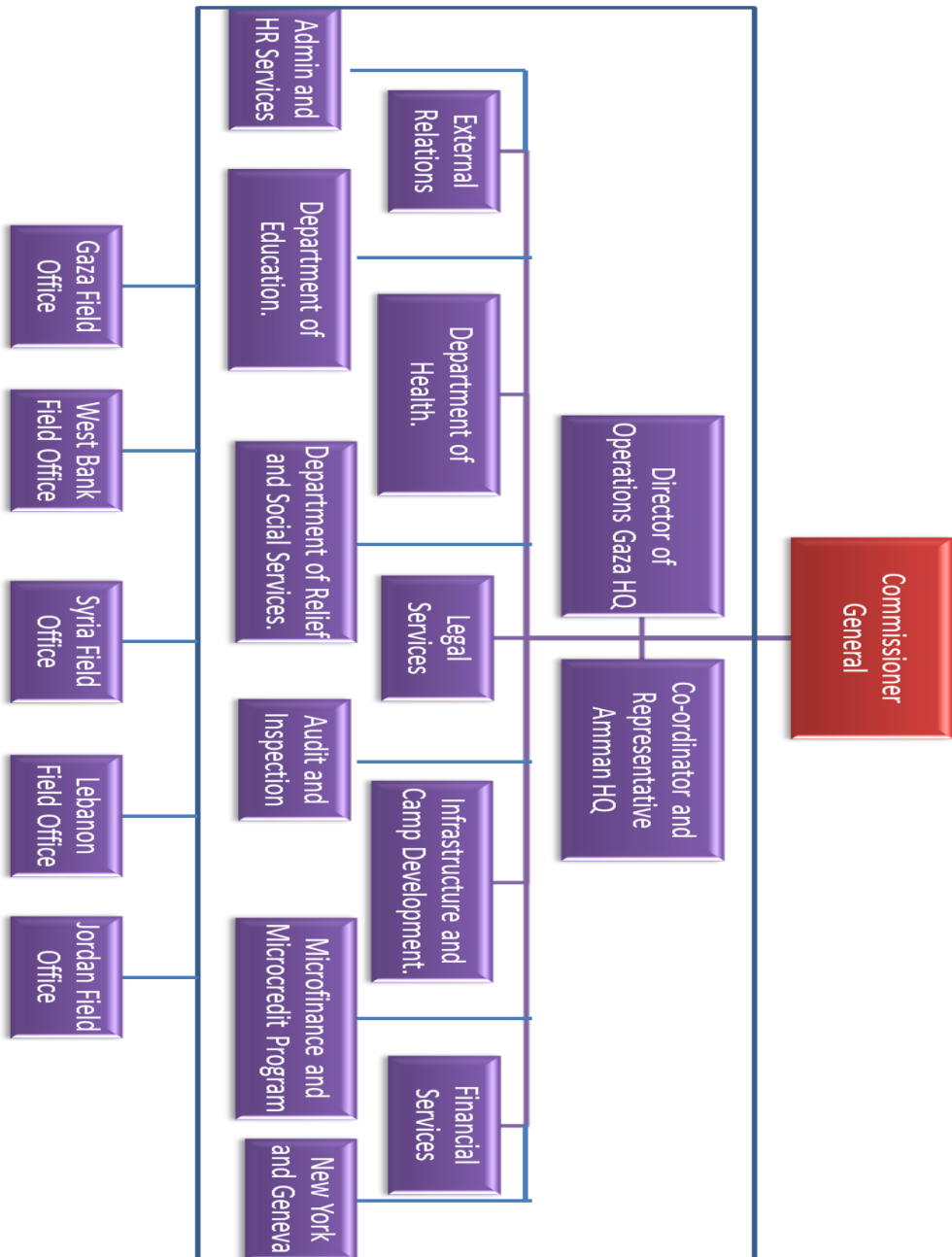
As the editor of the Journal of Extension (JOE), I have access to no more material or information than what appears in JOE articles themselves. As the editor, I grant you permission to use any material in the article, itself.

Sincerely,

Appendix O: Map: UNRWA Area of Operations

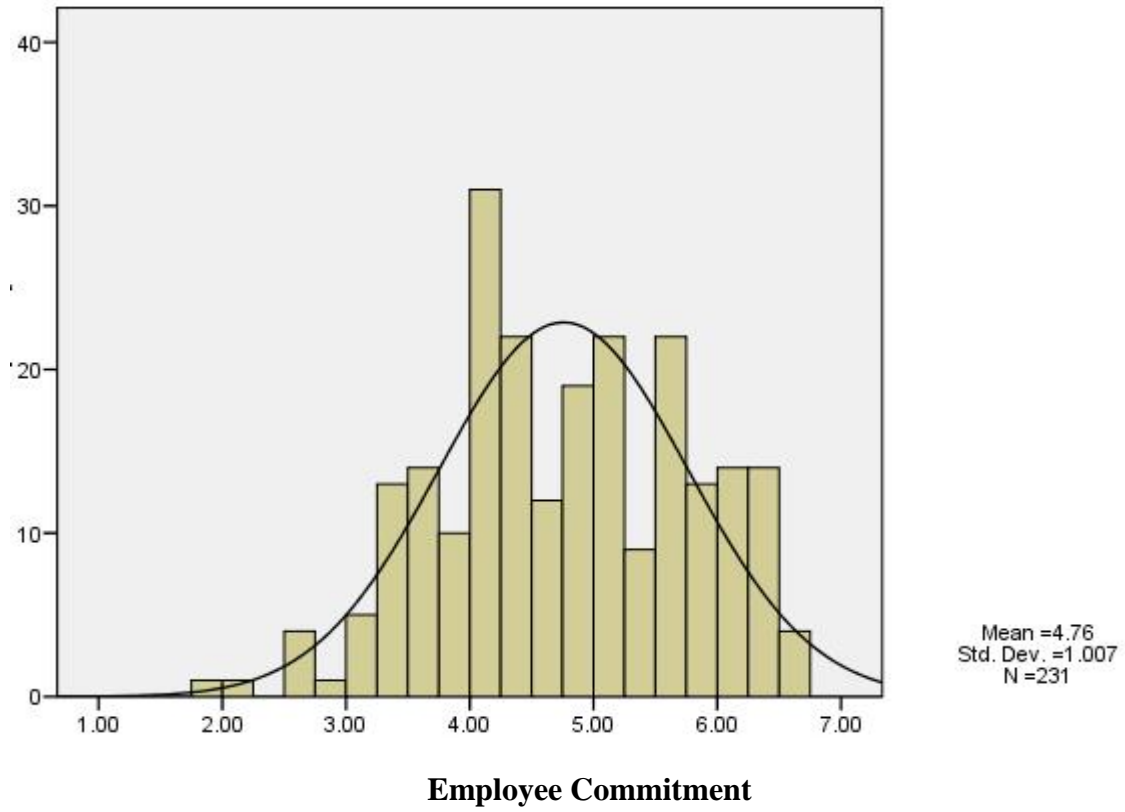


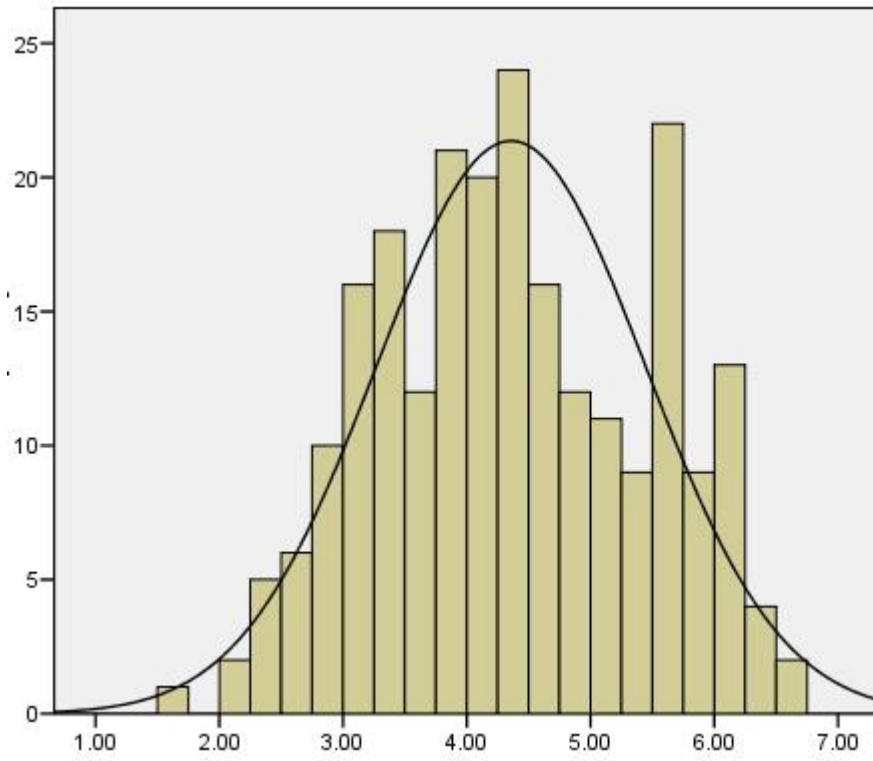
Appendix P: Organization Chart of UNRWA



Appendix Q: Pledges to UNRWA (Cash and in Kind)

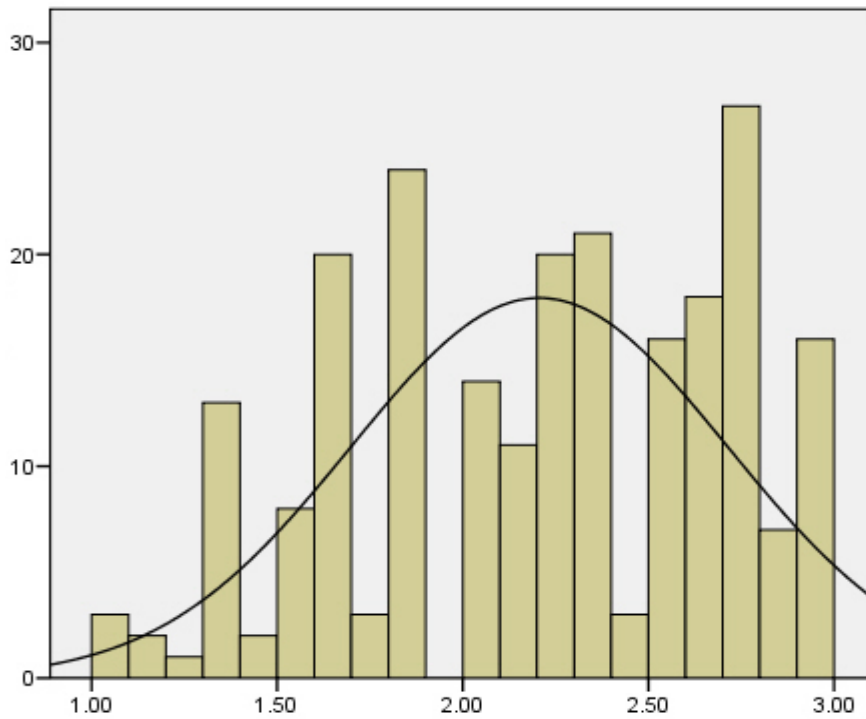
Donor	Projected Income 2011	Income Forecast 2012	Donor	Projected Income¹ 2011	Income Forecast 2012
Australia	6,300	6,300	Sub-total b/f	215,700	215,100
Bahrain	100	100	Saudi Arabia	5,200	2,000
Belgium	4,300	1,400	Spain	14,300	12,600
Canada	0	-	Sweden	43,900	43,600
Denmark	12,800	13,400	Switzerland	10,500	12,000
Egypt	100	100	Turkey	1,000	1,000
EU	115,100	114,400	UAE	1,800	1,800
Finland	4200	4,300	UK	31,900	47,900
			UK (Performance Increment)	5,400	-
France	6,700	6,400	USA	114,600	114,600
Germany	8,700	9,000	Non-Advisory Commission	13,600	13,600
Ireland	5,700	5,700	NGOs	1,900	3,800
Italy	2,900	2,900	In-Kind	3,500	1,900
Japan	2,900	2,900	Interest	2,118	3,000
Kuwait	2,000	2,000			
Netherlands	18,600	18,600	PSC recoveries	24,000	20,000
Norway	25,200	27,500	International Staff funded by NY	30,782	28,803
Qatar	100	100			
Sub-total c/f	215,700	215,100	Grand Total	520,200	521,703

Appendix R: Histograms



Mean =4.36
 Std. Dev. =1.088
 N =233

Job Satisfaction



Mean =2.21
 Std. Dev. =0.509
 N =229

Employee Motivation

