

Exploring the Effect of Human Resource Strategic Orientation on Employee Job Performance in Tanzania State Corporations

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ABSTRACT

This study examined the effect of human resource strategic orientation on employee job performance in Tanzania State Corporations. A total of nine hypotheses were established to test for the hypothesized relationships. A cross-sectional survey research design was adopted. Primary data was collected through a properly designed questionnaire while secondary data was obtained through published information. Data on human resource strategic orientation variable was obtained from HR managers in 53 State Corporations in Tanzania. Furthermore, a double source ratings data on employee job performance variable was obtained from a sample of 284 employees and 80 Supervisors. Correlations and hierarchical regression analyses were performed to examine the relationships. Results of this study provide support for the central hypothesis of this study that human resource strategic orientation (as a bundle of control and commitment) has a positive and significant effect on employee job performance. This study has contributed significantly to the conceptual and theoretical understanding in the strategic human resource management literature.

Key words: Human resource strategic orientation, Human resource strategy, Human resource Practices, Employee job performance, State Corporations

JEL CODES: M5-M51, M52, M53

1. Introduction

Building and sustaining employees' job performance is among the key elements for success in today's business environments (Barick and Mount, 1991). Employees' job performance is a dynamic and multidimensional construct that refers to the observable behaviors that people do while at work (Campbell, 1983). However, getting employees to do their job effectively leading to superior performance is one of the most enduring challenges that many organizations encounter. Whereas employees have been reported to complain about poor working conditions (Kahya, 2007), low salaries, lack of training opportunities and other motivational aspects (Kochan and Osterman, 1994); employers on the other hand, have been facing problems of having incompetent workers (Govindarajan and Fisher, 1990), turnover and absenteeism (Huselid, 1995) leading to poor job performance.

A considerable number of previous researches have sought to identify valid predictors of employee job performance. Most notably, these include personality and sales performance (Barrick and Mount, 1991), experience and job performance (Schmidt et al., 1986) and situational constraints and task performance (Griffin et al., 2007). Only recently has attention drawn to the importance of gaining an understanding of the potential effect of human resource strategies on employee's job performance. As pointed out by Wright et al. (2001) that human resource strategy, if well designed and implemented is likely to affect employee skills, effort and motivation which in turn translate into improved job performance¹. However, no empirical study so far has been carried to find out how human resource strategic orientation (bundles from control and commitment-based human resource strategies) influence work performance of employees in Tanzania State Corporations. That is, little is known about the process through which HR strategic orientation lead to employee job performance.

In Tanzania, the performance of State Corporations has been in question for a long time. Following the adoption of Arusha declaration in 1967 (Nyerere, 1968), which nationalized all major means of production, State corporations experienced many challenges including inter alia large operational costs, low productivity and low net profit (Therkilsden, 2000). Although some evidence points to the political interference and shortage of working capital as factors contributed to the poor performance (Kiggundu et al., 1983; Kiragu and Mukandala, 2004), research done by Kim (1981) and later) Bana (2004) and Mbelle (2004) established that poor performance of employees contributed significantly to the dismal performance of State Corporations in Tanzania. Unfortunately, no systematic study has been done to investigate the effect of human resource strategic orientation on employee's job performance in Tanzania State Corporations. Therefore, the objectives of this study were: (1) to examine the relationship between human resource strategic orientation and employees task performance (2) to establish the relationship between human resource strategic orientation and employee's

¹ See Bartel (1992) for example his study discovered that training leads to improved job performance as measured by performance rating scores

contextual performance (3) to examine the relationship between human resource strategic orientation and employees job performance. Nine hypotheses were established, followed by methodology; findings, discussion, conclusion and recommendations for further research.

2. Theoretical Background

2.1 Human Resource Strategic Orientation

Walton's (1985) typology of control and commitment-based human resource strategies² has gained prominence in the human resource management literature over the past decades (Arthur, 1994; Boselie, 2002). This conceptualization has sparked a debate among scholars. Most notably, there are those who view control and commitment as a two distinct approaches to shaping employee behavior and attitudes at work (Walton, 1985; Arthur, 1992, 1994; Boselie, 2002). A variant to this perspective consider them as spanning from a continuum of two extremes ranging from a more controlling approach of managing employees to a high commitment approach of investment in employees (Bratton and Golds, 2003). For instance, Walton (1985) contended that control and commitment represent two distinct ideal systems and that any deviation from the ideal type would weaken performance. However, scholars like Bratton and Golds (2003), noted that control and commitment span from a continuum of two extremes and that the most effective strategy is seen as existing somewhere between the two extremes³. This conceptualization draws heavily on the work of Etzioni (1969), who asserted that the degree of organizational involvement by workers is a continuum in which the opposite of commitment is alienation. Apparently, the central theme of the debate is whether human resource strategies should be seen as a system designed to develop employees or to ensure full utilization of employees.

A control-based human resource strategy emphasizes the quantitative and calculative aspects of managing employees⁴. From this line of thinking, there is a tight control of employees using written rules and procedures, managers organize tasks and movement within which workers operate to ensure achievement of organizational performance (Arthur, 1994). A control-oriented approach tends to emphasize narrow defined jobs, centralized decision-making, lower skills demand, little training and so forth. Thus, workers are more of commodity-like and more replaceable (Arthur, 1992; Walton, 1985). The strategic objective of this approach is to increase employee efficiency through greater use of rules and regulations, close monitoring to regulate employee behavior in order to achieve performance. A commitment-based human resource

² Walton's work (1985) posits that workforce can be managed in two ways, one based on control and the other based on commitment. Walton explains under control strategy work is divided into small, fixed jobs for which individuals were held accountable an environment where Commitment does not flourish.

³ See Bratton and Golds (2003)

⁴ See the work of (Eisenhardt, 1985)and (Snell 1992)

strategy⁵ on the other hand, is associated with the human relations movement. Based on resource-based view (RBV) theory⁶, this strategy creates conditions that encourage employees to identify with the goals of the organization. Truss and Gratton (1994) used resource-based view theory as described by Barney (1991) suggests that the most important asset of any business is its employees. Therefore, the focus of commitment approach is to develop committed employees who can be trusted to use their discretion to carry out tasks in ways that are consistent with organizational goals. Commitment oriented strategy consist of practices such as intensive training, promotion from within, high level of compensation and so forth.

Previous studies have reported slow pace of diffusion of commitment-based human resource strategy in organizations. For instance, Wood and de Menzes (1998) found that only 11 percent of organizations had adopted bundles of HRM associated with high commitment management. Likewise, Roche (1999) also reported a low incidence of coherence bundles of commitment-oriented human resource practices in Ireland organizations. On the other hand, Khatri et al. (2007), report that control-based human resource approach was positively associated with culture of blame and negatively with learning from mistakes. Indeed, these findings of the limited diffusion of commitment model and the low impact of control model on performance have rendered some scholars to take a middle ground, that of 'bundling orientation'. Proponents of this view such as Gooderham et al. (2008) and Boselie (2002), argue that it is human resource bundles rather than individual HR practices that affect organizational outcomes. A good example is the work of Bamberger and Meshoulam (2000), who integrated the two main models of human resource strategy, one focusing on the underlying logic of managerial control and the other focusing on the reward–effort exchange (commitment-oriented) relationship. Bamberger and Meshoulam suggested that neither of the two dichotomous approaches (control and resource-based models) individually provides a framework able to encompass the ebb and flow of the intensity and direction of human resource strategy. They build a model that characterizes the two main dimensions of human resource strategy as involving around internally coherent and consistent configuration set of interactive human resource bundles.

From this line of thinking, individual human resource practices are viewed as part of a wider human resource system in the sense that several properties from both models (control and commitment) are considered. However, human resource management scholars such as Becker and Huselid (1997), cautioned that there is a challenge on how to combine human resource practices into bundles because individual practices can complement, substitute for, or even

⁵ Studies done by sun et al (2007) and Guthrie's (2001) presented a positive association between use of

commitment-based HR practices high-involvement work and employee retention and firm productivity

⁶ The work of Penrose (1959), followed by Wernerfelt's (1984), and later Barney (1991), RBV has emerged as one of the most popular foundations for exploring empirical relationships within SHRM.

conflict with each other. Becker and Huselid (2007) use the term “powerful connections” to describe the case where two practices have a synergistic effect, and “deadly combination” to refer to the case where the combination of two practices results in poor performance than either used alone. A well known example of a deadly combination is teamwork coupled with individual incentive pay. Huselid (1995) point out two possibilities in which combined system can influence great performance: (i) that when used in coordinated systems of human resource practices, (ii) when one practice reinforces another. Therefore, this study focuses on HR strategic orientation as bundles or combination of human resource practices from both control and commitment-based human resource strategies in an attempt to study its effect on employee job performance in Tanzania Sate Corporations. As suggested by Guest, (2002), practices from single strategy are not expected to have the impact on performance as a coherent set of practices could have⁷.

2.2 Employee Job performance

There is a wide agreement among studies in the field of work psychology about behavioral nature of the concept of job performance (Sonnentang and Fresse, 2001). Based on theory of individual differences in job performance⁸ (Borman and Motowidlo, 1993), behavior is what people do while at work, behavior that can be evaluated as positive or negative for individuals. Brumbruch (1988) stated that behavior emanates from the performer and transforms performance from abstraction to action. From theoretical and empirical point of view, studies by Borman and Motowidlo (1993) and that of Griffin et al. (2007) agree that when conceptualizing performance one has to differentiate between action aspect (1.e behavior) and an outcome aspect of performance. Raising an alarm however, Campbell’s (1993) posited that not every behavior is subsumed under the performance concept rather, only behavior which is relevant for the organizational goals.

Early attempt at exploring job performance construct focused heavily on task performance⁹. As noted by Motowidlo and Van Scotter (1994), that initially work performance was evaluated in terms of proficiency within which an individual carried out tasks that were specified in his or her job description. From this perspective, a well-specified job was one in which all of the behaviors that contributed to organizational goal attainments were captured in an individual’s job description. Effectiveness could then be evaluated as outcome achieved by carrying out the specified behaviors of the job. However, the changing nature of work challenged this traditional view of individual work performance since it did not account for the full range of behaviors that contribute to organizational effectiveness. In response to this call, research attention turned

⁷ See empirical findings by Arthur (1994) and Boselie et a., (2002) studies

⁸ Motowildo, Borman and Schmit (1997) study attempted to describes a theory of job performance that are broadly applicable to all jobs.

⁹ See studies done by Katz and Kahn, (1966) Motowidlo et VanScotter (1994) and Griffin et al. (2007)

into identifying behavioral types that met the definition of performance domain; In-role and extra-role performance (Katz and Kahn, 1966); Citizenship behavior (Organ, 1988) task and contextual performance (Borman and Motowildo, 1993); Proactivity and prosocial organizational behavior (Grant, 2000).

In their effort to identify and define categories of job performance that are broadly applicable to all jobs Borman and Motowildo (1993), came up with two main dimensions of job performance namely task performance and contextual performance. Task performance¹⁰ consists of activities that transform raw materials into goods and services or in other words, it is the effectiveness with which job incumbent perform activities that contributes to the organizational technical core. They gave example of activities such as selling merchandise in a shop, teaching in school, or performing surgery in hospital. This conceptualization is similar to that of Motowidlo and Van Scotter (1994) who defined a task performance as a work-related activity, or what an employee is attempting to accomplish. Griffin et al (2000) using Borman and Motowildo (1993) theory illustrated that each task has various elements and each element has specified minimum level of performance. For instance, in their effort to study task performance of air traffic controllers job, Griffin et al. (2000), described key elements of task performance which included: Maintaining situation awareness (1.e interpreting and evaluating traffic events), executing control action (1.e by maintaining separation and managing traffic), performing communication tasks (1.e telephony) and operating facilities (1.e using the air situation display). Hackman and Oldham (1975)¹¹, posited that in the work settings, each employee is assigned to a particular job and is required to perform all the tasks associated with that job and he/she is solely responsible for the outcome of that particular job.

In the competitive business world, employees are often expected to perform not only to a satisfactory levels but to exceed the required roles of their perspective jobs and perform tasks that may not be include in their job description. This behavior is referred to as contextual performance¹² (Borman and Motowidlo, 1993). Indeed, Borman and Motowidlo (1993), argued that theories and measurement of job performance tended to focus on processes that contribute to the goals of an organization (task performance) while neglecting potentially large effects of other discretionary behaviors on the working environment such as being optimistic and persevering in the face of adversity (contextual performance). These behaviors help to provide a context or environment that facilitates effective task performance. Borman and

¹⁰ (Kiggundu, 1978) also opined that our daily lives can be viewed as a huge collection of tasks from eating breakfast to remembering daily chores.

¹¹ Hackman and Oldham (1975) Job Characteristic Theory (JCT), with five core job characteristics which predicted to be positively related to employee task performance.

¹² Prominent scholars in this line of thinking include Organ (1988) and Brief and Motowildo (1986)

Motowidlo (1993) described five categories of contextual performance including (a) volunteering for extra work, (b) persisting with enthusiasm, (c) helping and cooperating with others, (d) following rules and procedures even when they are inconvenient, and (e) endorsing, supporting and defending organizational objectives.

From the perspective of control theory, researchers have suggested that in order to achieve better performance through effective control over employees, two control strategies can be employed. First, control can be accomplished through performance evaluation¹³. Performance evaluation refers to the cybernetic process of monitoring and rewarding performance. This strategy emphasizes the information aspects of control. That is, to what degree can the various aspects of performance be assessed? Alternatively, control can be used to achieve employee's commitment by minimizing the divergence of preferences among employees. That is, employees cooperate in the achievement of organizational goals because the members understand and have internalized these goals. Snell and Youndt (1995) asserted that establishment of rules and procedures and the use of incentives ensures alignment of employee's behavior with organizational goals and therefore achievement of organizational performance. In a similar vein, Welborne and Cyr (1996) opined that formal monitoring and direct supervision of employees and the use of incentives may result in standardized employees behavior that enhance long term organizational performance. This study assumes that the choice of control over all employees offers a simpler and manageable way of controlling behavior of individuals on the job.

On the other hand, the central tenets of Resource Based View (RBV) theory as suggested by scholars such as Wenerfelt, (1984) and Barney (1991) are that resources that are valuable, rare, inimitable, and non-substitutable will lead to competitive advantage. These tenets have been widely applied within SHRM literature indicating HR practices as rare, valuable, inimitable, and nonsubstitutable and therefore a source of competitive advantage. However, this study advances that RBV fails to account fully or describe the nature or circumstances in which individuals or HR systems become a source of competitive advantage. In particular, RBV neglect accepted ways of understanding the way in which individuals are managed and transformed into valuable resources. Thus, from perspective of RBV it is important to examine which features of the organization current workforce are relevant in achieving higher levels of organizational performance. Specifically, this study conceptualizes organizational resource from RBV with consideration of employees' behaviors as important resource rather than HR practices or systems used by the firm. Following this argument, this study argues that it is employees' behaviors that constitute a resource for the firm. From this view, only behaviors, both task and contextual behaviors demonstrated by individuals on the job would meet the criteria outlined by Barney (1991).

¹³ See the work of (Eisenhardt, 1985)

3. Hypotheses Development and Research model

3.1 Hypotheses Development

Drawing from matching model as advanced by Fombrum et al. (1984) and behavioral theories as suggested by Jackson and Schuler (1987), studies (Arthur, 1994; Walton, 1985; Watson, 1995) have consistently demonstrated the association between the control HR strategy and other variables such as on sales representative (Eisenhardt, 1995), and production workers (Cyr and Melborne, 1997). However, in the recent past scholars such as Griffin (2007) started to explore the relationship between control HR strategy and task and contextual performance. As Huselid (1995) pointed out that through recruitment, training, performance appraisal and rewards, control regulates the actions of employees while doing their tasks, ensure close monitoring leading to completion of their work hence increasing productivity. In addition, to the extent that behavior control standardizes work this provides subordinates discretion in the means they use to carry out their tasks leading them to work beyond working hours hence achieving contextual performance. Therefore, it is hypothesized that;

- H₁: Control HR Strategy has a significant effect on employee task Performance
- H₂: Control HR Strategy has a significant effect on employee contextual Performance

A growing body of empirical studies has consistently demonstrated an association between high commitment orientation and firm performance (Wright et al, 1996). However, researchers have not systematically developed and tested the hypothesized relationship between commitment-based HR model and on task and contextual performance. Despite the paucity of empirical studies it is predicted that a smoothly functioning commitment-based HR strategy can lead to a highly motivated and empowered workforce and therefore encouraging them to work leading to both task and contextual performance. Furthermore, since commitment-based HR strategy gives autonomy to employees which enables them choose how to carry out their tasks, the speed of work, timing of breaks, and working hours, this in turn may bring a heightened sense of self efficacy and intrinsic motivation to perform the tasks (e.g. Hackman and Oldham, 1975). In addition, job holders with higher levels of job autonomy may have greater potential for task-related interaction with supervisors and co-workers, and thus have a work environment that is more conducive to performing discretionary contextual behaviors. Therefore, it is hypothesized that;

- H₃: Commitment HR Strategy has a significant effect on employee task Performance
- H₄: Commitment HR Strategy has a significant effect on employee contextual Performance

Previous research has attempted to establish the relationship between control-based HR strategy and performance. For instance, Snell and Yound (1995) reported that the interaction of behavior control and cause-effect knowledge was a significant predictor of Return on Asset (ROA). Consistently with this, it is argued that commitment-based HR system employs HR

practices that nurture employee involvement and maximize employee job performance. Research by Boselie (2002) and Balkin and Gomez-Mejia (1987) showed that using valid selection methods such as interview and Situational Judgment Tests (SJTs) in employee selection is positively correlated with employee job performance. Therefore, it is hypothesized that;

- H5: Control HR Strategy has a significant effect on employee job Performance
- H6: Commitment HR Strategy has a significant effect on employee job Performance

There is a growing agreement among scholars that bundles of human resource strategies have an effect on employee task and contextual performance (Ichniowski et al., 1994). This is well put by Wright et al. (2001) who suggested that the efficiency of employee on the task is dependent upon the adoption of effective combination of human resource management practices, often referred to as human resource *bundles* (control and commitment HR practices). For instance, Wright et al. (2001), in their review of human resources practices suggested that investment in recruitment, training and compensation, coupled with tight supervision of employees, will enable employees to do their job well, hence achieving task performance. Comprehensive staffing system screens applicants on job-related criteria such as personality and interpersonal skills that affect an individual's ability to cooperate with others and following rules and procedures leading to contextual performance. Therefore, it is hypothesized that;

- H7: HR strategic orientation has a significant effect on employee task Performance
- H8: HR strategic orientation has a significant effect on employee contextual Performance

There is a common agreement among researchers that bundles of human resource strategies have an effect on organizational performance (Ichniowski et al., 1994). However, these studies have yielded mixed results with some showing positive (Delaney and Huselid (1996; Delery and Doty, 1996), while others showing negative relationship (Becker and Gerhart, 1996) and Gooderham et al. 2008). However, little is done to empirically investigate how human resource strategic orientation influences employee job performance. The apparent proposition in the literature is that, bundles of human resource practices enable employees to get job knowledge and experience, devise new procedures and processes for carrying out tasks, identifying products or services to better meet customer needs therefore improving their job performance. Therefore, it is hypothesized that;

- H9: HR strategic orientation has a significant effect on employee job Performance

3.2 Research model

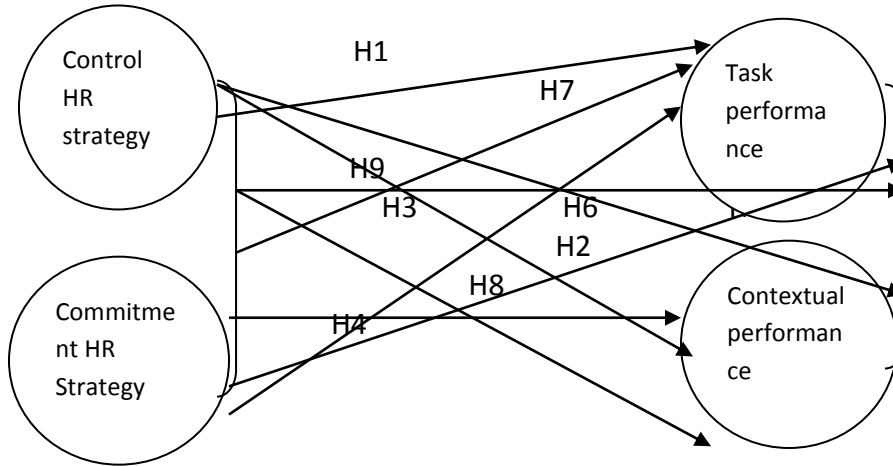


Figure 1. Relationship between HR strategic orientation and employee job performance

4. Methods

This study adopted cross-sectional surveys design which falls within positivist research paradigm. The target population of this study comprised all State Corporations in Tanzania that finance their operations primarily by selling their products/ or services. There were 94 such State Corporations which were all included in the study. The list was drawn from Tanzania public service directory 2012/2013. Primary data was obtained using two structured questionnaires. The first questionnaire which collected data on human resource strategic orientation was completed by the head of human resource department. The second questionnaire which solicited data on employee job performance had two sections. Section one was administered to employees who performed core functions of the organization. Section two of the questionnaire was administered to the immediate supervisors of the above selected employees who filled out the questionnaires. Since the number of employees in State Corporations was not uniform across the sector, it was necessary to take a sample of respondents. Disproportionate sampling technique was used to get respondents. In this regard, in a situation where the target population exceeded 200 employees, a sample of 10% was used. Likewise, in a situation where the target population was less than 200 employees, a sample of 20% was drawn. The researcher used job titles to identify employees who performed core functions. Thereafter, simple random method was used to select respondents to participate in the study. All the instruments were subjected for reliability test and scored an overall .810.

5. Measures

Human resource strategic orientation was operationalized using 14 items comprised of two dimensions of control and commitment. A total of 8 items measuring control orientation and 6 items measuring commitment orientation were adopted from Walton (1985) and Arthur (1994). Control orientation measured the extent to which written rules, regulations and procedures covering work areas used to monitor employees while commitment orientation measured

the extent to which HR practices focused on developing employees who are committed to carry out their work. Employee job performance was operationalized with 4 items using Borman and Motowildo (1993) dimensions of task and contextual performance. Task performance items reflected the extent to which employee were able to demonstrate efficiency on their work, while contextual performance measured the extent to which employees cooperated with coworkers and volunteered to carry out tasks that are not part of their own job. All the scales (Likert-type) ranged from 1 (not at all) to 5 (to a very large extent).

6. Results

6.1 Response Rate

At least 53 Tanzania's State Corporations responded to the questionnaires comprising 56% of response rate. Of the 680 employees who received questionnaires, 318 responded by providing self report of their job performance. 34 responses were excluded as a result of missing supervisor ratings, leading to a final sample of 284 responses from employees, thus constituting 41 percent response rate. A total of 80 supervisors rated their subordinates on how well they performed their work.

6.2 Descriptive Statistics

The data was analyzed demographically by attributes of the organization namely, organizational sector, age and gender. Results of distribution by sector indicate: manufacturing sector 26%, financial, transport and communication 15%, authorities 13%, social security services 11%; other sectors 6%. The age distribution ranged from 35-40 with 55% and below 30 and 51 and-above documented the least with a 5%. On the other hand, the majority of supervisor's age fell under 51 and above constituting 58% and 41% fell between 31 to 50 years of age. Data also indicated that majority of respondents (60%) were males as compared to 39% being females while 58% of supervisors were males as compared to 41% female.

6.3 Hypotheses Testing

Before proceeding with hypothesis testing, Pearson product moment correlation analysis (r) was performed in order to examine the pattern of relationships among variables. Results are presented in table I below.

Table I. Means, SD, and Zero-Order Correlation Matrix of the Measurement Items

	Variable	M	SD	1	2	3	4	5	6	7	8
1	Gender	3.47	1.36	1							
2	Age	3.11	1.62	.469**	1						
3	Tenure	4.71	1.37	.354**	.174	1					
4	Control HR strategy	3.54	1.35	.411**	.139	.354**	1				
5	Commitment HR strategy	4.33	1.12	-.134	-.238*	-.196	-.061*	1			
6	Task performance	4.62	.66	.627*	-.210-	.312*	.667*	.517**	1		
7	Contextual performance	4.56	.90	.271*	-.218	-.288*	.153*	.312*	.184	1	
8	Overall Employee Job Performance	4.92	.20	-.313*	-.035	-.074	-.181**	-.170	.633**	-.340*	1

Note: N=53 * P< 0.05 level, **P< 0.01 level (2-tailed)

Correlations among the perceived study variables were generally modest and varied from .01 to .66. The highest was the correlation between control HR strategy and task performance, and lowest was the correlation between commitment HR strategy and control HR strategy. This correlation strongly shows that there is no problem of multicollinearity. To better depict the variance explained by different sets of predictor variables, hierarchical linear regression analysis was done to test for the hypothesized relationships. As recommended by Aiken and West (1991), two variables (age and tenure) were used as covariates to control for their influence on the relationships between independent and dependent variables. These variables were entered in the first step of the analysis. In order to control for the effect of human resource strategic orientation on overall employee job performance and make a good interpretation of the results, the analysis started by investigating the effect of individual variables making up control and commitment-based human resource strategy on both task and contextual performance. These variables were entered in the regression model in the second and third steps. Furthermore, to better detect the interaction, all variables were standardized or mean adjusted.

Table II. The Regression Results for the Effect of Individual variables of Control and Commitment HR Strategy on Individual variables of Employee Job performance

		Task Performance		Contextual Performance	
	Model 1-Main Effect	β	t	β	t
Step1	Controls				
	Age	.191	1.269	.011	2.015
	Tenure	.033	1.443	.014	2.846
Step2	Control HR strategy	.084*	-.908	-.014	-.094
	Centralized recruitment (CR)				
	Informal/unstructured training (IT)	.104*	-1.696	-.109*	-.734
	Non-transparent Appraisal (NA)	.133	.880	.174	1.151
	Centralized pay (CP)	-.074	-.511	.063	.440
		R² =.042*		R² =.052*	
Step3	Commitment HR strategy				
	Clear recruitment and selection (CS)	-.041	-.284	.020	-.402
	Extensive training (ET)	.130*	-1.856	.139*	-.921
	Regular performance appraisal (RA)	.037	.232	.108	.681
	Ability-based Pay (AP)	.126	.818	.149	.979
		R² =.031*		R² =.028*	
Step4	HR strategic orientation	.015*	-.149	.263*	2.654
		R² =.194		R² =.138	

N=53, *P<.05 (2-tailed)

As indicated in **table II**, control-based human resource practices which were entered in the second step explained 4.2% of the variation in task performance ($R^2 =.042$) and 5.2% in

contextual performance ($R^2 = .052$). The results also indicate that two of the variables namely, centralized recruitment and Informal/unstructured training had a significant effect on task performance ($\beta = .084$, $t = -.908$, $p < .05$) and ($\beta = .104$, $t = -1.696$, $p < .05$) while, only Informal/unstructured training had a significant effect on contextual performance ($\beta = -.109$, $t = -.734$, $p < .05$). Other variables had a non significant effect on both task and contextual performance. Results also indicates that commitment-based HR strategy explained 3.1% of the variation in task performance ($R^2 = .031$), and 8% of the variation in contextual performance ($R^2 = .028$). Only extensive training was having a positive and significant unique effect on task performance with beta coefficient of ($\beta = .130$, $t = -1.856$, $p < .05$).

Overall results indicate a weak association of control and commitment HR strategies working individually on task and contextual performance in Tanzania’s State Corporations. Furthermore, the results indicates that HR strategic orientation as a whole explains 19.4% of the variation in task performance and 13.8% in contextual performance suggesting weak support for the relationship. Therefore, Overall results indicate partial support for the hypothesized relationship. However, although the hypothesis was partially supported these results **therefore reject the null of hypothesis one, two, three four, seven and eight respectively.**

Table III Regression Results for the Effect of Control and Commitment HR strategies on Overall Employee Job Performance

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Controls	1.190	.452		.584	.000
Age					
Tenure	.307	.102	-1.033	-.160	.016
Control HR strategy	.063	.048	-.043*	.163	.008
	$R^2 = .027$				
Commitment HR strategy	.109	.49	.003*	1.168	.002
	$R^2 = .006$				

N=53, *P<.05 (2-tailed)

In order to examine how control and commitment-based HR strategy contributes to explaining the variance in overall employee job performance, an aggregate mean score of control and commitment-based HR strategies together were entered in the regression equation. The results in **table III** indicates that control-based HR strategy explained only 2.7 percent of the variance in employee performance ($R^2 = .027$). The regression coefficient for control-based HR strategy was only marginally significant ($\beta = -.043, t=.163, p < .05$) indicating that for a one standard change in the control-based HR strategy index is associated with a $-.043$ change in employee job performance. Accordingly, results shows a very low adjusted R^2 of $.06$ commitment-based HR strategy implying that it explains only $.06$ of the variation in employee job performance. Results indicate a weak association of control and commitment-based HR strategies on overall employee job performance in Tanzania’s State Corporations therefore **rejecting the null of hypothesis five and six.**

Table IV. The Regression Results for the Interaction Effect of Individual variables of HR Strategic orientation on Employee Job performance

		Employee Job Performance	
Interaction Effect		β	t
Step1	Controls	.191	1.269
	Age		
	Tenure	.033	1.443
Step 2	CR x ET	.472*	2.730
	IT x CS	.409*	3.627
	NA x AP	.124*	1-.737
	CP x RA	.565*	1-.388
		R^2 Change =.328	
Step 3	CR x ET x AP	.621*	2.658
	IT x NA x CR	.550*	2-.323
	CP x RA x CR	.500*	3-.310
		R^2 Change =.476	

N=53, *P<.05 (2-tailed)

To further investigate the effect of bundles of HR strategic orientation on employee job performance, the study used the interaction of combined bundles of HR practices. As shown in **table IV** both two- way and three-way interaction terms contribute significantly to the employee task and contextual performance. Specifically, for the two way interaction, human resource strategic orientation accounted for 32% of the variation in task performance ($R^2 = .328$). All the beta coefficients were statistically significant. Equally, the results show that three-way interaction increased explanatory power ahead from the results of the two-way interactions. For instance, human resource strategic orientation accounted for 47% of the variation in employee job performance ($R^2 = .476$). All the beta coefficients were all statistically significant. Therefore, according to these results, the more consistent HR strategies are working in bundles the stronger their effect on employee job performance as observed in Tanzania State Corporations. **Therefore, results reject the null of hypothesis nine.**

7. Discussion

The basic premise of this study was to investigate the relationship among HR strategic orientation and employee job performance. There is no study so far that has examined the relationship between these variables. The study started by analyzing individual variables making up control and commitment human resource strategies and variables making up employee job performance. The findings of the current study show a weak relationship between control-based HR strategy and employee job performance. Only unstructured/informal training variable significantly and positively related to task and negatively related to contextual performance, while centralized recruitment significantly and positively relate to task performance. On the other hand, findings also indicate a weak relationship between commitment-based HR strategy and employee job performance. Of the four attributes making up commitment-based HR practices, only one of them namely extensive training significantly and positively related to employee job performance. The negative relationship between other attributes of control-based HR practices in Tanzania State Corporations appear to derive some support from the study done by Legge (1995) who established a negative and non significant relationship between hard model HR practices and employee outcomes in the UK public sector organizations.

Arguably, the results of this study are in sharp contrast with the findings of Arthur (1992) who investigated and compared steel mini-mills with commitment-based HR strategy and those with control-based HR strategy. He found that steel mini-mills with commitment-based HR strategy had both significantly higher level of productivity than steel mini-mills with control-based HR strategy. The finding of this study is also similar to that of Roche (1999) who established low incidences of commitment-oriented HR practice in Ireland organizations, though his findings did not specifically examine employee task and contextual performance. Roche suggested that the adoption of commitment-oriented HR practices would partly depend on management and organizational designs. In particular, the findings of this study confirm that extensive and frequent training construct had a significant effect on employee task and contextual performance. This implies that Tanzania's State Corporations at least train their workers to

enable them to perform their tasks effectively. Similarly, training is likely to encourage cooperative behavior among State Corporations' employees hence affecting their contextual performance. More specifically, these results do not support findings obtained by Khatri et al. (2007) who reported that commitment-based approach (fair management practices and employee participation) was negatively associated with culture of blame and positively with learning from mistakes. Likewise, the findings of this study, to some extent, do not support the findings of Boselie, (2002) who investigated the effectiveness of HRM in the Netherlands using control versus commitment HR practices based on new institutionalism theory. Their empirical results suggested that the effect of HRM is lower in highly institutionalized (control HR practices) sectors (hospitals and local governments) than in a less institutionalised (commitment HR practices) sector like hotels.

The findings of this study imply that State Corporations still use HR practices for salary administration and promotions and not for developmental purposes such as providing training needs, duty assignments, and identifying individual strengths and weaknesses on the job. Similarly, the findings of this study are consistent with the findings of Ostroff (1993) and Holzer (1996) who found that centralized pay was not statistically significant with individual task and contextual performance. Therefore, it stands to reason that Tanzania State Corporation's workers are low paid and hence suffer from a greater inability to carry out their work. Accordingly, the findings of this study did not observe much significant effects of individual attributes making up commitment-based HR practices on employee job performance. This may be interpreted that commitment-based HRM practices may not be properly implemented in the Tanzania State Corporations, even though more investigation is needed in this area in order to confirm this speculation.

Much of the earlier studies provided mixed findings for the notion of "bundling" or "fit" of HR practices on performance outcomes. For instance, McDuffie (1995) reported a significant three-way interaction term among his three bundles of practices that constituted the 'organizational logic' of flexible manufacturing systems in auto plants. Likewise, Gooderham et al (2008) also categorized 15 bundles of HRM practices which were then further categorized as being either "calculative" or "collaborative". They used those bundles to investigate the relationship between HRM practices and perceived firm performance in 3,281 firms located in European Union countries. The findings indicated that five of the six calculative practices, and two of the three intermediary practices had a significant impact on performance, while none of the six collaborative practices had any significant effect on performance. The findings of the current study provide strong support for the two-way and three-way interaction of bundles of human resource strategies on employee job performance in Tanzania State Corporations. These findings are consistent with that of Snape and Rednam (2010) who found a positive and significant effect of both two-way and three-way interaction of HR practices, social exchange and job influence/employee discretion on organizational citizenship behavior in North-East England. The result of these analyses implies that, consistent with the model hypothesized by Walton (1985), and Arthur's (1994,) it seems that, when employees are managed with

progressive HR practices, they become more committed while performing their task leading them to exhibit proper job behavior while carrying out their tasks hence achieving job performance.

8. Conclusion

The broad objective of this study was to establish the relationship HR strategic orientation and employee job performance in Tanzania State Corporations. A total of nine hypotheses were formulated. Based on objectives and empirical evidence adduced in this study, it is reasonable to conclude that HR strategic orientation influences employee job performance in Tanzania State Corporations. Basically, consistent with the model hypothesized by Walton (1985) and Arthur's (1994) it seems that, when employees are managed with progressive HR practices they become more committed while performing their task leading them to exhibit proper behavior while carrying out their tasks (Campbell, 1993; Borman and Motowildo, 1993, 1997) and thus, increasing quality and productivity. It is suggested that further research should be carried to find out under which conditions each of these combinations of bundles of HR strategies lead to effective job performance of employees.

9. Implications of the Study

The theoretical implication of this finding particularly control theory is that performance can not only be achieved through tight control of employees but also from better investment in employees. Further, the implications of these findings is that, they are expected to support the formulation and implementation of HR strategies (plans) in Tanzania public sector and State Corporations in particular as stipulated in the Public Service Management and Employment Policy (1999). Furthermore, the implication of these findings to practitioners is that they will help managers and HRM practitioners to develop an effective HR strategy bundles that will maximize the aspects of employee performance while carrying out their work leading to organizational performance.

10. Limitations of the Study

One of the limitations is that, this study did not examine the moderating effects of organizational factors on the human resource-employee job performance relationship. It is quite possible that organizational characteristics such as politics, culture, and technology could affect this relationship as well. Future studies could include an examination of the internal and external variables in order to gain further insights into this relationship. A major contribution of the present study in analyzing the effect of individual variables making up control and commitment -based HR strategies on employee job performance is that the relationship may best be assessed at the individual level and the failure to do so may explain the wide range of effect sizes reported in the literature (Legge, 1995).

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