CHAPTER 7: MANAGERIAL IMPLICATIONS AND FUTURE RESEARCH DIRECTIONS

7.1 Managerial Implications and Contributions of the Study
7.2 Future Research Directions
Chapter Overview

This chapter highlights the managerial implications and contributions of the study based on the findings and also puts forward the likely directions for future research.

7.1 Managerial implications and Contributions of the Study

In today’s fast changing business environment, HR is a key element in the growth of an organization. Only effective & efficient HR gives an organization competitive edge over its competitors. The involvement of top management, line managers & external service providers in decision making, process/activities and budgeting vis-à-vis HRM ensures strategic management of HR issues. The current study has implications for both academicians and practitioners in the management of human resources. Some of the contributions of the present study to existing theory and practice are mentioned below:

- The present study has significant theoretical contributions to make. Since most of the previous studies have focused on just one of the agents or, at most, on two agents, there is no developed literature incorporating the study of all agents. Thus, the present study, by investigating into the role of internal and external agents in HRM, contributes to the existing theory and provides useful insights for both academicians and practitioners.

- The study offers and tests three alternate conceptual models of role of internal and external agents vis-a-vis HRM and their linkage with status and effectiveness of HRM. The results of the study have implications for both practitioners and human resource researchers in understanding the contribution of these agents in HRM in organizations in the Indian context.

- The role of internal and external agents vis-à-vis HRM has been a relatively under researched area. Moreover, most previous studies in the area are
qualitative in nature thus, raising methodological issues. The current study is based on empirical data and therefore addresses this problem.

- An outcome of the study is the development of a reliable and valid instrument for measuring the various dimensions of role of internal and external agents vis-à-vis HRM. Thus, the research instrument is expected to assist HR researchers and practitioners in the analysis of role of these agents.

- While most of studies on role of agents have been conducted in the Western world, the current research adds to the literature by drawing its sample from India, where economic reforms have attracted a large number of multinationals, due to which there is paradigm shift in the HRM scenario.

- The study explores the role of internal and external agents vis-a-vis HRM and its relationship with status and effectiveness of HRM. The findings of the study are expected to fill the missing link as most previous studies have focused on the role of these agents in HRM only without establishing any relationship with HRM outcomes.

- Since the present research investigates the link between role of agents and status and effectiveness of HRM in Indian context, the results of the research are likely to throw light on the present scenario of role of agents in HRM in India. The findings will be of use to researchers in providing insights of the Indian corporate terrain.

- By linking the various dimensions of role of internal and external agents vis-a-vis HRM with status and effectiveness of HRM, the results of the present study provide support to the idea that involvement of agents in HRM has positive implications. Thus, it can be inferred from the findings of the study that the involvement of internal and external agents vis-a-vis HRM has favourable outcomes.

- In the current research, structural equation modeling is deployed which is a robust technique for examining multiple relationships simultaneously in a single model (e.g. Anderson & Gerbing, 1988; Graver & Mentzer, 1999; Hair et al., 2008; Malhotra & Dash, 2011). Thus, the current research is expected to contribute methodologically to the existing stream of research.
The study also throws light on the role of internal and external agents in HRM with respect to company type (sector and size). The findings on the basis of company type offer useful insight into the HR landscape in India.

### 7.2 Future Research Directions

Every research is a small effort in the journey to build theory. Each researcher starts from where the previous researchers have left, a researcher contributes his efforts, and finally leaves the matter for future researchers. Based on the present study, some directions for future research may be forwarded:

- Through the present research, an effort was made to develop an instrument for measuring the role of internal and external agents vis-a-vis HRM. Since the scope of current study is limited to India, this research instrument can be replicated in other parts of the world to cross-validate it on other samples. Wherever necessary, changes can be incorporated in the instrument and the modified instrument must be tested to further check its unidimensionality, reliability and validity.

- In the present study, survey methodology was adopted to collect the data from the respondents. The survey yielded 32% response rate which is high as compared to other similar researches conducted in the area. However, an intensive follow-up on non-respondents would enhance the response rate and would provide further support to the study.

- The current study is based on data obtained from HR managers through a structured instrument. Future researchers may also include other stakeholders such as internal and external agents in data collection. This will help in getting a more comprehensive and a richer view of things.

- The current research attempts to establish the link between role measures with status and effectiveness of HRM. Although, results provide positive support for the relationship between role measures, status of HRM and effectiveness of HRM, there is need to cross-validate the findings of current study in other countries.
In the present study, most findings support the direct and positive relationship between exogenous and endogenous variables. However, direct and positive relationship could not be established between some variables. It is believed that the relationship between the measures may be affected by the interplay of other mediating variables which needs to be explored in future researches.

In the current study, the sample frame consists of 550 business organizations operating across India. Future researchers can take up more comprehensive sample frames having organizations operating across the globe which may help to generate more generalizable results and may also help in comparing the organizations operating in different countries.

In the current study, data was collected through mail methodology and personal visits. In future researches, data collection process can be improved by supplementing with other data collection methods following Podsakoff and Organ (1986) and Podsakoff et al. (2003).

Since in the present research, the researcher relied on the data obtained through structured questionnaire, the same may be supplemented with qualitative methodology to further strengthen the study as suggested by Becker and Gerhart (1996).

In the current study, data for both exogenous and endogenous variables were collected simultaneously. In order to further strengthen the study, to ascertain better relationship between exogenous and endogenous variables, data for both exogenous and endogenous variables may be collected following longitudinal research design.

Data for both role measures (exogenous variables) and effectiveness of HRM (endogenous variable) were collected from the same respondent in the study. Although, the responses were checked for any possible biases that may have crept in due to common source problems, future researchers may obtain the data for role measures and effectiveness of HRM from different respondents to further eliminate chances of any such bias.