The Moderating Effect of Employee Commitment on HR Managers’ Role and HR Performance Indicator

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ABSTRACT

In the era of increasing competitive global economy, the role of human resource (HR) managers has also changed dramatically in recent years. Thus, this study examined the relationship between human resource managers’ role, the employees’ commitment, and human resource performance indicators in Taiwanese service industry. Our hypotheses are tested on data collected from 96 HR managers who work in Taiwanese service industry. The findings indicated that the HR managers’ roles are consistent with HR performance indicators. Furthermore, the employees’ affective commitment also has partially significant effect on the HR managers’ roles and HR performance indicators.

Keywords: HR managers’ role, Employee commitment, HR performance indicator

INTRODUCTION

With the increasing competitive pressure from the global economy, the role of HR managers has also changed dramatically in the way that they achieve business goals (Bonner and Ulrich, 1996). According to the role theory, HR performance indicators serve the function of both directing and motivating HR managers to let them pay more attention on those activities that are associated with indicators (Wright and McMahan, 1992). Most of the literature has explored HR manager roles (Ulrich, 1997) and HR performance indicators (Becker et al., 2001) independently. However, the past literature exploring the relationship between HR managers’ roles and HR performance indicators is still rare (Chang and Chi, 2007). Furthermore, depending on the nature and strength of their commitment, employees can freely choose whether to expand its implications to include these or other beneficial behaviors (Meyer and Herscovitch, 2001). Thus, the purpose of this study is to examine the effect of employee commitment on HR managers’ role consistency and HR performance indicators.

LITERATURE REVIEW

HR managers’ roles

A number of literature have explored the changing roles of HR managers recently years (Conner and Ulrich, 1996; Dyer, 1999; Schuler, 1990). Ulrich (1997) also proposed a conceptual model of HR managers’ roles which is based on two main dimensions such as strategic focus or operational focus and people or process orientation. According to Ulrich (1997), the HR managers’ roles are classified into four types such as the strategic partner, employee champion, change agent and administrative expert. The first role is the strategic partner which focuses on aligning HR strategies and practices with business strategy. The second role is the strategic partner which focuses on aligning HR strategies and practices with business strategy. The last role is the administrative expert which focuses on the design and delivery of effective HR process. Owing to Ulrich’s model underlines the
changing roles of HR managers in detail (Caldwell, 2001), his model has been applied widely by several studies (Bhatnagar and Sharma, 2005; Cabrera and Cabrera, 2003; Caldwell, 2001).

**HR performance indicators**

In the job performance literature, it has been referred to as contextual performance and distinguished from the more regulated task performance (Borman and Motowidlo, 1997). Following the perspective of HR managers’ role consistency, HR managers should aim to maximize the alignment of current HR practices and business objectives when they acted as a strategic partner (Conner and Ulrich, 1996). When the HR managers play as an employee champion, HR managers should give significance to employees’ satisfaction with HR practices and overall labor relations (Mohrman and Lawler, 1997). On the other hand, HR managers could measure the alignment between HR practices and change executions when they are as change agents of firms (Becker et.al., 2001). HR managers should be concerned with designing and delivering HR practices efficiently when they are acted as administrative experts (Ulrich, 1997).

**The relationship between HR managers’ roles and HR performance indicators**

Kark et.al. (2003) found that transformational leadership was positively related to both followers’ dependence and their empowerment. By encouraging followers to seek new ways to approach problem and challenges, and identifying with followers’ needs, transformational leaders are able to motivate their followers to get more involved in their work, resulting in higher levels of organizational commitment (Walumbwa and Lawler, 2003). By contrast with HR managers’ roles, the transformational leader is similar to the change agent role. By the way, the administrative expert role can be regarded as the transactional leadership. To compare the difference between transformational leadership and transactional leadership, we take both of the change agent roles and the administrative expert role as our empirical sample construct. Thus, we proposed the following hypotheses:

*Hypothesis 1: HR managers’ roles are consistent with HR performance indicators*

*Hypothesis 1a: The change agent role is positively related to HR change indicators.*

*Hypothesis 1b: The administrative expert role is positively related to HR efficiency indicators.*

**Employee commitment**

Commitment is a force that binds an individual to a course of action that is of relevance to a particular target (Meyer and Herscovitch, 2001). Commitment to each target should influence goal-oriented behavior of relevance to that target (Meyer and Becker, 2004). Randall (1990) has also pointed out that observed relations between measures of organizational commitment and job performance are modest. Meyer and Herscovitch (2001) also identified several bases for the development of three forms of commitment. They indicated that the primary bases for the development of affective commitment are personal involvement, identification with the relevant target (Becker et.al.,1996). In contrast, normative commitment develops as a function of cultural and organizational socialization and the receipt of benefits that activate a need to reciprocate (Scholl, 1981). Finally, continuance commitment develops as the result of accumulated investments that would be lost if the individual discontinued a course of action (Powell and Meyer, 2004). The benefits of affective commitment over continuance commitment are most likely to be realized when it is difficult to specify all of the required behaviors or to anticipate all of the potential obstacles in advance. Then employee discretion becomes important under these conditions (Meyer and Becker, 2004). To sum up, we propose the following hypotheses:
**Hypothesis 2:** High employees’ affective commitment will strengthen the positive relationship between HR managers’ roles and HR performance indicators.

**Hypothesis 2a:** High employees’ affective commitment will strengthen the positive relationship between the change agent role and HR change indicators.

**Hypothesis 2b:** High employees’ affective commitment will strengthen the positive relationship between the administrative expert role and HR efficiency indicators.

**THE RESEARCH FRAMEWORK**

![Figure 1: The Research Framework](source: this study)

**RESEARCH METHODOLOGY**

**Sample**
Our sampling units were HR managers in Taiwanese service industry and they were chosen using simple random sampling. The questionnaires were conducted by both of mail and interview in 2012. A total of 96 valid questionnaires were collected and a valid response rate is 48%.

**Measures**
All scales in our study consisted of self-report items that were measured on a 7-point Likert scale (1=completely disagree to 7=completely agree).

**Dependent variable: HR performance indicators**
On the basis of the recent literature, we created 13 original items. We used a principal component exploratory factor analysis. The total variance explained by this scale amounted to 63.357 percent. The scale also showed good internal reliability with Cronbach’s alphas ranging from 0.835 to 0.853.

**Independent variables: HR managers’ role**
HR manager roles were measured using a scale derived by Ulrich (1997). We modified these items to reflect the human resource characteristics of Taiwanese service industry and created 20 original items. We used a principal component exploratory factor analysis with a promax rotation to further reduce items with factor loading of less than 0.4. The total variance explained by this scale amounted to 61.737 percent. The scale also showed good internal reliability with Cronbach’s alphas ranging from 0.757 to 0.789.
Employee commitment

On the basis of the recent literature, we created 19 original items. We used a principal component exploratory factor analysis. The total variance explained by this scale amounted to 87.926 percent. The scale also showed good internal reliability with Cronbach’s alphas ranging from 0.877 to 0.88.

Control variable

According to Giannantonio and Hurley (2002), the hierarchical level of the HR manager will influence both HR managers’ roles and HR performance indicators. Thus, this study treated the level and the working age of HR manager as control variables in our analysis.

EMPIRICAL RESULTS

Descriptive statistics

Male are accounted for 52% of the respondents and the 30-40 years old are accounted for 42% of the sample. Regarding their tenure with their organization, over half (60 percent) of the respondents had more than five years.

The hierarchical regression analysis

To examine the relationship between HR managers’ roles and HR performance indicators, we used a hierarchical regression analysis to test Hypothesis 1. The regression results are shown in Table 1. According to Model 1 and Model 2, the change agent role has a significant positive relationship with HR change indicators. In addition, the administrative expert role also has a significant positive relationship with HR efficiency indicators. According to these results, Hypothesis 1 of this study all have been supported that the HR managers’ roles are consistent with the HR performance indicators.

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<th>Table 1: Results of the hierarchical regression analysis</th>
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Note: *p<0.05
Source: This study

To test Hypothesis 2, we conducted hierarchical regression analyses to explore the effects of
employees’ commitment on the relationship between HR managers’ role and HR performance indicators. To reduce the problem of possible multicollinearity, we also conducted VIF test in this study. The empirical results of the hierarchical regression analyses provide partial support for Hypothesis 2 (See Model 3). There is a significant positive interaction between the administrative expert and affective commitment ($\beta=0.224, p<0.05$). However, the results also show that positive relationship between change agent role and HR efficiency was weakened by affective commitment ($\beta=-0.182, p<0.05$). As regards continuance commitment, the results met our expectations in that it did not moderate the relationship between HR managers’ roles and HR performance indicators.

CONCLUSION

According to our findings, when HR managers play the change agent role, their firm will pay more attention to the importance of HR change indicators. On the other hand, if HR managers act as the role of administrative expert, then their companies will focus on the administrative efficiency indicators. As expected, HR managers’ roles are consistent with HR performance indicators. These findings provide some suggestions about the measurement of HR performance. Companies should choose performance indicators that are consistent with the role which HR managers play in order to achieve expected job performance.

With regard to the moderating effect of employees’ commitment, it indeed showed some implications for managers. According to the empirical results, the positive relationship between change agent role and HR efficiency was weakened by affective commitment. Thus, organization leaders must strive to demonstrate to employees how any change implementation fits with the firm’s larger strategic picture. While employees who understand that congruence are more likely to be committed to the change, which ultimately influences important employee perceptions. Open and effective communication about the reason for change initiatives should be part of the implementation plan. Parish et.al.(2007) also indicted that the employees who have quality relationships with their managers feel more desire and duty to support an organizational change.

There are some limitations in our study. First, HR managers always play multiple roles simultaneously rather than focus on a single role (Ulrich, 1997). However, we only explored the dominant role acted by HR managers, thereby excluding their other minor roles. Second, the valid sample is too small to conclude the result. Thus, the future research can do the best to gather more valid sample and expand the sample to the manufacturing industry. Also, we see the development of reliable and valid measures of HRM systems to be one of the primary challenges (and opportunities) for scholars interested in advancing this research area.

REFERENCES


