

Ability–Motivation–Opportunity HRM for Different Strategic Targeted Employees: Salient Roles of HR–Line Connecting*

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ABSTRACT

This research aims to respond to the calls for research in HRM systems for different strategic targeted employees to answer specific research questions: *What and how* do different targeted employees (i.e., knowledge and contract employees) perceive ability-motivation-opportunity (AMO) HRM practices? And *what* are the issues in the HR-line-connecting HRM system? This research uses the AMO theory (Boxall and Purcell, 2003) and the HR-line-connecting HRM system (Kim, Su and Wright, 2018) to answer these questions. Based on three selected case studies in Thailand, a preliminary analysis of 124 respondents of both targeted employee types found that perceived AMO HRM practices significantly differ between the two types. The findings from case study research show that firms provide HRM practices to develop ability and short-term motivation such as incentives for contract employees whereas, firms provide long-term HRM practices for knowledge employees such as career development and opportunity. Moreover, this research finds the interesting issues in the HR-line-connecting HRM

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system intended to build positive relationships between HR personal and line managers to work together for boosting both types of employees' work to achieve firm desired performance.

Keywords: Ability-Motivation-Opportunity HRM Practices, HR-Line Connecting, Strategic Targeted Employees

การจัดการทรัพยากรมนุษย์ที่ส่งผลต่อความสามารถ แรงจูงใจและโอกาส สำหรับกลุ่มพนักงานตามเป้าหมาย เชิงกลยุทธ์ที่แตกต่างกัน : บทบาทสำคัญต่อการเชื่อมโยง ระหว่างผู้จัดการด้านทรัพยากรมนุษย์และสายงานหลัก

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บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์ เพื่อตอบสนองประเด็นการจัดการทรัพยากรมนุษย์สำหรับกลุ่มพนักงานตามเป้าหมายเชิงกลยุทธ์ที่แตกต่างกัน โดยมุ่งตอบคำถามวิจัยที่เจาะจงคือ ความแตกต่างระหว่างแนวปฏิบัติด้านการจัดการทรัพยากรมนุษย์ที่ส่งผลต่อความสามารถ การส่งเสริมแรงจูงใจ และการให้โอกาส (Ability-Motivation-Opportunity: AMO HRM Practices) สำหรับกลุ่มพนักงานตามเป้าหมายเชิงกลยุทธ์ที่แตกต่างกัน (กลุ่มพนักงานฐานความรู้และกลุ่มแรงงานประจำที่ขาดทักษะ) ว่าเป็นอย่างไร และเพราะอะไร งานวิจัยนี้ใช้ทฤษฎี AMO ของ Boxall and Purcell (2003) และ HR-Line-connecting HRM system ของ Kim, Su and Wright (2018) เพื่อตอบคำถามวิจัย จากการเก็บข้อมูลเชิงปริมาณและเชิงคุณภาพจาก 3 กรณีศึกษาของไทย เก็บข้อมูลการวิเคราะห์เบื้องต้นจากกลุ่มพนักงานตามเป้าหมายเชิงกลยุทธ์ที่แตกต่างกัน รวม 124 คน พบว่าการรับรู้ระบบการจัดการทรัพยากรมนุษย์ของพนักงานทั้งสองกลุ่มมีความแตกต่างกันอย่างมีนัยสำคัญทางสถิติ และผลวิจัยด้วยกรณีศึกษาพบว่า บริษัทจัดแนวปฏิบัติด้านการจัดการทรัพยากรมนุษย์ที่ส่งเสริมความสามารถและแรงจูงใจระยะสั้นให้กับกลุ่มแรงงานที่ขาดทักษะๆ ในขณะที่บริษัทจัดแนวปฏิบัติด้านการจัดการทรัพยากรมนุษย์ในระยะยาวให้กับกลุ่มพนักงานฐานความรู้ๆ เช่น การพัฒนาสายอาชีพและการให้โอกาส มากไปกว่านั้น ผลการวิจัยพบประเด็นที่น่าสนใจ

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เกี่ยวกับการสร้างระบบการจัดการทรัพยากรมนุษย์ที่ส่งเสริมความเชื่อมโยงการทำงานร่วมกัน ระหว่างหัวหน้างานสายตรง และผู้จัดการทรัพยากรมนุษย์ จะช่วยยกระดับการทำงานของพนักงานทั้งสองกลุ่ม ให้บรรลุผลปฏิบัติงานที่องค์กรตั้งไว้

คำสำคัญ: แนวปฏิบัติด้านการจัดการทรัพยากรมนุษย์ที่ส่งผลต่อความสามารถ แรงจูงใจและโอกาส ความเชื่อมโยงระหว่าง หัวหน้างานสายตรงและผู้จัดการทรัพยากรมนุษย์ กลุ่มพนักงานตามเป้าหมายเชิงกลยุทธ์

1. INTRODUCTION

Recently, scholars called for research on human resource management (HRM) system for strategically targeted employees (Jackson, Schuler and Jiang, 2014). Particularly, scholars have paid much attention to the key players of HRM system that they are devolving HRM responsibilities to line managers (Kim et al., 2018). In response to these recent calls, the objectives of this research are (1) to investigate the perceived HRM system for different targeted employees and (2) to explore the HR-line-connecting HRM system.

Based on the AMO theory, HRM scholars have found that HRM systems and practices will be most effective when they foster employees' ability, motivation, and opportunity to contribute to organizational effectiveness (Appelbaum, Bailey, and Berg, 2000; Boxall and Purcell, 2003). For example, HRM practices can influence employees' *ability* by using training programs, *motivation* by using pay for performance, and opportunity by using team participation and autonomy (Purcell and Hutchinson, 2007). Kim et al. (2018) pointed out that HRM researchers traditionally focused on general HRM practices and their effects on firm performance (e.g., Huselid, 1995). However, recently, Jackson et al. (2014) paid more attention to a narrow set of HRM practices that helps strategically targeted employees achieve their desired performance. For example, an HRM system for *knowledge employees* is associated with enhanced their knowledge absorptive capacity and creativity (Popaitoon and Siengthai, 2014), while the HRM system for *contract employees* can support related customer service and organizational climate (Chuang and Liao, 2010). Hence, to respond to the study of Jackson et al (2014), this study focuses on the perceived AMO HRM practices for the two different targeted employees. Moreover, the literature on devolving HRM responsibilities to line management is growing (e.g., Bos-Nehles et al., 2013; Kim et al., 2018). This means that HRM systems are carried out not only by the HRM department but also by the line department, which are key players in the HRM system implementation (e.g., Popaitoon, 2014; Purcell and Hutchinson, 2007). While the effectiveness of HRM implementation needs the cooperation between HR and line managers, this research aims to explore the interesting issues of the HR-line-connecting HRM system to work together effectively (Kim et al., 2018).

Taken together, this research aims to answer specific research questions: What and how do different targeted employees (i.e., knowledge and contract employees) perceive AMO HRM practices? And what are the salient issues in the HR-line-connecting HRM system? This research uses the AMO theory (Boxall and Purcell, 2003; Lepak et al., 2006) and the HR-line-connecting HRM system (Kim et al., 2018) to answer these questions. Empirical data was collected from three in-depth case studies from large companies in Thailand through documentary, semi-structured interviews and preliminary surveys. Yin (2013) proposed the case study as a method of choice for investigating complex interactions between a phenomenon and a context. This suits this present study as it helps gain insights and a deep understanding of how AMO HRM practices affect different targeted employees to contribute to their performance. The findings could provide theoretical insights as well as practical suggestions.

2. LITERATURE REVIEW

2.1 The Ability-Motivation-Opportunity Theory

The strategic perspective of human resources labeled strategic human resource management (SHRM) has grown out to explain the importance of HRM practices for organizational performance (e.g., Delery and Doty, 1996). In addition, many scholars such as MacDuffie (1995) and Wright and Boswell (2002) describe HRM practices or High Performance Work Systems by using the term ‘system’ that emphasizes the importance of understanding the multiple practices that impact employees rather than single practice. For example, Wright et al (2001) proposed the model of SHRM that HPWS comprised HRM practices—staffing, training, rewards, appraisal, and expanded the relevant practices beyond HR function; i.e. communication, work design, culture leadership, and the other practices that impact employees and their competencies to complete firms’ goals. This growing is in a body of knowledge between HPWS and firm performance. However, Combs et al. (2006) and Subramony (2009) argued that the concept of HPWS is not sufficient to explain the black box between HRM practices and firm desired performance. Based on a meta-analysis of 239 effect sizes derived from 65 studies reveals (Subramony, 2009), HRM bundles have significantly larger magnitudes of effects than their individual practices and positively related to firm performance and larger than those of HPWS. Thus, Subramony (2009) proposes to bridge this gap in SHRM literature by investigating the relationship between ability, motivation, and empowerment and various business outcomes. It is relevance to the Ability-Motivation-Opportunity (AMO) theory that Boxall and Purcell (2003) find an increasingly common “very basic theory of performance” being used, which they refer to as “the AMO theory” as they summarize it as: $P = f(A, M, O)$ where P is performance, A is ability, M is motivation, and O is opportunity. In other words, HRM systems will be most effective when they foster ability, motivation, and opportunity to contribute to organizational effectiveness.

In the literature, the AMO logic is very clearly spelled out in the study of Appelbaum et al (2000) that previous studies have typically focused on one or two of the AMO components (Boxall and Purcell, 2003). Lepak et al. (2006, p.199) clearly pointed out that “researchers focusing on SHRM explicitly incorporate the notion that both ability and effort are critical determinants of individual performance but focus on these dimensions at a higher collective level of analysis. While the ability of employees or the level of collective human capital (the aggregate level of employees’ knowledge, skills, abilities, etc.) determines the potential contribution, a workforce could make to an organization’s performance; employees must also possess appropriate attitudes and motivation in order to realize that potential”. Hence, Lepak et al. (2006, pp. 232–233) suggested a need for a third dimension for workforce performance—*opportunity* for employees to perform. This argument is that even if employees have the ability and are motivated to work toward organizational objectives, organizations must provide them with appropriate opportunities to use their skills.

Based on the AMO theory, in this research, HRM systems are composed of HRM practices impacting on employees' *ability* (training), *motivation* and effort (i.e., pay for performance and career development), and *opportunity* (i.e., participation and autonomy) to contribute to their desired performance. To enhance employees' ability (A), *training* focuses on providing job-related skills, knowledge, and abilities to employees to achieve well-performed jobs (e.g., Chen and Huang, 2009). To increase employees' motivation and effort (M), *pay for performance* appraises their performance so that there is a link between perceived HRM practices and performance: such as providing incentives for workers' willingness to do their jobs and evaluating based on the results (Kase et al., 2009). *Career development* matches employees' long-term goals with organizational goals through making important decision. To provide employees' opportunity (O), *participation* allows employees to have input into their job by providing opportunity to contribute to enhance team-working climate (Chen and Huang, 2009) and team socialization (Popaitoon and Popaitoon, 2016). *Autonomy* enhances employees' self-directed responsibilities (Kase et al., 2009). In sum, these practices are viewed as an integrated system of HRM practices based on the AMO theory because they synergistically work together to make up overall HRM practices (Lepak et al., 2006).

However, many scholars such as Jackson et al. (2014) have paid more attention to a narrow set of HRM practices that helps strategically targeted employees achieve their desired performance. For example, an HRM system for *knowledge employees* is associated with enhanced their knowledge absorptive capacity and creativity (Popaitoon and Siengthai, 2014), while the HRM system for *contract employees* can support related customer service and organizational climate (Chuang and Liao, 2010). This echoes the proposed concept of Lepak and Snell's HR architecture perspective (1999, p. 37) that explains a way of helping firms to distinguish which types of HR system are appropriate for salient different kinds of human capital (e.g., *knowledge* and *contract employees*) as strategic targeted employees in this research.

2.2 Strategic Targeted Employees based on HR Architecture Theory

As discussed in a previous section, Lepak and Snell (1999) has developed HR architecture theory from the concept of resource-based view of the firm (Barney et al., 2001) to explain the human capital on their strategic value and uniqueness as principle drivers of employment modes and HRM system. The strategic value of human capital refers to its potential to improve the efficiency and effectiveness of the firm, exploit market opportunities, and potential threats. In addition, the uniqueness of human capital refers to the degree to which it is rare, specialized and, in the extreme, firm-specific human capital resources that are not readily available in the labor market, and is not easily duplicated by other related firms (e.g., Barney et al., 2001). This study chooses the two most different groups of *knowledge* and *contract employees* as strategically targeted employees that very emphasize the potential to differentiate between these types of employees within the same organization. For *knowledge*

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employees, they are viewed as core employees who have high value in the firm and high uniqueness in the industry served as a source of sustainable competitive advantage (Lepak and Snell, 1999: p. 38). On the other hand, *contractual employees'* skills are not unique such as lower-level jobs (e.g., clearance, support and maintenance); in addition, offer less potential for value creation to the firm. For contractual employees, the companies can be supplied by outsourcing, hired by either temporary or full-time¹ jobs (Lepak and Snell, 1999: p. 40).

Taken together the concept of AMO HRM practices and strategic targeted employees based on HR Architecture, recently scholars call for research on how to customize appropriate HRM systems and create a positively reinforcing blend of the HRM system within different strategic targeted employees (i.e., knowledge and contract employees) (e.g., Chuang et al., 2013). This leads to:

Research question 1: What and how do different targeted employees (i.e., knowledge and contract employees) perceive AMO HRM practices?

2.3 The HR-Line-Connecting HRM System

In the literature, scholars have paid more attention to devolving HRM responsibilities to line management (e.g., Bos-Nehles et al., 2013; Kim et al., 2018). In other words, HRM systems are carried out not only by the HRM department but also by the line department, which are the key players in the HRM system implementation (Bos-Nehles et al., 2013). Kim et al. (2018, p.1220) define that “HR-line-connecting HRM system as a set of HRM practices intended to build positive relationships between HR personal and line managers by enhancing their relational abilities, increasing their motivation to collaborate, and providing opportunities for them to know each other and work together” that they propose that such HRM practices develop HR managers’ social networks with line managers and facilitate the formation of a shared language, which in turn result in low employee turnover. As a results, the effectiveness of HRM implementation needs the cooperation between HR and line managers. To gain insights of the issues of the HR-line-connecting HRM system in the real context, this leads to:

Research question 2: What are the salient issues in the HR-line-connecting HRM system?

3. METHODS

This research employed a qualitative multiple case study methodology (Yin, 2013), including semi-structured face-to-face interviews, documentary and participation in site visits. Miles and Huberman (1984) and Yin (2013) suggest that researchers should use a qualitative research design, in particular, a case method when they need to address on the “how and what” of the phenomenon and to have an in-depth understanding in the specific context. In particular, the in-depth interviews are aimed to answer the research questions: (1) what and how do different targeted employees (i.e., knowledge and contract employees) perceive AMO HRM practices? And (2) what are the salient issues in the HR-line-connecting HRM system?

3.1 Case Selection

Based on the research objective, the case study companies were selected according to the following criteria: (a) a large company has more than 100 employees, to ensure that the company provides all AMO HRM practices based on previous studies of Delery and Doty (1996) and Popaitoon (2020), and (b) the selected large companies have covered both types of targeted employees (i.e., knowledge and contractual). These characteristics were important to ensure that the three selected cases eliminated potential confusion stemming from other variations in firm characteristics as shown below.

Case A

It started in 1946 where it was a small household industry producing syrup and sold it to nearby sugar mill, the company kept growing. A decade later, in 1956, its household syrup producing industry turned into a sugar factory. The company kept expanding to serve the continued rising demands until today, case A is Thailand’s No. 1 sugar producer and exporter. Every its sugar crystal passes modern production process, quality control as well as automatic consumption guarantee. With 55 years experiences in Thailand’s cane and sugar business as well as sound visionary and dedication, company group is today the country leading company with acclaimed international working standard (i.e., plantation business, sugar business, wood substitute material business, renewable, energy business and investment).

Case B

In 1966, the bank came into merging of two government-owned banks. The merged banks were then used by the Ministry of Finance. In 1989, case B bank was the first state enterprise to list its shares on the Stock Exchange of Thailand. Its major shareholder is the Ministry of Finance through a shareholding of 6,184 billion shares by the Financial Institutions Development Fund, accounting for 55.31 percent of total shares. In addition to commercial banking activities, case B Bank has served as a government channel for financial services in support of governmental initiatives and educational loans. Moreover, the bank is used by most government agencies for disbursements.

Case C

Case C is the first retail in Thailand. The retail was established in 1979 that open the very first superstore in Bangkok. During the Asia’s financial crisis in 1997, this retail have troubled in terms of financial management and then it was bankruptcy. After that, it was merged to another big retail in Thailand. Then, in 1989, case C was enterprise to list its shares on the Stock Exchange of Thailand.

Table 1: Description of the Selected Case Studies and Key Informants*

	Case A	Case B	Case C
Company Profile	Thailand’s No1 sugar producer and exporter.	The largest local bank in Thailand	The largest local superstore in Thailand
Founded	1946	1966	1979
3 Key Informants	<p>1. Knowledge Employee: an Industrial Marketing Manager with 6 years of experience</p> <p>2. Contract Employee: a purchase officer with 1 year of experience</p> <p>3. HR Director</p>	<p>1. Knowledge Employee: a Branch/Regional Manager with 8 years of experience</p> <p>2. Contract Employee: a bank retail officer with 3 years of experience</p> <p>3. HR Director</p>	<p>1. Knowledge Employee: a Sales Manager with 12 years of experience</p> <p>2. Contract Employee: a cashier officer with 2 years of experience</p> <p>3. HR Director</p>

Footnote: * The main source of empirical data in this research was semi-structured interviews with staff (as a contract employee), middle-manager (as a key knowledge employee), and HR director (as a policy maker) selected by HR manager from each selected case.

3.2. Data Sources and Analysis

Case study research is characterized by the analysis of various sources of both primary and secondary data that help to develop a theory (Yin, 2013). The main source of empirical data in this research was semi-structured interviews with staff (as a contract employee), middle-manager (as a key knowledge employee), and HR director (as a policy maker) as shown in Table 1. To supplement, support, and verify the interviews, a secondary source of data for a considerable amount of archival data related to this study. This methodology constituted an appropriate method for ensuring data triangulation (Eisenhardt, 1989).

The process of data collection consisted of three main stages.

Step 1 was the first round of one-on-one interviews. Interview schedules were roughly 90 minutes for each informant. Semi-structured questions for the in-depth interviews were as follow:

- (1) Could you please briefly explain your role within the organization?
- (2) Could you please explain the nature of HR policy work for the organization and your department?
- (3) How is the HRM process implemented in the company?
- (4) What is the nature of the relationship among team members involved in the operations contributing to company success?
- (5) What kind of HRM support or enhancement (i.e., ability, motivation, opportunity) had the team/ department received while working in company? Who are the concerned parties or key persons who have contributed to success?
- (6) Is there any important point regarding the HRM practices on performance that I might have missed out and you would like to add?

Additional questions for the HR director:

- (7) How is the process of the HR-line-connecting HRM system undertaken? In your opinion, are there any issues that keep them from working together effectively? And
- (8) For the HR-line-connecting HRM system in your company, do you agree with these sentences? (See details in Table 6.) Please explain your opinion.

In step 2, all the data were compiled by a researcher, and then the outcomes of these interviews were sent to the interviewees for an accuracy check.

In step 3, after the correct version of the interview results was approved, it was finally reported in a case format. In this research, the researcher has relied upon both within-case and cross-case analyses (Yin, 2013). In addition, the researcher has looked for within-case and cross-case similarities and differences to gain insight knowledge from research objectives.

4. RESULTS

4.1. Preliminary Analysis

A preliminary analysis was conducted before interviewing key informants from three selected case studies (see Table 1.). The researcher tested whether the perceived AMO HRM practices significantly differed between the knowledge and contract employee groups. Based on three selected case studies, target respondents (i.e., knowledge and contract employees) were identified by the HR manager to fill out the questionnaires. These resulted in 124 returned usable questionnaires from 63 knowledge employees and 61 contract employees. For 63 knowledge employees, they obtain from Case A (22), working as product managers, marketing managers, and R&D; Case B (20), working as branch/ regional managers; Case C (21), working as supply chain policy makers, sales and marketing managers. For 61 contract employees, they obtain from Case A (20), working as administrative and maintenance officers; Case B (19), working as bank retail officers; Case C (22), working as cashier officers. The returned questionnaires from each case were equally averaged for both groups of employees.

This research used multi-item measurement scales from previous literature (see Appendix). Each item rates on a Likert-type scale from 1 (“strongly disagree”) to 7 (“strongly agree”). The AMO HRM practices consist of the following: (a) training concerning job-related skills, knowledge, and abilities (Minbaeva, 2005), (b) pay for performance, (c) career development, which is concerned with the opportunities for career progression and development (Meng and Gallagher, 2012), (d) participation reflects their participation and voices (Delery and Doty, 1996), and (e) autonomy encompasses all types of teams that have increased responsibility and autonomy based on Foss et al. (2009). Table 2 describes how the perceived HRM system significantly differed for all aspects of HRM practices on ability (training), motivation (pay for performance and career development), and opportunity (participation and autonomy) between knowledge employees and contract employees. Particularly, the perceived AMO HRM system of the contractual employees is lower than that of the knowledge employees for all aspects.

Table 2: The Perceived AMO HRM Practices between Both Targeted Employees

AMO HRM Practices	63 Knowledge Employees	61 Contract Employees	Sig.*
HRM Practice on Ability			
Training	5.1217	3.5410	.000
HRM Practices on Motivation			
Pay for Performance	4.3386	3.5902	.011
Career Development	5.5635	3.8811	.000
HRM Practices on Opportunity			
Participation	5.7897	4.2746	.000
Autonomy	5.8889	4.1803	.000

Footnote: - * One-Way ANOVA Testing;

- Targeted respondents from 63 knowledge employees obtained by Case A (22) Case B (20) and Case C (21) and 61 contract employees obtained by Case A (20) Case B (19) Case C (22)

4.2. Exploring HRM Practices Affecting Different Targeted Employees

4.2.1. HRM practices affecting the ability (A) of targeted employees

Based on the AMO theory on the A component, Lepak et al (2006) explain that the employee selection is most effective when valid predictors like ability are used. Then, human capital theory holds investments in people; i.e., education, training that creates them more productive for employers that they expected high rate of return. Thus, the literature also pays significant attention to training and development. Hence, selected HRM practice affecting on ability (A) in this study is training. Training focuses on providing job-related skills, knowledge, and abilities to employees to achieve well-performed assignment (e.g., Chen and Huang, 2009). Table 3 demonstrates cross-case and within-case analyses of A, B, and C on HRM practices affecting the ability of both targeted employees. All selected cases provide training programs (e.g., in-house training, on the job training, coaching and mentoring) for enhancing employees' ability. Particularly for contract employees, training programs are necessary to acquire the skills and abilities to complete their routine tasks; in addition, their supervisors and line managers play roles as mentors for on-the-job training. Moreover, their colleagues support them as buddies for hands on help with assignments. In case contract employees work in core functions such as case B, the company provides job rotation to enhance their skills, to learn more functions, and to receive better visions for their jobs. On the other hand, for knowledge employees, training is viewed less important than for contract employees since the company needs both specific and soft skills to accomplish roles and responsibilities. Hence, the company pays attention to ability enhancement for knowledge employees through coaching and mentoring from line managers.

Table 3: Within-Case and Cross-Case Analyses of Case A, B, and C on HRM Practices Affecting the Ability of Targeted Employees

Case A*	Case B	Case C
Knowledge Employees		
- Training program emphasized soft skills such as decision-making, leadership and other related skills - Coaching	- Training only for some specific skills	- On the job training - Coaching
Contract Employees		
- On the job training	- Various e-training programs that require for their completed tasks - Short-program education and certify - Job rotation	- Training - Coaching - Buddy program

Footnote: *Case A has provided a good system of career development tracking to customize their own training program for development.

4.2.2. HRM practices affecting the motivation (M) of targeted employees

In this research, motivation components comprise pay for performance and career development based on performance management systems (PMS) in organization for increasing employees' effort and motivation. This appraises their performance so that there is a link between perceived HRM practices and performance (Kase et al., 2009). Career development matches employees' long-term goals with organizational goals through empowering, leading, and making important decision (Minbaeva, 2005). Table 4 demonstrates cross-case and within-case analyses of case A, B, and C on HRM practices affecting the motivation of the different targeted employees. In both groups, all selected cases used PMS to link performance appraisal, rewards and career development. Particularly on the PMS for knowledge employees, the results demonstrate a very clear link between their performance and rewards that affect on their career development and promotion. However, while there is a clear PMS link, it is very difficult to get promotions as knowledge employees' expect, and it is unfair to compare their perspectives with those of other horizontal departments. On the other hand, for contract employees, it seems the link is only between performance appraisals and rewards, not their long-term career development. In addition, based on the contract employee of case C, the results show that the company provides intrinsic motivation (e.g., recognition) but not extrinsic rewards (e.g., incentive) which are not enough for their motivation and efforts. The results demonstrate that HR policy on contract employees' motivation emphasizes only short-term performance and not long-term career development. Only when contract employees work on core functions will they see the chain of their career development.

4.2.3. HRM practices affecting the opportunity (O) of targeted employees

In this research, HRM practices enhancing employees' opportunity comprise participation and autonomy. Participation allows employees to have input into their job by providing opportunity to contribute to their desired performance (Chen and Huang, 2009). Autonomy enhances employees' self-directed responsibilities (Kase et al., 2009). Table 5 demonstrates cross-case and within-case analyses of case A, B, and C on HRM practices affecting the opportunity to contribute to the different targeted employees' performance. For both knowledge and contract employees, it is clear that different levels of providing opportunities to contribute to their performance (high levels for knowledge employees and low levels for the other).

Table 4: Within-Case and Cross-Case Analyses of Case A, B, and C on HRM Practices Affecting the Motivation of Targeted Employees

Case A*	Case B	Case C
Knowledge Employees		
<ul style="list-style-type: none"> - PMS provide a clear link performance appraisal, rewards, and career development - Performance appraisal based on the key performance indicators (KPIs) of their roles and responsibilities but they feel unfair for evaluation by comparing with other horizontal departments - Extrinsic rewards (e.g., bonus) - Career development 	<ul style="list-style-type: none"> - PMS provide a clear link performance appraisal, rewards, and career development - Performance appraisal based on KPIs of their roles and responsibilities - Extrinsic rewards (e.g., bonus, incentive, etc.) - Career development - Intrinsic rewards (recognition) 	<ul style="list-style-type: none"> PMS provide a clear link performance appraisal, rewards, and career development - Performance appraisal based on KPIs of their roles and responsibilities - Extrinsic rewards (e.g., bonus, incentive, commission etc.) - Career Development - Intrinsic rewards (recognition)

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Table 4: Within-Case and Cross-Case Analyses of Case A, B, and C on HRM Practices Affecting the Motivation of Targeted Employees (Cont.)

Case A*	Case B	Case C
Contract Employees		
PMS provide a clear link only performance appraisal and rewards	PMS** provide a clear link only performance appraisal and rewards	PMS provide a clear link only performance appraisal and rewards
- Performance appraisal based on KPIs of their roles and responsibilities	- Performance appraisal based on KPIs of their roles and responsibilities	- Performance appraisal based on KPIs of their roles and responsibilities
- Extrinsic reward (only incentive)	- Extrinsic rewards (such as bonus, incentive, etc.)	- Extrinsic reward (only incentive) - Intrinsic reward (recognition)

Footnote: * Knowledge employee of Case A shared that while PMS is very good, it is hard to get promotion since the company provides only for eligible lists approved from 360 degree people-i.e., line manager, HR manager, colleagues, subordinates and customers.

** Contract employee of Case B shared unrealistic link between performance appraisal and his/her grading for annual results and he/she still feels unfair of PMS between contract employees working in line and those in the support functions.

Table 5: Within-Case and Cross-Case Analyses of Case A, B, and C on HRM Practices Affecting the Opportunity of Targeted Employees

Case A*	Case B	Case C
Knowledge Employees		
- High participation and high involvement	- High participation in terms of setting the meeting and organizing resources	- High participation and high involvement
- High autonomy in terms of making decision, solving problems, receiving authority for the assignments	- High autonomy in terms of making decision, solving problems, receiving authority for the assignments	- High autonomy in terms of making decision, solving problems, receiving authority for the assignments
Contract Employees		
- Low participation -Low autonomy	- Medium participation and autonomy such as giving opinion during the meetings	- Low participation - Low autonomy especially to work in a support function

Footnote: Contract employee from case B said while he/she put any opinion, it may not lead any changes. Similarly, Contract employees from case A and C feel that they work only a routine job and handle with day-to-day basis decision.

4.3. Issues in the HR-Line-Connecting HRM System

Kim et al (2018, p.1220) define that “HR-line connecting HRM system as a set of HRM practices intended to build positive relationships between HR personal and line managers by enhancing their relational abilities, increasing their motivation to collaborate, and providing opportunities for them to know each other and work together”. It can be expected that such AMO HRM practices develop HR managers’ social networks with line managers in terms of facilitating the formation of a shared language to improve employee turnover rate. Based on interview from HR directors for each case, below are shown about their opinions about HR-line-connecting HRM system and details.

Table 6: HR-Line-Connecting HRM System*

HR-Line-Connecting HRM System	Case A	Case B	Case C
1. Your company utilizes cross-department job rotation to expand HR personnel business knowledge.	●	●	○
2. Your company fills HR job openings with internal candidates from other departments.	●	○	●
3. When your company recruits and selects HR specialists, candidates’ business experiences are highly valued.	●	●	●
4. Your company provides line managers with HRM-related training programs.	●	●	●
5. Your company's work processes are designed in such a way that cooperation between HR managers and line managers is necessary.	●	●	◐
6. Your company organizes formal information sharing meetings and/or sponsors social events for HR personnel and line managers to become better acquainted.	●	○	○
7. In your company, HR personnel's financial rewards are linked to the performance of other business departments.	○	○	○
8. In your company, line managers' evaluations are included in the performance metrics of HR staff.	○	○	○
9. Line managers with good HRM skills and experiences are more likely to be promoted in my company.	●	●	●
10. Your company assesses line managers' performance in their involvement with corporate HRM policy implementation.	●	●	◐

Table 6: HR-Line-Connecting HRM System* (Cont.)

HR-Line-Connecting HRM System	Case A	Case B	Case C
11. Your company makes visible efforts to develop working relations between HR personnel and employees of other business departments.	●	◐	○
12. Your company provides HR personnel with training on how to build good relationships with non-HR departments.	●	◐	●
13. Your company provides money and resources for HR personnel to develop working relationships with other business departments.	○	○	○
14. Your company’s HR professionals share knowledge about how to cooperate with other business departments.	●	●	●

Footnote: Based on Kim et al (2018, p.1231). I change some word from “my” to “your” to suit the context of study. For these signs, ● is “agree”, ◐ is “somewhat agree”, and ○ is “disagree” based on the interviews from HR directors for each case (see more details in section 3.2).

Based on cross-case and within-case analyses, the interesting issues of the HR-line connecting HRM system are found:

(1) The HRM system seems to be a strength (Bowen and Ostroff, 2004) in which the key actors (i.e., HR manager, line manager and employees) are clearly in consensus with PMS and the KPIs to submit to the firm’s requirements. However, it is very challenging for line managers to turn department goals into function goals in terms of competencies in the short term and career development in the long term both at the team and individual levels. Particularly at the operations level, contract employees are frustrated with their targets and career development.

(2) While all selected cases provide line managers with many HRM-related training programs, these are not effective enough, as it is expected that line managers should play the role of an HR actor in the eyes of employees. In addition, the researcher found that HR and line managers interact at a low level (e.g., meeting only during the period of performance evaluation, during in crises, etc.)

(3) For line managers, they perceived the transfer of HRM responsibilities to them as HR not doing its job. For example, line managers are fully responsible for their main duties and targets and expect their subordinates and colleagues to be ready to work. In other words, they feel that they are doing the extra work of an HR actor (e.g., providing feedback and consultations for subordinates to meet firm requirements). This reflects the low level of shared language between HR and line managers and the low level of understanding of line managers’ HRM implementation.

(4) Under the strength of the HRM system within the same organization, different targeted employees (i.e., knowledge and contract employees) experience inequality in terms of career opportunities between both targeted groups and KPIs for evaluating horizontal departments.

(5) There is neither incentive nor any kind of rewards from the organization to support the HR-line-connecting HRM system (e.g., motivating HR-line cooperative relations).

5. DISCUSSION AND CONCLUSION

This qualitative inquiry aims to answer two specific questions: what and how do different targeted employees (i.e., knowledge and contract employees) perceive ability-motivation-opportunity HRM practices? And what are the salient issues in the HR-line-connecting HRM system? This research responds to the calls for HRM system for strategically targeted employees (Jackson et al., 2014; Kim et al., 2018) that contributes to a threefold:

First, clearly seen from the selected cases, firms provide AMO HRM practices for developing ability and short-term motivation such as incentives to contract employees while long-term AMO HRM practices for knowledge employees such as career development and opportunity contribute to their future performance; contract workers have received little attention from companies. This echoes Lepak and Snell's (1999) arguments, showing two dimensions: the extent to which a particular form of human capital represents a valuable resource for the firm and the extent to which it is unique, such as knowledge-based employees. Firms invest intensively in the motivation, empowerment, and development of those who hold critical knowledge and build high commitment and long-term relationships with the company. Firms are less likely to invest on contract employees whose skills are low in value and uniqueness to the firm's strategy. Based on the preliminary results and in-depth interviews, this leads to a sense of unfairness between the two targeted employees (i.e., knowledge and contract employees). Many scholars such as MacDuffie (1995, p. 217) pointed out that HRM studies typically tend to focus too much on the corporate level "far removed from the settings in which many HR practices are implemented". Also, Jackson et al. (2014) argue that HRM systems should be customized to serve targeted employees differently to enhance their desired performance. These arguments support the adaptation of an HRM system at the operations level.

Second, this research offered empirical case studies from various industries to respond to the calls from Kim et al (2018). In the real context, HRM systems seem to be a strength (Bowen and Ostroff, 2004) in which the key actors (i.e., HR manager, line manager, and employees) clearly link their abilities/competencies, rewards, and career development to the consensus of PMS and the KPIs to submit to the firm's requirements. However, the salient issues of the HR-line-connecting HRM system are that the HR-line interaction, shared language, and the understanding of line managers' HRM implementation are still at a low level. While these problems are not new in the literature (e.g., Purcell and Hutchinson,

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2007), they still raise questions on how to solve these problems. It is well-established in the literature that line managers play a critical role in building employee commitment and enhancing their performance (e.g., Purcell and Hutchinson, 2007). Bos-Nehles et al (2013) and Kim et al (2018) suggested that if companies want to get the best of their employees, they need to prioritize HRM systems along with the developing HR managers' social networks with line managers. Moreover, management needs to set an HR-line connecting HRM system that can measure and reward performance.

Third, with regard to devolving HRM responsibilities to line managers, HR should not assume that line managers can do the HRM implementation by providing only training-related HRM programs because line managers are promoted because of their technical expertise, rather than for their HRM capabilities. Hence, HR needs to provide coaching and mentoring to support line managers in this important area (Bos-Nehles et al., 2013; Perry and Kulik, 2008; Popaitoon, 2014; Renwick, 2003). However, in this research, the main limitation is the fact that data were collected only from three large companies. This limits the generalizability of the findings. When studying the HR-line connecting HRM system, one clearly needs to consider a range of organizational context variables (e.g., trust, social network, communication, etc.). Accordingly, future research should include these recommended variables to study the effectiveness of an HR-line-connecting HRM system and performance (e.g., commitment and satisfaction).

In this research, the empirical case study offers many practical implications for improving the HR-line connecting system particularly to the different targeted employees. First, the firms should better customize AMO HRM system design to suit each targeted employee to submit their firm requirements rather than set different investment priorities between knowledge and contract employees since both contribute to the organization in different ways (e.g., customer satisfaction, ROI). Second, HR should play a role as a coach for line managers' HRM implementation, and firms should provide rewards for the performance of an effective HR-line-connecting system. Third, to encourage line managers' HRM implementation, HR should set people management capabilities as a criterion to promote line managers.

The scope of this study is primarily focused on exploring the HRM system for different strategic targeted employees in particular of HR-line connecting HRM system. Apart from these aspects, there might be some other factors that may have an impact of HRM system and HR-line connecting HRM systems. This study has some limitations that should be addressed in future research. First, the study is associated with the use of cross-sectional data. The results and causality can really be explained only with data collected at different points of time (e.g., Wright et al, 2005). Thus, future studies will benefit from the use of longitudinal data to explore the effectiveness of HRM system developed and implemented over time. Second, this study attempt to obtain the data from multi-sources (e.g., both types of employees, HR and line managers) to triangulate the data for study results. However, to study this relationship, future research study should pay attention to the concept of labor relations (Datta et al., 2005) which HRM systems can affect to the contextual conditions between knowledge and

contract employees and the productivity of these practices. Finally, the generalizability of the findings may be limited because the three selected cases and survey preliminary. Future research should attempt to test this conceptual model in other industries' context as well as in other countries.

In conclusion, this research contributes to the HRM subsystem for different targeted employees. The findings show different perception of AMO HRM practices for different targeted employees in different ways, leading to an impression of unfairness from the contract employees. In addition, while the key actors (i.e., HR manager, line manager, and employees) work in concert toward the clear role of PMS in achieving the firm's desired performance, the HR-line-connecting HRM system is not effective as expected. Hence, HR should coach line managers' HRM implementation; in addition, firms should measure and provide rewards to HR and line managers for an effective HR-line-connecting HRM system.

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APPENDIX

Training

- 1 The extent of organized training on job-related skills training
- 2 The extent of organized training on regularity of training
- 3 The extent of organized training on degree-earning programs supported by the organization

Based on Minbaeva (2005)

Pay for Performance

1. Cash award for team performance on completed project goals
2. Annual group bonus based on team performance
3. Annual pay increase linked to individual performance

Based on Meng and Gallagher (2012)

Career Development

- 1 Opportunities to exercise leadership
- 2 Promotion on the technical ladder
- 3 The chance to contribute to important decisions
- 4 Opportunities to develop professional reputation

Based on Meng and Gallagher (2012)

Participation

- 1 Employees are allowed to make many decisions
- 2 Employees in this job are often asked by their supervisor to participate in decisions
- 3 Employees are provided the opportunity to suggest improvements in the way things are done
- 4 Superiors keep open communications with employees in this job

Based on Delery and Doty (1996)

Autonomy

- 1 The extent that I am characterized by the freedom to carry out my job the way I want to
- 2 The extent is my job characterized by the opportunity for independent initiative
- 3 The extent is my job characterized by high level of variety in my job

Based on Foss et al (2009)