

## PalArch's Journal of Archaeology of Egypt / Egyptology

### IMPACT OF DUAL ORIENTED HR PRACTICES ON EMPLOYEE PERFORMANCE: MEDIATION ROLE OF JOB COMPETENCE AND JOB INSECURITY

*Maria Sadiq<sup>1</sup>, Amreena Riaz<sup>2</sup>, Muhammad Sajid<sup>3</sup>, Riffat Shafiq<sup>4</sup>, Dr. Ahmad Tisman Pasha<sup>5</sup>*

<sup>1,2</sup> Bahauddin Zakriya University, Multan

<sup>3,4</sup> The islamia University of Bahawalpur

<sup>5</sup> Assistant Professor Institute of Banking and finance

Email: [1mariasadiq66@gmail.com](mailto:1mariasadiq66@gmail.com) [2amreena345@gmail.com](mailto:2amreena345@gmail.com)

[3sajid19164@gmail.com](mailto:3sajid19164@gmail.com) [4riffatshafiq23sep@gmail.com](mailto:4riffatshafiq23sep@gmail.com) [5tisman@bzu.edu.pk](mailto:5tisman@bzu.edu.pk)

**Maria Sadiq, Amreena Riaz, Muhammad Sajid, Riffat Shafiq, Dr. Ahmad Tisman Pasha. Impact Of Dual Oriented Hr Practices on Employee Performance: Mediation Role of Job Competence and Job Insecurity -- Palarch's Journal of Archaeology of Egypt/Egyptology 19(2), 655-675. ISSN 1567-214x**

**Keywords: Dual Oriented Hr Practices, Employee's Performance, Employee's Retention, Job Insecurity, Job Competence**

#### **ABSTRACT:**

Based on the P-O (person-organization) fit theory, current research explains the dual oriented (HR) human resource practices and elaborates how and when both bundles of HRM (development-oriented and maintenance-oriented) affects employee performance and retention, respectively. According to factor analysis results from the sample of HR managers from different multinational organizations such as Textile, NGO, Pharmaceuticals, Telecoms, Beverages, Unilever, Banks, etc. it proves that the dual oriented HR practices affect employee performance more than the traditional HR model. In this study, the results confirm the individual positive effects of subsets of dual oriented HR practices on employee performance and employee retention. Specifically, development-oriented human resource practices positively affect employee performance more only when job competence is high. By contrast, the maintenance-oriented HR practices are positively impacting employee retention more only when job insecurity is low. Job competence and job insecurity are mediating these two relations, respectively. These conclusions provide a guideline on the successful design and implementation of human resource practices.

## INTRODUCTION

Due to changing global trends of human resource management (HRM), different companies face challenges for the past few years regarding increased workforce diversity in terms of gender, age, and ethnicity (Lin, Li, & Lam, 2019). On the other hand, human resource managers encounter workers with distinct interests, motives, and desires. They are expected to make differentiated HR decisions to overcome this task. Thus, keeping in mind this challenge, almost all organizations keep their attention towards their employees (Bowen & Ostroff, 2004), especially when it comes to fulfilling workers' needs (P Matthijs Bal & Dorenbosch, 2015). Thus the effects of an organization's HR practices can be enhanced (Schmidt, Pohler, & Willness, 2018). Apart from demographic characteristics, differences also exist in motivations, values, and goals. These differences have encouraged employees to gain different information related to their organization (Liao, Toya, Lepak, & Hong, 2009), which leads to several mindsets about human resource management (Aryee, Walumbwa, Seidu, & Otake, 2012). Therefore, if companies want to make their HR policies useful for diversified employees, then the single approach that fits all sorts of situations and employees are not enough (Kinnie, Hutchinson, Purcell, Rayton, & Swart, 2005). Along with the importance of recognizing how companies can develop and adopt HR activities to serve the requirements for a multicultural workplace, there are two significant gaps in the literature. Firstly, most methodological researchers have focused on the universalism effect of so-called best or organized human resource procedures. Such a strategy has not considered the diverse workplace and the possible effect of HR differentiations on employee results (Jiang, Lepak, Hu, & Baer, 2012). To discuss this situation, Jackson, Schuler, and Jiang (2014) recently called for a contingency approach to HRM research to investigate when and how such HR activities can be more appropriate for individuals with different backgrounds.

Second, almost all scholars have studied HR practices' direct effects on employee performance and retention (Arnold, 2005; Bibi, Pangil, & Johari, 2016; Mahadevan & Sn Mohamed, 2014). Still, no one included the important influencers between the independent and dependent variables to study their effects (Lin et al., 2019; Story & Castanheira, 2019). So in this article, the impact of essential influencers like (Job Competence and Job Insecurity as mediators) will be studied to strengthen and weaken the effects of dual-oriented HR practices on employee performance and retention, respectively.

The present study aims to resolve these limitations by introducing a contingency approach and the person-organization (P-O) fit perspective. The central concept of contingency theory is that organizations must bring forward such HR practices that can enhance the fit and utility of bundled methods of HR. While the P-O fit theory states that when workers' interests are strongly aligned with those of their company, they are more prone to react positively to organizational activities that result in more favorable results and behaviors at work (Kristof, 1996).

Specifically, we will look into Korff et al.'s (2017) dual-oriented human resource practices and will traverse that either these human resource bundles have distinct effects on employee retention and performance or not. We are also

exploring the connection between dual-oriented human resource practices and employees' performance through various pathways (Gong, Law, Chang, & Xin, 2009). For example, job competence may enhance the relationship between development-oriented human resource practices and employee performance. Maintenance-oriented techniques can improve employees' retention by minimizing job insecurity. These two bundles are for employees to cater their needs by playing various vital roles (Liu, Gong, Zhou, & Huang, 2017). Figure 1 shows the hypothesized research model.

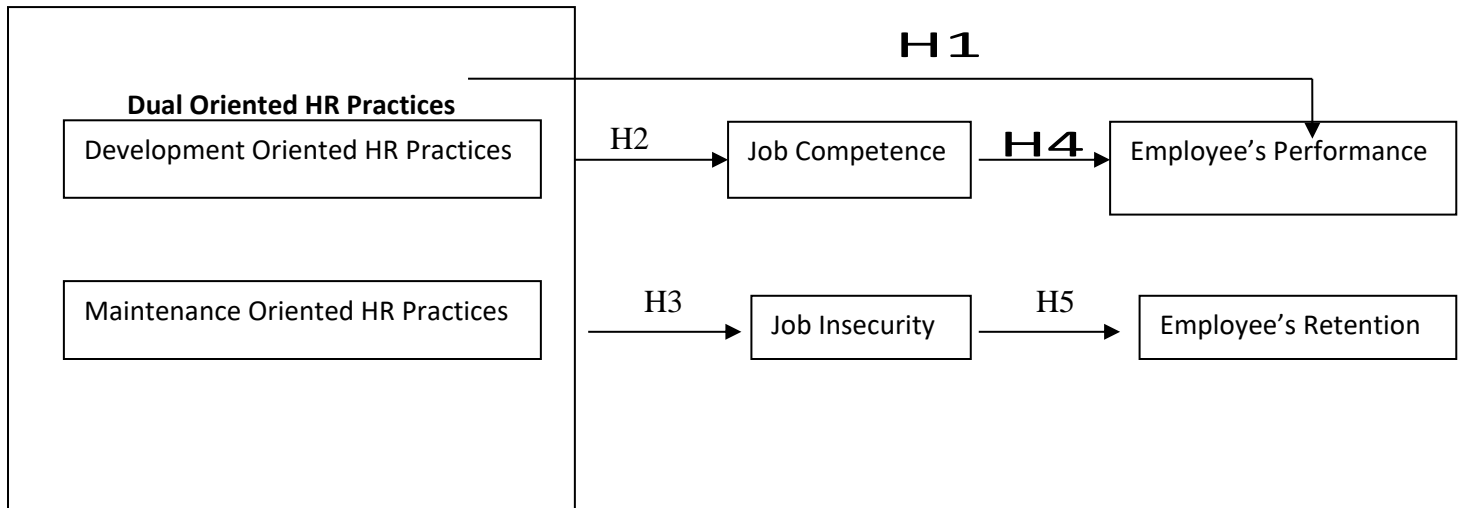


FIGURE 1

This research contributed significantly in three ways to existing literature. Firstly, it refers to theoretical and realistic demands to investigate HR activities in a dynamic workplace to broaden our perception of HR distinction from the employee viewpoint (Ng'ethe et al., 2012). Specifically, we use a contingency strategy to analyze the effectiveness of various forms of human resource practices on employees' performance and retention. Second, this research seeks to explain the erroneous results on dual-oriented human resource practices – performance relations by investigating the boundary state and structure of how and when various forms of human resource practices can work more efficiently and in doing just that, providing new insights into the cross-level interaction among macro-level human resource practices and individual outcomes (Kim et al., 2020). We focus on life-span literature to conceptually establish two distinct subsets of HR strategies that rely on employee expectations rather than on company perspectives: maintenance-enhancing and growth-enhancing activities. Subsequently, we postulate and empirically analyze the relation of these bundles to the performance and retention of employees. Specifically, we argue that all maintenance-enhancing and growth-enhancing human resource activities contribute to performance of employees and retention. It concludes by presenting the findings, the conceptual contributions and practical results of the findings, and some future research directions.

## **THEORETICAL FRAMEWORK AND HYPOTHESIS**

HR intellectuals have proposed to use a collection of interconnected human resource practices for recruiting, selecting, training, and retaining employees to create a highly committed workforce (Way, 2002). While doing so, workers are more likely to develop a wide range of incredible skills, giving organizations a competitive advantage to attain greater efficiency (Pfeffer & Jeffrey, 1998). This strategy has primarily driven strategic human resource management studies throughout the past three centuries (Jackson, Schuler, & Jiang, 2014). The study section in HR pursues a Universalist methodology by analyzing standardized or structured HR activities. Although this strategy is parsimonious, it ignores possible disparities between workers of different backgrounds (Lepak & Snell, 2002). Indeed, previous work on strategic human resource management challenged whether companies will thrive in the longer term by implementing the universalist approach of HR management (Miles & Snow, 1984), mainly because academic research has already shown that there are substantial gaps in understanding of HR activities from the employee perspective (Jiang, Hu, Liu, & Lepak, 2017). Studying HRM from an employee viewpoint is essential as this will encourage the layout of HR activities to have a more remarkable ability to address workers' needs. (Jackson et al., 2014) continued and claimed that employee classification and HR distinction could be viewed as "general segmentation of the commodity sector," which can be achieved based on organizational (Lepak & Snell, 1999), socioeconomic (Liao et al., 2009), and other human variables (Gubler et al., 2014).

### ***Development- And Maintenance-Oriented HR Practices, Employee Performance, And Employee Retention***

So in this research, we will consider dual-oriented HR practices from the employee's point of view, consisting of two bundles (maintenance-oriented and development-oriented) (Kooij, Jansen, Dijkers, & De Lange, 2010). As previously said by (Gong, Law, Chang, & Xin, 2009), we will say that human resource practices must be assumed as either maintenance-oriented or development-oriented if we see from the employee's eye. The reason is that until the human resource practices are not combined, they could not be adequately utilized, and the outcome will be blurry (Ogbonnaya & Messersmith, 2018). As companies adopt these HR policies, workers are allowed to have the freedom to keep their work and to earn stable salaries, and to determine whether to perform their HR duties at their rate. Prior work has shown that such HR activities result in a more generous organizational contribution (Gong et al., 2009) and a reduced turnover goal (Batt & Valcour, 2003).

Employee performance is a continuous process of setting goals, evaluate, giving feedback, etc.(Vu, Plimmer, Berman, & Sabharwal, 2019).

The influence of HRM practices on an organization's performance has been a commonly studied phenomenon for years. Various researches which are done either in developed countries or in developing one (Fürstenberg et al., 2020), the effects of human resource policies are always significant on the performance of the organization (Mahadevan & Sn Mohamed, 2014).

On one side, concerning the external integration of human resource practices, strategic human resource management (SHRM) research has largely failed to explore the options of companies on how to adapt HR systems aimed at overcoming the emerging challenges of labor market maturation, such as the deteriorating performance of workers (Posthuma, Campion, Masimova, & Campion, 2013). But on the other side, about the internal coordination of human resource practices, studies have been flawed in terms of empirically testing combos of human resource practices that can virtually guarantee performance benefits (Molloy et al., 2011). Research suggests that providing a motivated and devoted workforce will contribute to various beneficial effects, like reduced turnover rates (Zimmerman et al., 2009) and better operational efficiency (P. Matthijs Bal, Kooij, & De Jong, 2013). P-O fit (between employers and the company) gives rise to a feeling that the organization's action is correct and appropriate and leads to enhanced employee performance. In contrast, inadequacy results in an impression of being incorrect or inappropriate, contributing to cognitive dissonance, low expectations of fairness, fatigue, and energy loss (Kilroy, Flood, Bosak, & Chênevert, 2017).

We then focus on employee retention, defined as the likelihood that the employee does not leave the company in the future and stay with the company for a prolonged period (Tanwar, 2016). The company's primary aim is to discourage the skilled workers from switching to work, as the rate of turnover and therefore the substitution of an existing employee for a new one is a massive disadvantage for the company because it incurs a lot of running costs. Performance-based compensation programs and performance-based management were correlated with a reduction in workers' desire to leave the company (Kumar & Mathimaran, 2017).

A recent survey by Scroggins (2008) found that organizations continue to be obsessed with retention and the need for innovative approaches to reduce employees' switching to other jobs. In the latest Workplace Forecast (Brief & Weiss, 2002), employers show a growing focus on creating retention techniques for the present and prospective workers to remain at the forefront of the job cycle and significantly affect or trigger a revolutionary transformation of the workplace.

In line with our argument, recent studies have proved that human resource practices play a significant role in meeting employees' needs with their company (Boon, Den Hartog, Boselie, & Paauwe, 2011).

Therefore, we assume the following hypothesis:

**Hypothesis 1:** Dual-oriented HR practices have a significant and positive effect on employee performance.

### *The Mediating Role of Job Competence and Job Insecurity*

In the sections below, we will explain why job competence and job insecurity may account for the personal effect of subsets of dual oriented HR practices on employee performance and employee retention, respectively.

Competencies are the distinguishing potentials, like attributes and production patterns, which differentiate between excellent team performance and performance level.

(Sparrow & Hodgkinson, 2006) identified that competencies are the capacity of employees and the organization to function within psychological and information structures that enable them to sustain the degree of reaction to specific circumstances in a right and acceptable manner. The implementation of competencies of the job is therefore considered to be a modern one.

While job insecurity has generally been linked with negative employment-related results, i.e., workers may address lower and lower motivational factors when challenged with apparent job uncertainty due to reduced satisfaction of the job and organizational commitment. Employment instability can also trigger an apparent inclination or a willingness to leave a company (Davy, Kinicki, & Scheck, 1997).

According to the P-O fit theory (Kristof, 1996), if workers' and organizations' goals are aligned with each other (i.e., supplementary fit), employees will be able to associate favorably with the duties given to them by their company. Such congruence enables employees to develop a greater appreciation of their positions and importance at work and adds to their awareness of the value of their work (May et al., 2004; Rosso et al., 2010). Besides, where company rewards fulfill the desires, needs, and priorities of workers (i.e., needs-supplies fit), employees are more interested in their duties and are more conducive to see the importance of functioning in the company (Michaelson, Pratt, & Grant, 2014; Scroggins, 2008).

According to the P-O fit theory, we hypothesize that the effect of development- or maintenance-oriented HR practices on employee performance and retention will depend on job competence and job insecurity. Primarily, we expect that employees with a high degree of job competence, who develop motivation and development targets for themselves, are more likely to make a high level of performance with a combination of development-oriented HR activities. Contrarily, we expect maintenance-oriented HR practices to focus on job stability and retain the status quo to satisfy the individual's needs. These individuals seek consistency rather than uncertainties and can enjoy a higher degree of congruence with businesses that prioritize these HR activities (Gong et al., 2009; Liu et al., 2017). These employees having low job insecurity will have a high rate of retention. Therefore, we assume the following hypothesis:

**Hypothesis 2:** Development oriented HR practices positively influence job competence.

**Hypothesis 3:** Maintenance oriented HR practices positively influence job insecurity.

Regarding the effects of job competence and job insecurity, Becker (2007) claimed that the employee's performance reflects his / her skills and talents that rely on his / her attitude, morals, and abilities.

As a consequence of growing enterprise-wide systemic and operational changes, i.e., relocation of manufacturing centers, business takeovers, etc., according to Kinnunen, Mäkikangas, Mauno, De Cuyper, and De Witte (2014), workplace instability problems have become a significant concern in today's current workforce.

On the other hand, work instability may be used as hindrance stressors as it places workers in a challenging position where they risk losing value or their employment. Globalization is also seen as the root cause of rising work instability (Scheve & Slaughter, 2004).

Thus, we propose the following:

**Hypothesis 4:** Job competence will positively mediate the relationship between development-oriented HR practices and employee performance.

**Hypothesis 5:** Job insecurity will mediate the relationship between maintenance-oriented HR practices and employee retention so that decreasing job insecurity might improve employees' job retention.

## METHODOLOGY

### *Sample And Data Collection*

Our study sample came from numerous international companies in Pakistan, such as Textile, NGO, Pharmaceuticals, Telecoms, Beverages, Unilever, Banks, etc. Before administering the survey, we approached the company's HR managers to classify the participating branches and address the study's administration. The company's HR managers have told us that various extensions had built up the HR structure and used different HR activities to handle their highly diverse employees. Our research study consists of two samples. The first sample was used to verify the scale that measures the model of dual-oriented HR practices. On receiving permission from the top executives, we obtained data from different corporate divisions. Various departmental managers were asked to participate in the HR practices-oriented study carried out in their units. In total, the response rate was 88%. Out of these, 63% were male, 40% were those who have management tenure greater than 5, and the average management tenure was 5.84 years ( $SD = 5.85$ ).

Sample 2 was used to confirm our hypotheses. We omitted companies that joined in Sample 1 and simply selected another 74 branches of different organizations. To reduce standard method variance, we obtained figures from two sources, with the acknowledgment of HR Branch Managers, questionnaires circulated to 74 managers, and 479 workers. Supervisors have completed a questionnaire on HRM practices, and workers have completed a questionnaire on job insecurity, job competence, employee retention, and performance. The final report of matched employee-supervisor data consists of 64 managers and 434 employees (for response rates of 86 and 91%, respectively). Out of managers' responses, males were 69%, and their average tenure was 6.03 years ( $SD = 5.78$ ). Out of employee responses, 54% were female. Their average age was 35.77 years ( $SD = 8.11$ ) and their job period was 12.66 years ( $SD = 9.68$ ).

### ***Measures***

All variables have been graded on a five-point Likert scale (1 = “strongly agree”; 5 = “strongly disagree”).

#### ***Development- and Maintenance-oriented HR practices***

Cronbach's alphas of development- and maintenance-oriented HR practices were .84 and .77, respectively.

#### ***Job Competence***

An exploratory factor analysis (EFA) with key factor extraction verified that all three items were loaded substantially and positively on the same factor, with loadings ranging from 0.871 to 0.814.

#### ***Job Insecurity***

We measured job insecurity with five items from the Sabine et al. 2019 scale. Cronbach's alpha is .89.

#### ***Employee Performance***

We measured employee performance using the three items scale developed by (Yuhung et al. 2019). Cronbach's alpha is .89.

#### ***Employee Retention***

We measured employee retention using the six items scale developed by (Ikechukwu et al. 2017). Cronbach's alpha is .87.

#### ***Analytical Strategy***

Our study included a multilevel mediation design, and so we used Smart PLS 3 to test our hypotheses. We evaluated all assumptions simultaneously to achieve more accurate SE estimations of route parameters. To test the cross-level



combined effects (Hypotheses 1–3), we have adopted the suggestions of Hofmann, Griffin, and Gavin (2000) and Enders and Tofighi (2007).

For testing the mediation effect (Hypotheses 4 and 5), we used the Monte Carlo bootstrapping approach to quantify the magnitude of the mediating (or indirect) effect (Selig & Preacher, 2008) and estimate its significance at high (+1SD) and low (–1SD) levels.

## RESULTS

### *Confirmatory Factor Analyses*

In Sample 1, we will conduct confirmatory factor analysis (CFA) to examine whether the maintenance- and development- oriented HR practices had satisfactory convergent validity, discriminant validity, and content validity at the branch level. The results suggest that respondents could recognize the differences between maintenance- and development- oriented HR practices (i.e., discriminant validity). Collectively, these results demonstrate the discriminative validity of our targeted sample variables.

### *Content Validity*

#### *Model 1:*

Cross Loadings				
	Development Oriented HR Practices	Dual Oriented HR Practices	Employee Performance	Job Competence
DHRP1	<b>0.738</b>	0.608	0.401	0.365
DHRP10	<b>0.554</b>	0.655	0.487	0.558
DHRP11	<b>0.603</b>	0.676	0.541	0.616
DHRP12	<b>0.586</b>	0.669	0.504	0.553
DHRP13	<b>0.684</b>	0.732	0.655	0.622
DHRP14	<b>0.527</b>	0.645	0.606	0.633
DHRP15	<b>0.538</b>	0.624	0.529	0.595
DHRP16	<b>0.583</b>	0.636	0.460	0.466
DHRP17	<b>0.613</b>	0.691	0.470	0.538
DHRP18	<b>0.499</b>	0.567	0.417	0.383
DHRP19	<b>0.675</b>	0.678	0.468	0.484
DHRP2	<b>0.714</b>	0.568	0.389	0.338
DHRP20	<b>0.563</b>	0.602	0.437	0.451
DHRP21	<b>0.663</b>	0.729	0.627	0.681
DHRP22	<b>0.687</b>	0.772	0.727	0.743
DHRP23	<b>0.657</b>	0.694	0.503	0.521
DHRP3	<b>0.776</b>	0.654	0.455	0.436

<b>DHRP4</b>	<b>0.646</b>	0.734	0.763	0.981
<b>DHRP5</b>	<b>0.797</b>	0.726	0.578	0.583
<b>DHRP6</b>	<b>0.644</b>	0.708	0.782	0.959
<b>DHRP7</b>	<b>0.616</b>	0.690	0.726	0.931
<b>DHRP8</b>	<b>0.611</b>	0.689	0.484	0.555
<b>DHRP9</b>	<b>0.597</b>	0.697	0.616	0.687
<b>DP1</b>	0.616	<b>0.546</b>	0.401	0.365
<b>DP2</b>	0.597	<b>0.504</b>	0.389	0.338
<b>DP3</b>	0.698	<b>0.611</b>	0.455	0.436
<b>DP4</b>	0.697	<b>0.681</b>	0.554	0.559
<b>DP5</b>	0.651	<b>0.649</b>	0.551	0.580
<b>DP6</b>	0.723	<b>0.692</b>	0.578	0.583
<b>DP7</b>	0.685	<b>0.702</b>	0.600	0.632
<b>EP1</b>	0.666	0.710	<b>0.866</b>	0.774
<b>EP2</b>	0.658	0.707	<b>0.860</b>	0.765
<b>EP3</b>	0.643	0.718	<b>0.868</b>	0.788
<b>JC1</b>	0.646	0.791	0.763	<b>0.871</b>
<b>JC2</b>	0.644	0.749	0.782	<b>0.847</b>
<b>JC3</b>	0.616	0.724	0.726	<b>0.814</b>

TABLE 1

MODEL 2:

Cross Loadings	Employee Retention	Job Insecurity	Maintenance Oriented HR Practices
<b>ER1</b>	<b>0.886</b>	-0.056	0.646
<b>ER2</b>	<b>0.724</b>	-0.069	0.528
<b>ER3</b>	<b>0.839</b>	-0.027	0.612
<b>ER4</b>	<b>0.209</b>	0.346	-0.070
<b>ER5</b>	<b>0.755</b>	-0.156	0.547
<b>ER6</b>	<b>-0.117</b>	0.335	-0.076
<b>JI1</b>	-0.115	<b>0.824</b>	-0.142
<b>JI2</b>	-0.043	<b>0.779</b>	-0.184
<b>JI3</b>	-0.098	<b>0.656</b>	-0.108
<b>JI4</b>	-0.105	<b>0.866</b>	-0.161
<b>JI5</b>	-0.117	<b>0.791</b>	-0.131
<b>MP1</b>	0.510	-0.084	<b>0.685</b>
<b>MP2</b>	0.497	-0.048	<b>0.657</b>
<b>MP3</b>	0.462	-0.016	<b>0.601</b>
<b>MP4</b>	0.495	-0.320	<b>0.745</b>

**TABLE 2**

The research has shown that content validity is determined through cross-loading. The evaluated variable's significance should be greater than other analysis variables in the same columns and rows (Chin, 1998b; Hair Jr, 2010) in Table 1 & Table 2.

*Convergent Validity*

*Model 1:*

Variables	Items	Factor Loadings	AVE	CR	Cronbach Alpha	R2	Rho_A
Dual Oriented HR Practices	DHRP1	0.608	0.554	0.949	0.949		0.953
Development Oriented HR Practices	DP1	0.616	0.547	0.847	0.849		0.859
Employee Performance	EP1	0.866	0.748	0.899	0.899	0.803	0.899
Job Competence	JC1	0.871	0.713	0.881	0.881	0.580	0.882

**TABLE 3**

*Model 2:*

Variables	Items	Factor Loadings	AVE	CR	Cronbach Alpha	R2	Rho_A
Employee Retention	ER1	0.886	0.635	0.874	0.873	0.009	0.879
Job Insecurity	JII	0.824	0.617	0.888	0.892	0.035	0.895
Maintenance Oriented HR Practices	MP1	0.685	0.655	0.768	0.77		0.773

**TABLE 4**

Above table 3 & table 4 indicates that factor loadings, AVE and CR follow the uniform criteria (Hair Jr et al., 2013). Factor loadings must be higher than 0.50, values of AVE too should be higher than 0.50, and CR's value must be greater than 0.60. The Cronbach's alpha value should be greater than 0.60, as referenced by Fornell and Larcker (1981). Finally, Rho\_A values determine that each construct was valid for more research. Therefore, the present study meets the specifications of convergent validity.

*Discriminant Validity*

*Model 1:*

<b>Fornell-Larcker Criterion</b>				
	<b>Development Oriented HR Practices</b>	<b>Dual Oriented HR Practices</b>	<b>Employee Performance</b>	<b>Job Competence</b>
<b>Development Oriented HR Practices</b>	0.669			
<b>Dual Oriented HR Practices</b>	0.934	0.674		
<b>Employee Performance</b>	0.763	0.829	0.865	
<b>Job Competence</b>	0.762	0.907	0.897	0.844

**TABLE 5**

<b>Heterotrait-Monotrait Ratio (HTMT)</b>				
	<b>Development Oriented HR Practices</b>	<b>Dual Oriented HR Practices</b>	<b>Employee Performance</b>	<b>Job Competence</b>
<b>Development Oriented HR Practices</b>				
<b>Dual Oriented HR Practices</b>	<b>0.943</b>			
<b>Employee Performance</b>	<b>0.755</b>	<b>0.819</b>		
<b>Job Competence</b>	<b>0.749</b>	0.887	0.897	

**TABLE 6**

*Model 2:*

<b>Fornell-Larcker Criterion</b>			
	<b>Employee Retention</b>	<b>Job Insecurity</b>	<b>Maintenance Oriented HR Practices</b>
<b>Employee Retention</b>	0.797		
<b>Job Insecurity</b>	0.094	0.785	
<b>Maintenance Oriented HR Practices</b>	0.734	0.186	0.674

**TABLE 7**

<b>Heterotrait-Monotrait Ratio (HTMT)</b>			
	<b>Employee Retention</b>	<b>Job Insecurity</b>	<b>Maintenance Oriented HR Practices</b>
<b>Employee Retention</b>			
<b>Job Insecurity</b>	0.097		
<b>Maintenance Oriented HR Practices</b>	0.732	0.185	

**TABLE 8**

Table 5 & table 7 show that the present research data satisfies the discriminant validity criteria, as Fornell and Larcker (1981) indicated. Overall, the current research meets the essential criteria of Heterotrait-Monotrait Ratio (HTMT), which suggests Hair Jr et al. (2013) (See Table 6 & table 8).

*Hypotheses Testing*

Table 9 & table 10 illustrate the SDs, mean, and correlations between the testing variables.

*Interactive Effect*

Table 9 & table 10 presents the interactive effect of subsets of dual-oriented HR systems on employee performance and employee retention.

In this research, five hypotheses are there, which have been tested. For example, dual oriented HR practices positively affect employee performance (t-value=2.597, p<0.05), and the hypothesis H1 is supported. Moreover, development-oriented HR practices positively influence job competence (t-value=22.634, p<0.05) and verified the second hypothesis H2.

Hypotheses	Paths	Original Samples	Sample Mean	St. Deviation	T-Values	P-Values	Results
H2	Development Oriented HR Practices -> Job Competence	0.762	0.763	0.034	22.634	0.000	Sig.
H1	Dual Oriented HR Practices -> Employee Performance	0.326	0.325	0.126	2.597	0.010	Sig.
H3	Maintenance Oriented HR	-0.269	-0.282	0.074	3.651	0.000	Sig.

	<b>Practices -&gt; Job Insecurity</b>						
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**TABLE 9**

The maintenance-oriented HR practices also have significance on job insecurity (t-value=3.651, p<0.05), and the hypothesis H3 is being supported.

*Mediation Testing*

*Direct Relationships*

Job competence and job insecurity play a positive and significant mediating role among development-oriented HR practices and employee performance and maintenance-oriented HR practices and employee retention, respectively. According to hypothesis 4, Job competence will positively mediate the relationship between development-oriented HR practices and employee performance. As expected, the results in Table 2 show that the relationship between job competence and employee performance was significantly positive (t-value=7.310, p<0.05) and supported hypothesis H4.

In hypothesis 5, we expected job insecurity to mediate the relationship between maintenance-oriented HR practices and employee retention so that decreasing job insecurity might improve employees' job retention. Bootstrapping results based on Monte Carlo showed that the interaction between maintenance-oriented HR practices and employee retention through job insecurity was significant. Thus, Job Insecurity positively influences employee retention (t-value=2.060, p<0.05) and accepted the hypothesis H5.

Hypotheses	Paths	Original Samples	Sample Mean	St. Deviation	T-Values	P-Values	Results
H4	Job Competence -> Employee Performance	0.715	0.722	0.098	7.310	0.000	Sig.
H5	Job Insecurity -> Employee Retention	0.358	0.330	0.174	2.060	0.040	Sig.

**TABLE 10**

*Indirect Relationships*

**Specific Indirect Effects**

**Model 1:**

	<b>Original Sample (O)</b>	<b>Sample Mean (M)</b>	<b>Standard Deviation (STDEV)</b>	<b>T Statistics ( O/STDEV )</b>	<b>P Values</b>
<b>Development Oriented HR Practices -&gt; Job Competence -&gt; Employee Performance</b>	0.544	0.552	0.082	6.601	<b>0.000</b>

**TABLE 11**

There is just one indirect effect in the first model, and it is the development-oriented HR practices on employee performance through job competence. So here is the impact 0.552, the indirect impact, and this is a significant indirect effect. That means the first model does have mediation.

*Model 2:*

	<b>Original Sample (O)</b>	<b>Sample Mean (M)</b>	<b>Standard Deviation (STDEV)</b>	<b>T Statistics ( O/STDEV )</b>	<b>P Values</b>
<b>Maintenance Oriented HR Practices -&gt; Job Insecurity -&gt; Employee Retention</b>	-0.096	-0.092	0.058	1.670	<b>0.095</b>

**TABLE 12**

There is only one indirect effect in the second model, and it is the maintenance-oriented HR practices on employee retention through job insecurity. And this is an insignificant indirect effect.

*The Predictive Relevance Of Study Model*

In this ongoing analysis, two items are calculated for a model's predictive significance, such as R2 and cross-validated redundancy. Value of R2 means that all independent factors described the dependent variables together. Table 13 shows that every independent variable determines 80.3% of employee performance. While independent variables also determine 58% of job competence. According to Cohen (1988), the value R2 in between 0.02-0.13 represent weak, while the value between 0.13 to 0.26 shows moderate and the value R2 larger than 0.26 shows high impact. In this analysis, R2 for employee performance and job competence show a heightened effect.

Table 14 shows that independent variables represent 0.9% of employee retention. At the same time, 3.5% of job insecurity is represented by the independent variable. In this research, R2 for employee retention and job insecurity represents a more significant effect.

*The Predictive Relevance of The Model*

*Model 1:*

Total	R Square
Employee Performance	0.803
Job Competence	0.580

**TABLE 13**

*Model 2:*

Total	R Square
Employee Retention	0.009
Job Insecurity	0.035

**TABLE 14**

*The Effect Size Of A Model*

R-square shows the power of the model of how effectively the exogenous constructions have clarified the endogenous structure. The effect size (f2) is determined by following the below formula (Hair Jr et al., 2014).

$$F2 = \frac{R2 \text{ included} - R2 \text{ excluded}}{1 - R2 \text{ included}}$$

The effect size (f2) will be small when  $f2 < 0.15$ , while the effect size will be in moderation when  $f2 = 0.15$ , and the effect size will be large when  $f2 > 0.3$  (Cohen, 1988).

*F Square of Model 1:*

	Development Oriented HR Practices	Dual Oriented HR Practices	Employee Performance	Job Competence
Development Oriented HR Practices				<b>1.307</b>
Dual Oriented HR Practices			<b>0.025</b>	
Employee Performance				
Job Competence			<b>1.367</b>	

**TABLE 15**



It shows that the effect of development-oriented HR practices on job competence and job competence on employee performance is high. In contrast, all other results are meager.

***F Square of Model 2:***

	<b>Employee Retention</b>	<b>Job Insecurity</b>	<b>Maintenance Oriented HR Practices</b>
<b>Employee Retention</b>			
<b>Job Insecurity</b>	<b>0.015</b>		
<b>Maintenance Oriented HR Practices</b>		<b>0.036</b>	

**TABLE 16**

It shows that job insecurity on employee retention and maintenance-oriented HR practices on job insecurity is very low.

**DISCUSSION**

Based on Korff et al.'s (2017) study, our analysis has established a dual-oriented model of HR activities and explored the impact of the subsets of dual oriented HR practices on employee performance and retention with the mediating effect of job competence and job insecurity, respectively, from both the contingency and P-O fit perspectives. Based on multi-source and multilevel field information, our findings have shown that maintenance-and development-oriented HR practices have performed uniquely in a dynamic workforce.

Mainly, development-oriented HR practices had a substantial impact on employee performance when job competence is high. In comparison, maintenance-oriented HR practices positively affected employee retention when job insecurity is low. In both cases, job competence and job insecurity were enhanced accordingly. The results are in line with the results of Li et al. (2006). These results give useful theoretical and realistic perspectives into HRM and well-being literature.

**LIMITATIONS AND FUTURE RESEARCH**

This study is not without limits; these shortcomings are areas for further studies. It would be appropriate to conduct this study on a far more diversified market, such as many more international corporations. And many more participants should be involved in future studies.

And future research can explore whether dual-oriented HR practices have a distinct influence on employees' performance.

**CONCLUSION**

Our research adds to the literature of HRM by demonstrating the combined impact of subsets of dual oriented HR practices considering employee performance and retention. Also, by revealing job competence and job

insecurity as an essential tool, and we can shed more light on where and how HR activities will strengthen employee performance.

## ACKNOWLEDGMENT

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