3

People Management

Integrating Insights from Strategic Human Resource
Management and Leadership

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3.1 Introduction

The central issue in this chapter is people management in public organizations. The notion that people management is crucial for goal attainment is grounded in the resource-based view (Barney 1991) which states that organizations' value-adding, rare, inimitable, and non-substitutable resources can contribute to their sustained competitive advantage. One of the important resources—or even perhaps the most important resource—in public organizations consists of the talents, skills, abilities, and motivations of public service employees. Given that most public organizations are labor-intensive, managing employees is therefore a core task in public management.

The discipline of public management is, nonetheless, a broader field, which involves anything from making organization-wide strategic decisions to giving instructions to individual employees, and it involves general policies as well as individualized communication and support. People management involves both strategic human resource management (SHRM) and leadership. We regard SHRM as the management of people and their work aimed at achieving organizational goals, as performed by managers on different levels and not only by HR specialists (Boxall and Purcell 2011, 7). Leadership can be understood as "the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to achieve shared objectives" (Yukl 2013, 23). Leadership and SHRM are organizational processes that are both aimed at goal attainment.

These processes are closely related, interdependent, and intertwined both conceptually and practically. For example, HRM can involve pay systems, recruitment policies, and human resource development strategies, whereas leadership can involve individual leaders' decisions and justifications of payment decisions, actual recruitment decisions, and specific decisions on training recipients and content. In this chapter, we specifically focus on internal management processes, although we

acknowledge that public management can have an external focus as well. An important insight in this chapter is that effective people management depends on the "translation" of formal policies and practices to employees. Public managers are a crucial actor in this respect, bringing policies to life and shaping employees' perceptions of people management. We acknowledge that not only formal leaders can act as people managers, but employees can as well (e.g. see the literature on shared and distributed leadership). However, in this chapter, we will mainly focus on formal leaders. We refer to Chapters 5 and 11 for a deeper discussion of distributed leadership.

One challenge in understanding both the functioning and consequences of HRM and leadership in public organizations is that the chain from policies and other general initiatives to actual execution by managers can be long. This chapter will focus on five key aspects related to HRM and leadership in public service organizations. In doing so, we systematically draw on both the general HRM and leadership bodies of literature and specify these insights to the public sector context whenever possible. This goes beyond the instrumental use of different literatures but serves the purpose of demonstrating what the two bodies of literature can add to each other. First, we will briefly present the historical move from personnel management to HRM and leadership. Second, we will discuss the distinction between external and internal management and set the focus on internal management here. Third, we will discuss how the literature has moved from a focus on top management levels to the role of middle managers and frontline leaders (e.g. Jacobsen and Andersen 2015; Knies and Leisink 2014), who are closer to the actual implementation of policies and therefore responsible for turning general policies into results. Fourth, we will discuss how HRM policies and leadership are mutually dependent. Thus, leaders in public organizations rely on HRM policies to gain leverage in their attempts to coordinate and direct employees toward goal attainment, but the implementation of HRM is also dependent on leadership (Purcell and Hutchinson 2007). Fifth, we will discuss how HRM and leadership begin with intentions about content and goals but ultimately rely for their effect on the perceptions of frontline employees who take directions from managers and execute public policies (Wright and Nishii 2013). The chapter concludes with a discussion of the relevance of HRM and leadership for goal attainment and some suggestions for practice and future research.

3.2   From Personnel Management to HRM and Leadership

The theoretical understanding and actual application of people management have changed over time. The interest in personnel management developed with the move from scientific management theories to the human relations and human resource traditions almost a century ago. The Hawthorne studies are one example that clearly demonstrated how workers, compared with other input factors such as

financial capital or technological assets, often respond surprisingly differently to management processes due to social psychological processes. This puts the perspective on employee resources, needs, and motives as vital for understanding organizational behavior. Nonetheless, personnel management was still characterized by relatively collective, standardized approaches aimed at achieving employee well-being. Since then, people management approaches have become more individualized, flexible, and aimed at goal attainment next to employee well-being (Boyne et al. 1999). In the HRM literature, this shift has been labeled "from personnel management to Human Resource Management," and it is characterized by a move from a focus on short-term, ad hoc goals to a longer-term strategic understanding of people management. A related important shift is the one from HR specialists being in the lead to an integrated understanding of people management where line managers are primarily responsible (Guest 1987). At the same time, the leadership literature increasingly focused on the integration of multiple approaches to effective leadership, the contingencies of leadership in relation to both workers and context, and value creation rather than leader actions or employee outcomes only (Van Wart 2013).

3.3   Internal Management from a Leadership and HRM Perspective

The literatures on leadership and HRM both distinguish between external aspects of management directed at an organization's environment and internal aspects directed at members of the organization. This chapter mainly focuses on internal management, which has gained increasing attention in the public management literature (e.g. Favero et al. 2016), but we acknowledge that external aspects are important as well for understanding internal management.

Leadership is described as an influencing process, where leaders through both internally and externally oriented behaviors strive to facilitate shared understanding and agreement on organizational inputs, processes, and goals. External leadership is often associated with leader behaviors such as networking, external monitoring and representation, and buffering or exploiting the external environment, whereas a dominant leadership taxonomy describes internal leadership as task-oriented, relations-oriented, and change-oriented (Yukl 2013). In public organizations, external orientation is an important leadership task, given that the external environment is characterized by features such as political governance, multiple stakeholders, organizational interdependence, and turbulence (Tummers and Knies 2016). However, since our focus here is on personnel management, we will consider the specific features of public organizations as important contextual variables that shape how leaders behave internally (Boyne 2002; Oberfield 2014). This topic is discussed in more detail in Chapter 5, which explains how the external environment affects how leadership can be exerted internally.

The HRM literature has a long-standing tradition of looking at aspects of internal management, i.e. the management of people and their work aimed at achieving organizational goals (Boxall and Purcell 2011). Vertical and horizontal alignment are key concepts in the literature dealing with effective HRM. Vertical alignment refers to fitting the HRM strategy to the overall organizational strategy. Horizontal alignment refers to the degree of internal coherence and consistency between an organization's HR practices (Gratton and Truss 2003). Another type of alignment or fit that is distinguished in the literature is external fit, i.e. the fit between internal HR policy and practices to a range of possible external contingencies. Although it is acknowledged that the market and institutional contexts raise issues that have an impact on an organization's HRM, the external context has been studied less frequently compared to the internal contingencies (Paauwe 2004). Moreover, whenever the impact of the external context is the subject of study, the main focus is often on mapping the context and exploring how HRM has adapted to changes in context rather than analyzing consistency in internal and external elements, the link to performance, or the way managers actively deal with the environment (Guest 1997).

3.4   Multilevel Analysis of Managerial Action

Most public organizations are large, and people management involves a multitude of decision makers across levels, functions, and units. The orthodox role of the public manager is to loyally implement general policies and programs, and hierarchical decision-making is dominant. This was the view of traditional public administration, and while new public management stressed leader autonomy, that view also placed the manager in a clear hierarchical setting. However, it is increasingly acknowledged that the performance of public organizations involves creating public value (Moore 1995), and that managers are not only accountable upwards but also responsible for managing outwards to the public and downwards to operational lines (Williams and Shearer 2011, 1372). This places public managers in a strategic role where they need to balance a strategic triangle between public value outcomes, the authorizing environment, and their operational capability (Moore 1995). Hence, the key priority for public managers is to create value demanded by the public, but in order to attain this goal, they need support from political entities, and their success is contingent on their organization's capabilities (Moore and Khagram 2004). Public managers are, therefore, confronted with dilemmas in terms of reconciling potentially conflicting demands from various stakeholders, including superiors, employees, and citizens. This links to the complex performance demands placed on public managers (see Chapter 5), and it begs the question of how the decisions of managers at various levels can be studied.

In terms of studying the behavior of public leaders, a recent review found that public leadership studies either apply a micro-level approach, which focuses on the decisions of individual leaders, or a multilevel approach, which focuses on

management systems as a form of social organizations (Vogel and Masal 2015). A dominant part of micro-level public leadership research has its roots in generic leadership research and seeks to import widely applied general leadership theories and approaches into public management research. The best-known approach is perhaps transformational leadership theory, which builds on the expectation that the individual leader has the potential to transform their organization through inspiration, stimulation, and role-modeling behavior (Jensen et al. 2016).

Numerous studies have investigated how transformational leadership and its counterpart, transactional leadership, matter for aspects such as motivation, commitment, and performance (e.g. Bellé 2014; Oberfield 2014; Wright et al. 2012). In addition, Yukl's generic integrated leadership framework has been applied in several studies of public organizations in order to understand the relevance of the leaders' attention to tasks, relations, change, and the external environment (e.g. Fernandez et al. 2010). Thus, many studies within this line of research focus on leadership styles and their effectiveness, whereas the leadership context tends to be neglected or at least downplayed. Although many studies discuss the relevance of the public setting and the individual leader as part of a public system, these elements are rarely actively studied; instead, general leadership competencies are the focal point (Van Wart 2013). An exception is the study by Tummers and Knies (2016), which explicitly focuses on the development of a public leadership scale with attention to specific public competencies such as accountability, rule-following, and political loyalty. However, this specific focus on *public* leadership is rare, and scholars have called for leadership studies that pay more attention to the specific features of the public sector (Vogel and Masal 2015).

The public management literature also encompasses approaches that pay attention to the multiple levels of public management and with a more explicit focus on the public sector. These studies also address leadership. For example, studies on organizational publicness have developed a framework for understanding how public and private organizations can be distinguished in terms of ownership, funding, and control (see also Chapters 1 and 4) and how this matters for public management (Bozeman 1987; Perry and Rainey 1988). However, specific studies of leadership in this tradition are relatively sparse, and only a few studies have systematically investigated leadership differences across sectors (e.g. Boyne 2002; Hansen and Villadsen 2010). Perhaps the most widely applied approach with a multilevel perspective focuses on collaborative leadership, where the leadership role is explicitly defined in relation to the leaders' environment (O'Leary and Vij 2012). According to this view, public organizations are confronted with political conflicts, wicked problems, and scarce resources, which emphasize governance, network, and collaboration for understanding the conditions for public leadership. Public leadership is, therefore, characterized by concerted effort and typically emerges informally and with little attention to hierarchical divisions (Crosby and Bryson 2014).

Whereas leadership research has traditionally focused on the individual leader, the HRM literature has traditionally been dominated by a systems approach. From

the mid-1990s onwards, many studies have examined the effects of HR policies and practices (such as pay systems, recruitment policies, or performance management) on organizational performance, without paying much attention to the notion of HR implementation and the actors responsible for that. The independent variable in most of these HRM–performance studies is the presence of HR practices in an organization, which is then linked to several outcome variables. Huselid's (1995) study was one of the first to examine the effects of HR practices on turnover, productivity, and corporate financial performance. Subsequently, similar studies were conducted using various samples of employees in different organizational, sectoral, and national contexts. These studies were included in several meta-analyses (e.g. Combs et al. 2006). Most of these studies used HR directors or senior managers as respondents of their surveys based upon the idea that these stakeholders can overview and report on the HR practices in their organizations. In this approach, HR directors and senior/top managers are considered the main actors responsible for the design and implementation of HR practices. This implies a top-down implementation of HR practices. As such, there is hardly any attention given to the role that lower-level managers play and the impact of their actions.

This began to change in the mid-2000s. It was acknowledged that studying the effects of HRM on organizational outcomes requires a multilevel perspective with attention on the mechanisms linking HRM and performance. The role that managers play in implementing HR practices was one of the topics that gained attention, along with team processes and employee attitudes and behaviors, among others (Jiang et al. 2013). The first wave of research focused on the devolution of HR responsibilities from HR departments to those managers responsible for the daily supervision of employees (e.g. Perry and Kulik 2008; Whittaker and Marchington 2003). The main questions addressed were:

- To what extent are HR responsibilities devolved to the line?
- Is devolution a threat, an opportunity, or a partnership?

Once it was established that line managers play an important role in HR implementation in most organizations (Brewster et al. 2015; Larsen and Brewster 2003), research interests shifted to understanding their role perceptions, actual people management activities, and the enabling and hindering factors that influence their activities (for an elaborate overview, see Chapter 7 of this volume).

The increasing interest in line managers' HR responsibilities and activities does not imply that other stakeholders are overlooked. On the one hand, there is a body of literature studying different HR "delivery channels" such as HR shared service centers and HR professionals (Farndale et al. 2010). On the other hand, some authors acknowledge that managers at various hierarchical levels play different roles in the design and implementation of HR policies and practices. Generally, it is assumed that top or senior managers are primarily responsible for designing HR policies that are in line with the organizational strategy (Gratton and Truss 2003)

and for setting the conditions for effective HR implementation by lower-level managers. Middle and frontline managers are assumed to be responsible for actual HR implementation as they are in close proximity to the employees they supervise (Stanton et al. 2010). There is, in sum, increasing research attention on line managers' activities in the HRM literature (e.g. Guest and Bos-Nehles 2013). However, most of these studies are conducted in private organizations, with some notable public sector exceptions (e.g. Knies et al. 2018b; Op de Beeck 2016; Vermeeren 2014). The role of top managers in enacting HR policies and practices is generally acknowledged but little studied in the HRM literature (Trullen et al. 2016). Top managers are studied more often in the leadership and public management bodies of literature; however, their role in HR implementation is overlooked there.

3.5   Combining Leadership and the Implementation of Human Resource Management

HRM and leadership have generally been studied separately, but as we will argue, they are closely related and interdependent. Here, we will discuss the concept of people management, which is defined as "managers' implementation of HR practices and their leadership behavior in supporting the employees they supervise at work" (Knies et al. 2020, 712). People management refers to general approaches relevant to managing employees in public organizations but also to more specific approaches such as performance management, which is discussed in further detail in Chapter 8, and diversity management, which is the topic of Chapter 10. Here, we will discuss the general conceptualization of people management in more detail.

The concept of people management was originally coined by Purcell and Hutchinson (2007) who argue that managers play a crucial role in shaping employees' perceptions of HRM through their implementation of HR practices and their leadership activities. Purcell and Hutchinson advocate that although leadership and HRM are traditionally two rather separate academic disciplines, insights from the two bodies of literature need to be integrated to understand the impact managers have on employees' attitudes, behaviors, and performance (Wright and Boswell 2002). This echoes Guest (2011, 7), who states that "advocates of the influence of leadership will tell us that it is good leadership that makes a difference; and leadership will have an impact on the content and practice of HRM as well as on management activities." Purcell and Hutchinson (2007, 3–4) observe a "symbiotic relationship" between leadership and HR implementation: "FLMs [frontline managers] need well designed HR practices to use in their people management activities in order to help motivate and reward employees and deal with performance issues and worker needs. The way FLMs enact these practices will be influenced by their leadership behavior." This implies that the implementation of HR practices will be attuned to managers' leadership behaviors, and both must be oriented to support the individual employees the manager supervises (Knies et al. 2020, 709). The assumption underlying the

concept of people management is that managers have at least some discretion in enacting HRM, depending on the level of formalization of their organization's HR policies. The variability in people management activities is linked to the quality of the relationship between managers and their employees (leader–member exchange, LMX; Graen and Uhl-Bien 1995), which is likely to influence employees' perceptions of HRM. More specifically, Purcell and Hutchinson (2007, 17) argue that both the quality of the LMX relationship and the extent to which a manager is seen as a people manager contribute to the strength of the HRM system.

Following the conceptualization by Purcell and Hutchison (2007), Knies et al. (2020) developed a systematic definition and operationalization of people management. The authors show that people management consists of two components that can each be broken down in two sub-dimensions. For the implementation of HR practices, two levels of implementation are distinguished: general practices and tailor-made arrangements (Guest 2007). With regard to the leadership behavior of line managers, two focal points are distinguished: the support of employees' commitment and the support of employees' career development (Knies and Leisink 2014). These four sub-dimensions serve as the basis for their scale development. Based on a Study 1/Study 2 design, Knies et al. (2020) provide empirical evidence for the reliability and validity of their people management measure. The concept of people management thus has both functional and relational sides.

The implementation of HR practices has mainly been studied by HRM scholars. From that perspective, three important notions help us understand the symbiotic nature of the relationship between HRM implementation and leadership. First, in the literature on HR practices, a distinction is made between assessing the presence, coverage, and intensity of HR practices (Boselie et al. 2005). In the first case, the presence of HR practices is determined by using a dichotomous variable (present/not-present). While this type of measure was used frequently in early HRM–performance studies, it is now considered rather simplistic. Measuring the coverage of HR practices—i.e. the proportion of the workforce covered by certain HR practices—provides more information. According to Boselie et al. (2005), the most "sophisticated" indicator is one that measures the intensity of HR practices, i.e. the degree to which an individual employee is exposed to the practices. Focusing on the intensity of HR practices implies that there is potential variation in the way HR practices are applied to different employees, highlighting the role line managers and their leadership play in "delivering" HR practices.

Second, from the literature on HRM devolution (Brewster et al. 2015; Larsen and Brewster 2003), we learned that "the notion of line management accepting greater responsibility for HRM within employing organizations is now received wisdom" (Larsen and Brewster 2003, 228). It is no longer the HR department or HR manager that is primarily responsible for the implementation of HR practices, but rather those managers who oversee the primary processes in the organization. This implies variation between the HR practices applied to and perceived by employees because different managers are responsible for HR implementation. However, Brewster et al.

(2015) show that context matters: In larger organizations, HR responsibilities are less often devolved to managers. The same holds true for organizations with high union density and organizations with a more strategic HRM function. Moreover, the type of economy determines the devolution of HR responsibilities to managers; the Nordic countries show the highest devolvement, liberal market economies the lowest, and coordinated market economies are in the middle. This implies that in contexts where we find the most devolution, the impact of leadership on employees' perceptions of people management will be the greatest.

Third, from the literature on HR attributions (Nishii et al. 2008), we learned that HR practices are not received and perceived as "value free." That is, employees make assumptions regarding why certain HR practices are implemented by management. The assumptions can be either commitment-oriented (e.g. aimed at service quality or employee well-being) or control-oriented (e.g. aimed at cost reduction or employee exploitation). The former have a positive effect on employees' attitudes and behaviors, and the latter a negative effect. This implies that it matters not only what is implemented (content) but also how it is implemented (process). These insights underscore the importance of managers' behaviors in relation to their employees.

This view on the importance of managers in shaping employee understandings of general systems is also increasingly prominent in the leadership literature. In a study of the implementation of a general management system in Danish schools, Mikkelsen et al. (2015) found that the school principals' actions were decisive for employee perceptions of the system. If the principals used a command and control style of implementation rather than dialogue and suggestions, the teachers were much more likely to see the management system as a means for control rather than for professional support. This was important because teachers who perceived the management system as control also had significantly lower intrinsic motivation to comply with the system. Hence, these findings support the expectation that leader behavior affects employee motivation (specifically, crowding out intrinsic motivation) when general systems are being implemented. Andersen et al. (2018) also show that school leaders' use of verbal rewards can generate understanding and acceptance among teachers for a general reform. Thus, in the implementation of a nationwide reform, the study finds that the principals' use of verbal rewards is positively associated with the teachers' perception that the government initiative is supportive rather than controlling.

3.6   The Importance of Intended Policy as Well as Its Implementation and Perception

Both organizations and individual managers/leaders engage in a number of practices meant to increase goal attainment. However, their intentions do not always result in goal attainment. Wright and Nishii (2013) developed a model for implementing
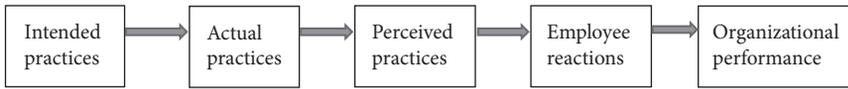
| Intended practices | → | Actual practices | → | Perceived practices | → | Employee reactions | → | Organizational performance |

Figure 3.1 Process model of HRM and leadership practices
Source: Based on Wright and Nishii (2013).

HRM that can help us understand why policies can fail to deliver on their promises. This model has also been used by leadership scholars (e.g. see Jacobsen and Andersen 2015).

The model is shown in Figure 3.1. At the outset is the intended practices. Any HR practice or leadership behavior begins with intentions and decisions, which are believed to effectively elicit the desired employee responses (Wright and Nishii 2013). The intended practices are typically both ambitious and idealized, and the practices are intended to solve actual problems. Intended practices are necessary for actual practices, but the actual practices delivered by managers are often likely to differ from how they were intended. Both leadership and HRM practices often face constraints of time, resistance, or scarce resources, which can lead to compromises or less ambitious or even different plans that depart from intentions (e.g. Knies and Leisink 2014; Van Waeyenberg and Decramer 2018). Next, the actual practices are received by members of the organization (i.e. perceived practices), who often differ in psychological profile, organizational experience, and professional background. Therefore, actual practices can be perceived differently by various observers within an organization. That is, actual practices are perceived and interpreted subjectively by each employee (Wright and Nishii 2013), and the effects of a given practice are likely to differ across members of the organization, even those supervised by the same manager. Furthermore, employees' perceptions are likely to differ from the intended practice in the sense that they, on average, perceive the practice differently from how it was actually intended. Employee perceptions of practices are important because they affect how employees respond to the practice. That is, employees are likely to react to a practice based on what they think it is and not what it actually is. If a leader engages in visionary leadership and the employee does not understand or accept the vision, the employee is not likely to respond to it. Employee reactions are ultimately important because employee inputs are a vital factor in most public service organizations. Especially in people-changing organizations (compared to people-processing organizations), such as schools and hospitals, the delivered services are highly reliant on employees' actions, which are therefore also decisive for performance.

The model by Wright and Nishii (2013) is a generic model outlining the mechanisms that link formal policies to organizational performance. Although originally developed by scholars who are mainly interested in HRM in the private sector, the model can also be applied to a public sector context (Knies et al. 2018a), although it might need some contextualization to fit the distinctive context of the public sector. Based on the model by Wright and Nishii, Vandenabeele et al. (2013, 48) developed a model entitled "public value creation," which can serve as a contextualized

alternative for the general HRM value chain. This model creates a bridge between the public management discipline, on the one hand, and the HRM discipline, on the other, by building on the HRM process model (Wright and Nishii 2013), the notions of public value (Moore 1995), public values (Beck Jørgensen and Bozeman 2007), and institutional theory (Scott 1995), among others.

The model has also been used to describe how leadership is planned, enacted, and perceived in public organizations (Jacobsen and Andersen 2015). In relation to leadership, the difference between intended and perceived practices has mainly been studied in the framework of self–other agreement (Yammarino and Atwater 1997). Although there is some discussion whether leader self-ratings reflect intended or self-perceived leadership—i.e. whether they are based on planned or enacted leadership—the model is useful for understanding discrepancies between what leaders think they do, when they exert leadership, and how their leadership is picked up by others, particularly their employees. Empirical studies suggest that leaders generally over-rate their own leadership relative to employees, but the studies also confirm the importance of the relationship between leader and employee ratings. If leaders rate their leadership much higher than their employees do, it signals low levels of self-awareness and ability to deliver leadership. In contrast, leaders can agree with their employees about leadership but only if there is agreement that the leader is actually performing as a leader and is expected to improve employee and organizational outcomes (Yammarino and Atwater 1997).

Leader self-reports have been widely applied in studies of public leaders, but recent studies find that follower-reported leadership practices are more closely related to organizational outcomes such as performance than intended or actual/implemented practices are. In a study of upper secondary schools in Denmark, Jacobsen and Andersen (2015) find only weak correlations between leadership ratings made by principals and teachers. They also find that only teacher-perceived leadership is positively correlated with organizational performance (school value added to final grades). Favero et al. (2016) investigated 1,100 New York schools and found that employee-rated leadership is closely related to organizational performance. These findings are in line with the Wright and Nishii (2013) model and highlight the fact that leadership is much more effective when it is visible to frontline employees who deliver services. However, the leadership literature is sparse in terms of explaining when and how leadership is successfully transmitted to employees—i.e. how intentions are transformed into actual leadership, and when actual leadership is visible to employees.

In the HRM literature, Wright and Nishii's (2013) model is the guiding conceptual framework for many studies. However, empirical research on intended, implemented, and perceived practices and links between these three elements in particular "is still in its infancy" (Piening et al. 2014, 546). While employee perceptions are being studied, they are often isolated from intended or implemented HR practices. Yet empirical research provides us with two important insights. First, various studies have shown that there are indeed gaps between intended, implemented, and

perceived HR practices. For example, Zhu et al. (2013) show that there are "align-ment issues between managers and employees with regard to HR practices," specifi-cally related to their knowledge of HR practices, their experiences with HR practices, and their perceptions of HR effectiveness. Managers tend to be more positive than the employees they supervise (see also Knies 2012). As in the leadership literature, Makhecha et al. (2018) found a weak relationship between manager-rated and employee-rated HR systems. The second conclusion that can be drawn from empiri-cal studies is that HR practices only bring about the desired employee outcomes and result in performance when they are consistently experienced by employees in intended ways (Kehoe and Wright 2013; Khilji and Wang 2006). To put it differently: Employee perceptions matter. These findings highlight that it is important to make a distinction between intended, implemented, and perceived practices and that rheto-ric and reality can be two different things.

Contrary to the leadership literature, there are some HRM studies that provide provisional insights into the question of how intended HR practices are turned into implemented and perceived HR practices (Makhecha et al. 2018; Piening et al. 2014). Piening et al. (2014) studied the gaps and linkages between intended, implemented, and perceived HR practices in the context of health and social services organiza-tions. They were particularly interested in the mechanisms underlying the relation-ships between the three different elements. More specifically, they sought to identify the conditions under which congruency between intended, implemented, and per-ceived HR practices occurs.

In their results, the authors distinguish between an implementation gap (between intended and implemented HR practices) and an interpretation gap (between imple-mented and perceived HR practices). They found that organizational ability to lever-age resources is crucial in translating intended into implemented HR practices. This refers to "the extent to which an organization is able to configure its financial, struc-tural, and personnel resources to form HR capabilities that support the implementa-tion of HRM" (Piening et al. 2014, 557). A necessary condition for translating intended into implemented HR practices is the need for agreement among HR deci-sion makers about the intended HR practices. Regarding the interpretation gap, they found that employees' expectations regarding HRM play an essential role in the link between implemented and perceived HR practices. Employees form expectations about their organization's intentions based on previous experiences with HR prac-tices in the organization. This implies that lower employee expectations are the result of lower organizational investments in the past. High expectations increase the importance of HR practice implementation for shaping employees' perceptions.

Makhecha et al. (2018) conducted a similar study into the gaps between intended, implemented, and perceived practices in a private sector context (a hypermarket chain). The authors found that the gap between intended and implemented HR practices is the result of the different adaption of HR practices by implementers, such as managers, regarding content, process, and intent. That is, managers are active agents who shape the implemented HR practices according to their own ideas.

According to Makhecha et al. (2018), the gap between implemented and perceived HR practices is shaped by the delivery of HR practices by managers, on the one hand, and by employees' own abilities and motives, on the other. An important element highlighted in their research is the "intent perspective." Both managers and employees have ideas about the intent behind HR practices (either intended or implemented). These ideas influence their perceptions of practices, and as a result, shape their responses to it. This mechanism links to the concept of HR attributions, which suggests that employees make assumptions about the reason why management adopts certain HR practices, and these assumptions have consequences for employees' attitudes and behaviors (Nishii et al. 2008).

3.7 Conclusion

HRM and leadership are central concepts and are closely related in the understanding of people management. However, as research topics, they are rarely integrated, and respective lines of research have developed along parallel lines. Both bodies of literature increasingly see the importance of managerial behaviors directed internally for goal attainment. In the HRM literature, the importance of HRM implementation has been increasingly recognized. A parallel understanding is emerging in the public management literature, but the empirical evidence primarily comes from HRM studies. The internal focus has received attention in the public leadership literature as well, and while public leaders have traditionally been regarded as burdened, restrained, and poorly incentivized to lead, recent studies underline their importance for creating value for society and citizens. One line of research emphasizes that the strategies of individual leaders matter, whereas another line of research stresses that concerted leadership efforts matter for the success or failure of public service provision. In future studies, internal management needs to receive more systematic research attention in the public management literature. One way to begin this research agenda is to gain insights from the HRM literature, where questions of internal management have been extensively studied in recent years. Furthermore, studies need to develop stronger theories about *public* leadership, which takes the specific characteristics of public organizations at various levels into consideration.

Another insight from the literature is that managers at different hierarchical levels have an impact on goal attainment. However, top-level and lower-level managers have different responsibilities when it comes to leadership and HRM, and this could be acknowledged more clearly in the literature. Current studies tend to use a "one-size-fits-all" approach to studying both leadership and HRM, although the challenges confronting top-level and frontline managers—and the tasks they perform—are very different. Understanding HRM and leadership practices requires theories that specify the various contexts and tasks in more detail. There is great potential for increased research attention on lower-level managers (frontline and middle managers) since they often have different understandings and approaches to implementing

HR practices compared with top-level managers, and their impact on how leadership and HRM are realized in service provision seems undeniable. At the same time, we call for better understandings of how people management at lower levels is shaped by the individual manager's characteristics and demands from both superiors and the recipients of services.

Another insight is that there is a close relationship between leadership and HRM, which can be thought of as two sides of the same coin. The best outcomes (e.g. goal attainment) will be realized when HR policies are well designed and implemented by competent and motivated leaders (Purcell and Hutchinson 2007). This has been shown in the few studies that focus on both HRM and leadership, but more studies are needed to derive theories about the mutual dependencies between HRM and leadership. The study of people management can benefit from a better integration of the leadership and HRM bodies of literature, which have too long been regarded as separate topics.

Finally, it has been shown that in relation to both leadership and HRM, it is important to make a distinction between intended, implemented, and perceived practices. Research within both fields shows that there is typically an immense difference between how HRM and leadership are intended, how these are practiced, and how these are perceived by employees. Moreover, employee perceptions affect a range of outcomes such as employee well-being and organizational performance. This insight is important because in labor-intensive production processes, HRM and leadership depend on how employees perceive their practices. If employees see leadership or HRM much less positively than how it was intended, they are likely to show limited response, and if they perceive them as negative, they may act counter to what was intended. More research is needed into the question of when and how leadership and HRM are successfully transmitted to employees, how intentions are transformed into actual behavior, and how leadership and HRM become visible to employees.

Based on existing knowledge about HRM and leadership at different levels in public organizations, the literature can also offer important advice for the practice of people management. First, internal management should be high on the agenda in public organizations because both HRM and leadership studies find that although the external environment is demanding for public organizations, attention to internal aspects more directly shapes employee and organizational outcomes. Also, managers on different levels (but particularly lower-level managers) need to be selected, appraised, trained, and the like with their people management role in mind. The best people managers are those who are able and motivated to perform their people management responsibilities and are not necessarily the best professionals, who are often promoted to managerial positions. Finally, since employee perceptions influence employee attitudes and behaviors, it is important to monitor their experiences regarding leadership and HRM on a continuous basis. This provides input for evidence-based management, which is likely to make a difference for society and users.

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