

Human Resource Development Model under the Concept of New Public Management

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Abstract:

Most of the public service companies are facing the issues of low HR performance due several issues. Low performance of HR has negative outcomes in respect to the overall performance. This issue among the public service companies of Thailand is not addressed by the previous duties. However, this problem can be resolved with the help of New Public Management (NPM) approach. Hence, the objective of the study is to examine the influence of NPM in HR performance of public service companies in Thailand. The relationship was examined between NPM, employee effectiveness, management style, quality of public services, accountability and HR performance. After collecting data from Thai public service companies, it is found that NPM has major role in HR performance. Implementation of NPM approach to the public service companies has positive effect on HR performance. Increase in NPM practices among public service companies increases the performance of these companies by the increase in HR performance. NPM has positive effect on employee effectiveness, management style, quality of public services, accountability and HR performance. Moreover, employee effectiveness, management style, quality of public services and accountability also has positive effect on HR performance.

Keywords: New public management, Employee effectiveness, Management style, Quality of public services, Accountability, HR performance

INTRODUCTION

New Public Management (NPM) is one of the significant approaches among the companies to handle various operations as well as administrative matters. NPM implementation provides significant results for the companies. Particularly, NPM has significant role among the public service companies. The current study is concerned with the public service companies of Thailand. Public companies of Thailand have important role in Thailand and has significant contribution to the community and at national level. Along with the Thailand, public service companies are also most important in other countries (Aeknarajindawat, 2019; Pengsuwan & Choonhaklai, 2017).



Public service companies are facing several problems related to the HR performance. HR performance is most important element among the organization to achieve success (Kaufman, Barry, Wilkinson, & Gomez, 2020). However, public service companies of Thailand require significant strategies to enhance HR performance. In this direction NPM has positive role in HR performance. HR performance can be enhanced with the help of NPM. Increase in the quality of administrative work can increase the HR performance. Figure 1 shows the public service companies of Thailand and NPM.

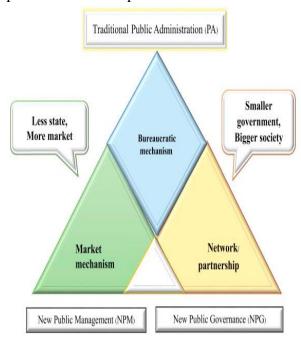


FIGURE I.

Public Service Companies of Thailand and NPM

The objective of the study is to examine the influence of NPM in HR performance of public service companies in Thailand. To examine the effect of NPM on HR performance, the role of employee effectiveness, management style, quality of public services and accountability is examined. NPM has positive role in employee effectiveness, management style, quality of public services and accountability. Therefore, the relationship was examined between NPM, employee effectiveness, management style, quality of public services, accountability and HR performance.

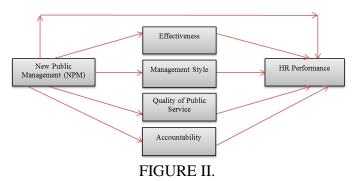
II. LITERATURE REVIEW

NPM is one of the approaches to running public service companies that is used in government as well as public service institutions and agencies, at both sub-national as well as national levels. NPM is most important among the companies which has significant role in the organizations. Adoption of NPM approach has possible effect on the public service companies. The latest approaches in the NPM has crucial role in performance. The NPM is a main as well as sustained development in the effective management of public services that is apparent in different countries. The presentation of NPM has the potential to effect on the effective management. Effective management improvement has important consideration among the companies. In the recent years, by examining the several benefits, number of companies are working on NPM to adopt different practices and approaches for the betterment of different operational areas along with the effective performance. It has several benefits to the companies working in various environments. Evidences are also available which shows the significant importance of the NPM (Iacovino, Barsanti, & Cinquini, 2017).

NPM is one of the systematic approaches has influence on the governance system of public service companies. It has influence on the governance activities and it increases the quality of governance among pubic service companies. Public service companies include, environmental safety companies, health related companies, educational institutions, competition and consumer protection companies, emergency services etc. Emergency services include; police, firefighters and paramedics. All these companies have most important role in the development of society, and potential to increase the quality of life among the people. In this direction, these companies require significant performance to maintain a balance between the society. Therefore, implementation of NPM among these companies is most important which has a central role. These practices must be implemented among the



companies to enhance performance in various areas of these organizations. As NPM has vital role among the organizations (Ashill, Rod, & Carruthers, 2008; Bryson, Crosby, & Bloomberg, 2014). NPM approach among the companies has effect on the employee performance and increases the overall employee by effecting on various areas. Particularly, it increases the employee effectiveness among public services companies. It also shows the positive effect on management style, therefore, it also has relationship with leadership. As management style has significant relationship with leadership. In fact, it has significant effect on leadership. It has influence on employee service quality promotion to the customers. Finally, NPM has relationship with the organizational accountability. Implementation of NPM approaches causes to increase accountability among public service organizations. It very important because these organizations lacking with accountability and significant focus by the management and government is required to promote accountability which will also effect on the HR practices. Therefore, the current study examined employee the relationship between NPM, effectiveness, management style, quality of public services, accountability and HR performance. This relationship is given in Figure 2.



Theoretical framework of the study showing the relationship between NPM, employee effectiveness, management style, quality of public services, accountability and HR performance

2.1. NPM and HR Performance

NPM model was presented by scholars from UK and Australia - Hood 1991 and Hood and

Jackson 1991. It has connection with administrative ideas and significant role to produce valuable ideas in administration. New ideas generation lead to the innovative activities and increases the performance (Hameed, Basheer, Igbal, Anwar, & Ahmad, 2018). NPM approaches has significant relationship with various practices of the firm. Increase in the quality of administrative tasks has significant effect on the HR performance. As HR performance is based on activities which also administrative work with the new idea's generation (S. N. A. Hamid, Shahid, Hameed, Amin, & Mehmood, 2019; Razzaq, Magbool, & Hameed, 2019). Therefore, NPM increases the HR performance among the companies. Especially, NPM has role in public service companies in Thailand. It has the ability to increase the operations among the public service companies which causes to increase the HR performance. Therefore, NPM has significant potential to increase the HR performance. Hypothesis 1. NPM has positive effect on HR performance.

2.2. NPM, Effectiveness and HR Performance

Effectiveness can describe as the degree to which something is fruitful in producing a wanted result such as success. It is ne of the most significant part of organizational operations. Effectiveness can be seen in various operations. This study is connected with the public service companies; therefore, the effectiveness is considered in terms of public service companies. Effectiveness in this study is treated as the effectiveness in the organizations of the company based on the employees. As the effectiveness is majorly belong to the employee activities. Various other investigations in the past shows real importance of employee effectiveness (Mackay, Allen, & Landis, 2017; Kamasak, & Cansever, 2019). NPM has relationship with employee effectiveness. NPM approaches has the potential to increase effectiveness in various operations due to the effective work of the employees. Therefore, it has vital role in employee effectiveness to increases the performance. Further,



employee effectiveness is connected with the HR performance. As HR employee is connected with the employee performance. Increase in the employee performance increases the HR performance, therefore, employee effectiveness has significant role in HR performance. Previous studies shows that both employee effectiveness employee performance is connected with HR performance of HRM practices (Hong, Hao, Kumar, Ramendran, & Kadiresan, 2012; Kattara & El-Said, 2015; Madanat & Khasawneh, 2018). Therefore, in the public services organizations, employee effectiveness promotes HR performance. Increase in effectiveness of the employee increases the HR performance. Hence, NPM increases the employee effectiveness and employee effectiveness increases the HR performance.

Hypothesis 2. NPM has positive effect on effectiveness.

Hypothesis 3. Effectiveness has positive effect on HR performance.

2.3. NPM, Management Style and HR Performance

Management contains of the planning, arranging, as well as organizing work efforts to achieve objectives within a concerned business. A management style is the way executives go about achieving these objectives of the company. Management style is most important which has influence on the employee of the organization. Management style is important in respect to the employee because it has relationship leadership. Leadership is the most vital elements among the organizations which causes to decrease or increase the employee performance. It also has effect on the employee motivational and satisfaction level among the companies. Along with this it has the ability to control the turnover intention by the employees. Good leadership style leads employee towards the welfare of the company. However, inappropriate management style to guide the employee may effect negatively on the employee and causes huge lose loss for the organization. That

is the reason management style is most important in the public service companies of Thailand. NPM has relationship with the management style and causes to promote management style. Better approaches by the NPM has positive effect in shape of good style which management lead to the HR performance. Several studies shows that management style has positive role among the organizations (Mazrouei & Pech, 2015; Noermijati, Sunaryo, & Ratri, 2019; Shirvani, Arab, Karami, Delavari, & Kiani, 2019). Moreover, management style has relationship with HR performance. Good management style lead to the effective employee performance which finally causes to increase in the HR performance. There is a strong connection between HR performance and management style.

Hypothesis 4. NPM has positive effect on management style.

Hypothesis 5. Management style has positive effect on HR performance.

2.4. NPM, Quality of Public Service and HR Performance

Service quality in the public service companies is key to the success. Not only in the public service companies, but it also has positive role among all public and private companies (Chen, Li, & Liu, 2019; Hassan, Mustafa, & Ismael, 2020) because employee always require high quality. There is strong connection among the employee and quality of services by various organizations. To enhance the quality of the services NPM has important role. NPM approaches has positive effect to enhance the quality of services in public service companies. Service quality has relationship with employee. Because employee are major sources of quality. Better employee services increase the overall service quality. Therefore, better quality of the employees represents the HR performance. As HR management is involved in the selection in the employees. The HR performance has relationship with service quality which is given in previous studies (H. Hamid, Haming, Semmaila, & Bijang, 2020). Hence, NPM has positive role to enhance



service quality and service quality of public service companies has positive effect on HR performance.

Hypothesis 6. NPM has positive effect on service quality.

Hypothesis 7. Service quality has positive effect on HR performance.

2.5. NPM, Accountability and HR Performance

ethics In as well as governance, accountability is known answerability, as blameworthiness, liability, and the expectation of account-giving. As an aspect of governance, it has been essential to debates connected to problems in the public sector, nonprofit as well as private and individual settings. Accountability is central in organizations; however, it is lacking among the public sector organizations which has negative role in the performance of companies. Low accountability has negative effect on the operations as well as employee performance. Because low accountability causes to increase the carelessness among the employees of the organizations. Therefore, it is very important to have proper accountability among the companies which has important role (Ahmed, Bahoo, & Ayub, 2019; & Boonrattanakittibhumi, 2020). Kerdpitak However, accountability has relationship with NPM. Better approach of NPM has relationship with NPM. Implementation of NPM has positive effect on the accountability. Better accountability is influenced by the NPM. Therefore, public service companies must implement NPM. Furthermore. **NPM** has relationship with HR performance. Better accountability in service companies also effect on the HR performance positively. Accountability and HR performance has direct effect which has positive role among companies (Najmi, Kadir, & Kadir, 2018; Sitakar, Supriadi, & Sarman, 2019; Valentina & Daniela, 2019). Therefore, NPM has positive role in accountability and accountability has positive influence on HR performance.

Hypothesis 8. NPM has positive effect on accountability.

Hypothesis 9. Accountability has positive effect on HR performance.

Moreover, this study also examined the between NPM mediation effect and HR performance. The above discussion shows the direct effect of NPM, employee effectiveness, management style, quality of public services and accountability on HR performance. This sections shows the indirect effect of employee effectiveness, management style, quality of public services and accountability with the help of Baron and Kenny (1986). First indirect effect of effectiveness is considered between NPM and HR performance. Second indirect effect of management style is considered between NPM and HR performance. Third indirect effect of quality of public service is considered between NPM and HR performance. Fourth indirect effect of accountability is considered between NPM and HR performance. All these indirect effects are proposed by using below hypotheses;

Hypothesis 10. Effectiveness mediates the relationship between NPM and HR performance.

Hypothesis 11. Management style mediates the relationship between NPM and HR performance.

Hypothesis 12. Quality of public services mediates the relationship between NPM and HR performance. **Hypothesis 13.** Accountability mediates the relationship between NPM and HR performance.

III. RESEARCH METHODOLOGY

Quantitative approach was used in this study to achieve the objectives. The population of this study is public service companies of Thailand. There are many public service companies in Thailand. Thailand Public service companies include, environmental safety companies, health related companies, educational institutions, competition and consumer protection companies, emergency services etc. These companies were the population of this study and data were collected form the employees working in these companies. The employees working in public services companies of Thailand



are more than one hundred thousand. According to these Krejcie and Morgan (1970), if the population is above one hundred thousand, than sample size must be 384. Therefore, the current study used 400 sample size. Questionnaires was applied in this study as an instrument for data collection. In this direction, a questionnaires survey was preferred for data collection (Francis et al., 2004). Finally, a set of 400 questionnaires were distributed in public service companies of Thailand and employee were guided to fill the questionnaire in proper way. This study allied simple random sampling technique to distributed the questionnaires (Siuly, Li, & Wen, 2011). The percentage of returned questionnaires was 41% which is low as the data is collected by using email.

However, 41% response is enough to proceed for data analysis.

IV. FINDINGS

To remove the missing value in the data is most important before data analysis (Aydin & ŞENOĞLU, 2018). It is given in Table 1 that data has no missing value. Moreover, to remove the outlier in the data is also important to remove before data analysis. Table 1 shows that the data has no missing value.

TABLE I.

Data Statistics

| | | | | | ransiic | | | | |
|------|-----|---------|-------|--------|---------|-----|-------|----------|----------|
| | No. | Missing | Mean | Median | Min | Max | SD | Kurtosis | Skewness |
| NPM1 | 1 | 0 | 3.186 | 3 | 1 | 7 | 1.414 | 0.262 | 0.739 |
| NPM2 | 2 | 0 | 3.186 | 3 | 1 | 7 | 1.269 | 0.311 | 0.551 |
| NPM3 | 3 | 0 | 3.356 | 4 | 1 | 7 | 1.429 | -0.698 | -0.19 |
| NPM4 | 4 | 0 | 3.449 | 4 | 1 | 7 | 1.549 | -0.388 | 0.117 |
| NPM5 | 5 | 0 | 3.458 | 4 | 1 | 7 | 1.807 | -0.739 | 0.262 |
| EFF1 | 6 | 0 | 3.364 | 3 | 1 | 7 | 2.036 | -1.176 | 0.311 |
| EFF2 | 7 | 0 | 3.339 | 3 | 1 | 7 | 2.084 | -1.067 | 0.427 |
| EFF3 | 8 | 0 | 3.28 | 3 | 1 | 7 | 1.97 | -0.98 | 0.391 |
| EFF4 | 9 | 0 | 3.424 | 4 | 1 | 7 | 1.554 | -0.526 | 0.268 |
| EFF5 | 10 | 0 | 3.373 | 4 | 1 | 7 | 1.899 | -0.951 | 0.255 |
| MS1 | 11 | 0 | 3.39 | 3 | 1 | 7 | 1.79 | -0.781 | 0.367 |
| MS2 | 12 | 0 | 3.449 | 4 | 1 | 7 | 1.825 | -0.877 | 0.193 |
| MS3 | 13 | 0 | 3.415 | 3 | 1 | 7 | 1.967 | -1.011 | 0.304 |
| MS4 | 14 | 0 | 3.407 | 4 | 1 | 7 | 1.997 | -1.038 | 0.31 |
| MS5 | 15 | 0 | 3.407 | 4 | 1 | 7 | 1.87 | -0.95 | 0.18 |
| QPS1 | 16 | 0 | 3.39 | 4 | 1 | 7 | 1.761 | -0.719 | 0.218 |
| QPS2 | 17 | 0 | 3.195 | 2 | 1 | 7 | 2.341 | -1.134 | 0.649 |
| QPS3 | 18 | 0 | 3.093 | 2 | 1 | 7 | 2.34 | -1.088 | 0.694 |
| QPS4 | 19 | 0 | 3.11 | 2 | 1 | 7 | 2.254 | -0.975 | 0.729 |
| QPS5 | 20 | 0 | 3.017 | 2 | 1 | 7 | 2.163 | -0.78 | 0.767 |
| ACC1 | 21 | 0 | 2.992 | 2 | 1 | 7 | 2.283 | -0.917 | 0.768 |
| ACC2 | 22 | 0 | 3.085 | 2 | 1 | 7 | 2.223 | -0.862 | 0.792 |
| ACC3 | 23 | 0 | 2.983 | 2 | 1 | 7 | 1.953 | -0.56 | 0.73 |
| ACC4 | 24 | 0 | 2.89 | 2 | 1 | 7 | 1.986 | -0.363 | 0.871 |
| ACC5 | 25 | 0 | 3.025 | 2 | 1 | 7 | 2.257 | -0.92 | 0.757 |
| HRP1 | 26 | 0 | 3.229 | 2 | 1 | 7 | 2.157 | -0.954 | 0.649 |
| | | | | | | | | | |



| HRP2 | 27 | 0 | 3.068 | 2 | 1 | 7 | 2.243 | -0.905 | 0.745 |
|------|----|---|-------|---|---|---|-------|--------|-------|
| HRP3 | 28 | 0 | 3.068 | 2 | 1 | 7 | 2.49 | -1.219 | 0.719 |
| HRP4 | 29 | 0 | 2.89 | 2 | 1 | 7 | 2.086 | -0.545 | 0.857 |
| HRP5 | 30 | 0 | 3.127 | 2 | 1 | 7 | 2.242 | -0.967 | 0.739 |

In Figure 3 measurement model or outer model of Partial Least Square (PLS) shows that effectiveness is measured through five items. According to J. Hair, Hollingsworth, Randolph, and Chong (2017), none of the items should have factor loading below 0.5. Table 2 shows that all values are above 0.5. Moreover, NPM is measured through five items, quality of public services are measured by using five items, management style is measured by using five items, accountability is measured by using five scale items and finally, HR performance is measured by using five items and all items have factor loadings above 0.5. PLS outer model is most recommended for factor loadings (F. Hair Jr, Sarstedt, Hopkins, & G. Kuppelwieser, 2014; J. F. Hair, Ringle, & Sarstedt, 2013; J. F. Hair, Sarstedt,

Pieper, & Ringle, 2012; Ul-Hameed, Mohammad, & Shahar, 2018).

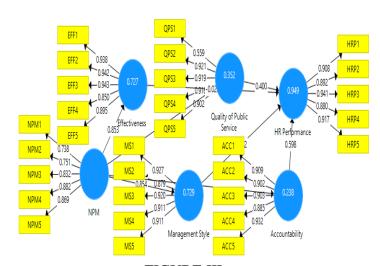


FIGURE III.

Measurement Model

TABLE II.
Factor Loadings

| | | | , | | | Quality of |
|------|----------------|---------------|-------------|------------|-----|---------------|
| | | | HR | Management | | Public |
| | Accountability | Effectiveness | Performance | Style | NPM | Service |
| ACC1 | 0.909 | | | | | |
| ACC2 | 0.902 | | | | | |
| ACC3 | 0.903 | | | | | |
| ACC4 | 0.885 | | | | | |
| ACC5 | 0.932 | | | | | |
| EFF1 | | 0.938 | | | | |
| EFF2 | | 0.942 | | | | |
| EFF3 | | 0.943 | | | | |
| EFF4 | | 0.85 | | | | |
| EFF5 | | 0.895 | | | | |
| HRP1 | | | 0.908 | | | |
| HRP2 | | | 0.892 | | | |
| HRP3 | | | 0.941 | | | |
| HRP4 | | | 0.88 | | | |
| HRP5 | | | 0.917 | | | |
| MS1 | | | | 0.927 | | |



| MS2 | 0.879 | | |
|------|-------|-------|-------|
| MS3 | 0.92 | | |
| MS4 | 0.911 | | |
| MS5 | 0.911 | | |
| NPM1 | | 0.738 | |
| NPM2 | | 0.751 | |
| NPM3 | | 0.832 | |
| NPM4 | | 0.882 | |
| NPM5 | | 0.869 | |
| QPS1 | | | 0.559 |
| QPS2 | | | 0.921 |
| QPS3 | | | 0.919 |
| QPS4 | | | 0.916 |
| QPS5 | | | 0.902 |

With the help of PLS outer model, this study also helps to examine the reliability and validity as given in Table 3 and Table 4. Table 3 shows that all the variables; NPM, employee effectiveness, management style, quality of public services,

accountability and HR performance have composite reliability (CR) above 0.7 and average variance extracted (AVE) above 0.5 which confirm reliability and convergent validity.

TABLE III.
Reliability and Convergent Validity

| | Cronbach's | | Composite | |
|----------------|------------|-------|-------------|-------|
| | Alpha | rho_A | Reliability | (AVE) |
| Accountability | 0.946 | 0.946 | 0.958 | 0.822 |
| Effectiveness | 0.95 | 0.951 | 0.962 | 0.836 |
| HR | | | | |
| Performance | 0.947 | 0.947 | 0.959 | 0.824 |
| Management | | | | |
| Style | 0.948 | 0.948 | 0.96 | 0.827 |
| NPM | 0.875 | 0.891 | 0.909 | 0.667 |
| Quality of | | | | |
| Public Service | 0.899 | 0.91 | 0.93 | 0.732 |

TABLE IV. Cross-Loadings

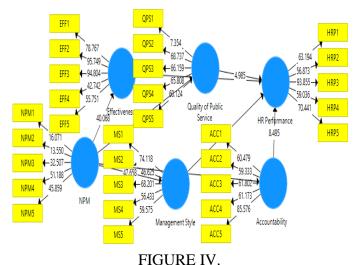
| | | | | | | Quality |
|------|----------------|---------------|-------------|------------|-------|---------|
| | | | | | | of |
| | | | HR | Management | | Public |
| | Accountability | Effectiveness | Performance | Style | NPM | Service |
| ACC1 | 0.909 | 0.423 | 0.877 | 0.444 | 0.494 | 0.836 |
| ACC2 | 0.902 | 0.352 | 0.873 | 0.34 | 0.41 | 0.839 |
| ACC3 | 0.903 | 0.3 | 0.832 | 0.33 | 0.437 | 0.793 |
| ACC4 | 0.885 | 0.412 | 0.886 | 0.403 | 0.421 | 0.836 |
| ACC5 | 0.932 | 0.361 | 0.884 | 0.383 | 0.447 | 0.834 |



| EFF1 | 0.376 | 0.938 | 0.422 | 0.887 | 0.765 | 0.531 |
|------|-------|-------|-------|-------|-------|-------|
| EFF2 | 0.373 | 0.942 | 0.434 | 0.886 | 0.799 | 0.536 |
| EFF3 | 0.369 | 0.943 | 0.428 | 0.88 | 0.773 | 0.532 |
| EFF4 | 0.327 | 0.85 | 0.364 | 0.779 | 0.77 | 0.406 |
| EFF5 | 0.421 | 0.895 | 0.458 | 0.877 | 0.789 | 0.559 |
| HRP1 | 0.877 | 0.341 | 0.908 | 0.363 | 0.424 | 0.852 |
| HRP2 | 0.881 | 0.413 | 0.892 | 0.441 | 0.491 | 0.832 |
| HRP3 | 0.913 | 0.417 | 0.941 | 0.414 | 0.481 | 0.89 |
| HRP4 | 0.836 | 0.501 | 0.88 | 0.482 | 0.483 | 0.85 |
| HRP5 | 0.853 | 0.426 | 0.917 | 0.459 | 0.467 | 0.855 |
| MS1 | 0.371 | 0.853 | 0.425 | 0.927 | 0.755 | 0.485 |
| MS2 | 0.368 | 0.857 | 0.422 | 0.879 | 0.779 | 0.505 |
| MS3 | 0.369 | 0.864 | 0.405 | 0.92 | 0.79 | 0.524 |
| MS4 | 0.376 | 0.878 | 0.409 | 0.911 | 0.762 | 0.503 |
| MS5 | 0.425 | 0.841 | 0.494 | 0.911 | 0.796 | 0.575 |
| NPM1 | 0.4 | 0.566 | 0.399 | 0.496 | 0.738 | 0.439 |
| NPM2 | 0.359 | 0.574 | 0.403 | 0.556 | 0.751 | 0.429 |
| NPM3 | 0.343 | 0.718 | 0.364 | 0.755 | 0.832 | 0.432 |
| NPM4 | 0.435 | 0.771 | 0.453 | 0.823 | 0.882 | 0.542 |
| NPM5 | 0.451 | 0.809 | 0.485 | 0.792 | 0.869 | 0.564 |
| QPS1 | 0.39 | 0.82 | 0.436 | 0.843 | 0.813 | 0.559 |
| QPS2 | 0.883 | 0.386 | 0.89 | 0.386 | 0.464 | 0.921 |
| QPS3 | 0.878 | 0.426 | 0.9 | 0.433 | 0.429 | 0.919 |
| QPS4 | 0.839 | 0.417 | 0.883 | 0.423 | 0.45 | 0.916 |
| QPS5 | 0.839 | 0.415 | 0.849 | 0.42 | 0.434 | 0.902 |

Figure 4 shows the effect of NPM on employee effectiveness, management style, quality of public services, accountability and HR performance. Moreover, the direct effect of employee effectiveness, management style, quality of public services and accountability was examined on HR performance. This was performed with the help of PLS structural model as recommended by the studies (Henseler & Chin, 2010; Henseler, Ringle, & Sarstedt, 2015; Henseler, Ringle, & Sinkovics, 2009). Results in the Table 5 shows that NPM has positive effect on employee effectiveness, management style, quality of public services, accountability and HR performance. Increase in the NPM increases the employee effectiveness, management style, quality of public services, accountability and HR performance. Moreover, employee effectiveness, management style, quality of public services and accountability has positive

effect on HR performance. Increase in the employee effectiveness, management style, quality of public services and accountability increase HR performance among public service companies of Thailand.



Structural Model



TABLE V.
Direct Effect Results

| | | | an | | ~ |
|----------------|------------|-------|-------|--------------|----------|
| | (O) | (M) | SD | T Statistics | P Values |
| Accountability | | | | | |
| -> HR | | | | | |
| Performance | 0.598 | 0.599 | 0.07 | 8.495 | 0 |
| Effectiveness | | | | | |
| -> HR | | | | | |
| Performance | 0.029 | 0.03 | 0.011 | 2.632 | 0.007 |
| Management | | | | | |
| Style -> HR | | | | | |
| Performance | 0.022 | 0.024 | 0.01 | 2.19 | 0.036 |
| NPM -> | | | | | |
| Accountability | 0.488 | 0.489 | 0.077 | 6.322 | 0 |
| NPM -> | | | | | |
| Effectiveness | 0.853 | 0.854 | 0.021 | 40.068 | 0 |
| NPM -> | | | | | |
| Management | | | | | |
| Style | 0.854 | 0.857 | 0.018 | 47.658 | 0 |
| NPM -> | | | | | |
| Quality of | | | | | |
| Public Service | 0.594 | 0.593 | 0.068 | 8.704 | 0 |
| Quality of | | | | | |
| Public Service | | | | | |
| -> HR | | | | | |
| Performance | 0.4 | 0.397 | 0.08 | 4.985 | 0 |

Finally, mediation effect is examined which is given in Table 6. It shows that mediation effect of accountability between NPM and HR performance is significant with t-value 5.01. The mediation effect of quality of public service is also significant between NPM and HR performance which is significant with

t-value 4.239 above 1.96. However, the mediation effect of effectiveness between NPM and HR performance is insignificant. Additionally, the mediation effect of management style is also insignificant between NPM and HR performance.

TABLE VI.
Indirect Effect Results

| | (0) | (M) | SD | T Statistics | P Values |
|----------------|-------|-------|-------|--------------|----------|
| NPM -> | | | | | |
| Accountability | | | | | |
| -> HR | | | | | |
| Performance | 0.292 | 0.293 | 0.058 | 5.01 | 0 |
| NPM -> | | | | | |
| Effectiveness | | | | | |
| -> HR | | | | | |
| Performance | 0.025 | 0.025 | 0.048 | 0.513 | 0.608 |



NPM -> Management Style -> HR Performance 0.019 0.021 0.048 0.401 0.689 NPM -> of Quality Public Service -> HR Performance 0.237 0.236 0.056 4.239

V. CONCLUSION

The objective of the study was to examine the influence of NPM in HR performance of public service companies in Thailand. the relationship was examined between NPM, employee effectiveness, management style, quality of public services, accountability and HR performance. Data were collected from the public service companies of Thailand and were selected for data collection. The crucial role of employee effectiveness, management style, quality of public services and accountability was examined between NPM and HR performance.

It is found that NPM has major role in HR performance. Implementation of NPM approach to the public service companies has positive effect on HR performance. NPM and HR performance is crucial relationship which has important role in the activities of organization, and it insure particularly effectiveness in operations in administrative work. Increase in NPM practices among public service companies increases the performance of these companies by the increase in HR performance. NPM has positive effect on employee effectiveness, management style, quality of public services, accountability and performance. It is found that NPM has positive effect on effectiveness. Especially, it shows positive effect on employee effectiveness by increasing the quality of administrative work. It also has positive effect on management style. NPM approach focus on the management style for subordinates. It is important because better management styles with the help of NPM has positive effect on the HR performance. Moreover, NPM has positive effect to increase the quality of public services. As increase in the quality of administrative task increases the performance of services. Finally, it has positive role in the accountability. Better accountability also leads to the HR performance and NPM has positive effect on accountability. Finally, it is also found that employee effectiveness, management style, quality of public services and accountability also has positive effect on HR performance. It indicates that; the employee increase effectiveness, management style, quality of public services and accountability which has positive role to enhance HR performance.

5.1. Implications of the Study

The current study has several implications for the literature. First of all, the public service companies in respect to the NPM was not considered by the previous studies in Thailand. Therefore, this study examined the valuable relationship between NPM, employee effectiveness, management style, quality of public services, accountability and HR performance. This is the first study which examined this relationship among the Thai public service companies. Therefore, this study is valuable for the literature of public service companies. Moreover, this study is also valuable for the literature of NPM. Various studies are available on NPM; however, these studies did not cover the HR performance.

VI. LIMITATIONS OF THE STUDY AND FUTURE DIRECTIONS

This study is limited to the public service companies of Thailand. Future study should also



include the public service companies of other countries. It is importance because practices in public service companies is vary from country to country. Moreover, apart from public service companies. The NPM practices should also examine on the other companies and compare with the public service companies. Along with these limitations, this study is also limited to the quantitative research. Future studies should involve qualitative study. As by adding interviews, the results could be better clear in respect to the effect of NPM on HR performance in public services companies.

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