How managers make sense of human resource management’s role in building trust: Enacting espoused human resource management in Indian gas and petrol public sector organisations

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Abstract

The desire to mobilise effective strategic human resource management in India’s new public management domain has seen the role of organisational trust receive greater scholarly and practical scrutiny. This study explores managers’ perception of HRM’s role in building organisational trust in five public sector organisations in India using exploratory multiple case studies. In implementing HRM, the findings suggest that managers are cognisant of specific human resource practices that can be socially adapted to enhance their effectiveness. Implications from the study’s emergent process model of human resource management and trust highlight the cross-level influences that affect India’s public sector organisations’ outcomes.

Keywords: India; organisational trust; public sector organisations; strategic human resource management; human resource management; multiple case studies.

Introduction

Increased globalisation and the momentum of new public management (NPM) has led human resource management (HRM) in public sector organisations (PSOs) to redefine itself in order to create a competent workforce for this dynamic changing environment (Giauque et al., 2013; Malik et al., 2017). A renewed focus on ensuring a relevant strategic HRM (SHRM) framework is critical for creating and maintaining organisational trust for PSO employees through changing public sector imperatives (Vanhala & Ritala, 2016). In this context, there is an impetus for managers of PSOs to align employee motivations and expectations to encourage the appropriate climate and behaviours for NPM’s objectives of social responsibility and economic sustainability (Weibel et al., 2016; Williamson et al., 2020). Many PSO employees are motivated by altruism, social values, and working for the greater public good (Camilleri & Van Der Heijden, 2007; Ugaddan & Park, 2019), making PSO’s trust management an essential ingredient of workplace relationships affecting their employees’ psychological contract.

Empirical research around HRM and trust has found that organisational trust mediates employees’ feelings of commitment and justice (Jiang et al., 2017), enhances altruism and learning capabilities (Guinot et al., 2016), and mobilises engagement (Alfes et al.,

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However, these self-same pressures of increased globalisation and exposure to market forces have also seen an increasing downward trend of organisational trust occurring in PSOs (Van de Walle et al., 2008). One study documented that the move towards greater transparency, flatter organisational hierarchies, and diversification of markets, especially in developing nations, such as India, has seen a rise in greater instability, interruptions, and conflict in strategic decision-making (Getha-Taylor & Morse, 2013). Thus, scholars have suggested that exploring the conditions and mechanisms that enable managers to leverage their HRM to improve organisational trust will have implications for management practice, including extending theory of PSO’s HRM (Narang & Singh, 2012; Ryu & Kim, 2013). Gupta et al., (2018) showed that political relationships and the nature of leadership in PSOs significantly impact trust, suggesting that future research could explore the interaction of HRM implementation and managerial agency. Congruently, HRM’s quality and implementation in PSOs may also mask the direct relationship between HRM and trust (Guest & Bos-Nehles, 2013; Trullen et al., 2020). For example, other studies show how different HRM clusters have varying effects on trust within PSOs (Ahteela & Vanhala, 2018); how existing structures and design can constrain management influence on employees (Boon & Verhoest, 2018); and how public sector constituents such as employees perceive HRM as critical to consider (Höglund et al., 2018). These interactions are unexplored in developing countries such as India. Exploring the interaction of managerial perception and agency can provide insight into how HRM implementation and trust enable strategic integration in PSOs.

This study argues that managers making sense of HRM’s role in building trust is integral to understanding the extent of successful SHRM implementation in Indian PSOs. We explored these interactions through a multiple case study design of five Indian PSOs in the oil and gas industry to understand how managers perceive and utilise HRM to manage organisational trust. These Indian case studies provide fertile ground for understanding how PSO managers conceptualise and enact SHRM practices. First, Indian PSOs, especially oil and gas, have been facing increased competition from domestic private and multinationals, experiencing political forces of industrial relations change and market conditions (Agarwal et al., 2021). Second, research on SHRM predominantly represents westernised perspectives and may not consider HRM implementation’s unique cultural and managerial contexts (Lynn, 2006; Tung, 2006). Exploring how SHRM is implemented in these emerging contexts, although less commonly addressed, is imperative as it shows how SHRM imperatives are bundled and enacted (Som, 2008; Budhwar & Varma, 2010). Third, due to NPM, the nature of the employment relationship between PSO employees and managers is evolving, prompting more research on the interaction between NPM, HRM, and public sector work (Plimmer et al., 2017). Indian PSOs face similar changes in their employment relations and psychological contracts, suggesting the need to document HRM perceptions and trust in PSOs (Gupta et al., 2018). Lastly, PSOs display hybrid models of HRM where employees appear to enjoy greater employment security and perks than their counterparts in private firms despite increasing pressures to implement more competitive practices (Arunima & Pooja, 2009; Boselie et al., 2021). In this context, extant research on how managers balance this integration remains sparse, and examination of these priorities through SHRM patterns in the Indian PSO context is essential for understanding HRM implementation. Thus, our three main research objectives are to (1) examine the role of HRM practices on trust in PSOs; (2) understand how and why managers utilise HRM to build trust; and (3) identify specific processes that lead to HRM implementation for building trust in PSOs. To this end, we ask a specific key research question:
Research Question 1: “how do managers conceptualise and utilise HRM for organisational trust in Indian oil and gas industry PSOs?”

Accordingly, we adopt an inductive, exploratory multiple case studies approach, in line with calls for more in-depth and qualitative investigations to tease out the dynamics and mechanisms of HRM implementation (Harley, 2015; Troth & Guest, 2020). We make three main contributions to the theoretical development of HRM implementation and organisational trust in PSOs. First, our study demonstrates the importance of bundling HR practices that emphasise ethical and social responsibility in signalling PSO values (Shen & Jiuhua Zhu, 2011; Newman et al., 2016). Second, we identify how the process of HRM implementation improves the perception of trust in PSOs (Howell et al., 2012; Piening et al., 2014). This study reveals how trust at the individual level and social exchanges influence their employees’ perceptions of integrity in their social exchanges with their leaders (Ahteela & Vanhala, 2018; Pereira & Malik, 2022). Lastly, we demonstrate how perceptions of trust emerge from SHRM initiatives in the public sector, a context rife with changes, employment relations disruptions, and institutional pressures. The following sections review background literature, describe the research methods used, present findings, and discuss the broader HRM literature’s main implications.

Literature Review

SHRM in oil and gas Indian public sector organisations

In developing countries, the impetus for public sector reform has significantly changed PSOs’ HRM, especially in India (Kumar & Saha, 2017; Pereira et al., 2018). Therefore, these changes represent a valuable context for explaining how SHRM is enacted in PSOs, especially as the focus on HRM is insufficient (Boon & Verhoest, 2018). Research in Indian PSOs suggests that this cultural context is an opportunity to understand the mechanisms of HRM implementation due to its unique institutional and social specificities (Laleman et al., 2015; Malik & Pereira, 2016). Others have pointed out the importance of taking these unique trajectories and cultural understandings into account, as any insights will enhance our understanding of SHRM outcomes (Budhwar et al., 2019). The HRM enacted in the oil and gas industry PSOs in India following NPM, such as our cases, can demonstrate how these contexts influence SHRM initiatives in PSOs, specifically through its decision-makers. Generally, PSOs face significant reform in working conditions, particularly privatising their HRM functions and implementing private-sector tools in management models (Hood, 1995). Specifically, the emergence of globalisation, market competition, and promotion of NPM in oil and gas PSOs led many to redefine themselves to create a competent workforce and efficient management systems (Agarwal et al., 2021). The NPM reforms aimed to drive efficiency and effectiveness through public accountability and lessened bureaucracy. Therefore, NPM formed the basis for implementing private sector practices in PSOs, creating considerable challenges in their HRM, brought on by restructuring and disinvesting of PSOs to strengthen the industry’s profitability and long-term competitive advantage (Madan, 2010; Muduli, 2010).

Given the context described above, examining organisational trust within SHRM helps explain HRM implementation effectiveness (Barton & Barton, 2011). Past research has
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found that borrowing HRM from the private sector ideals is problematic (Rainey, 1999, 2009; Ellonen, 2008). Explanations include that SHRM practices and PSO policies may face a mismatch in objectives and goals (Knies et al., 2017) or that PSOs tend to be selective of only specific practices (Boyne et al., 1999; Kalleberg et al., 2006), or implementation ignores the endemic context (Pereira & Malik, 2022). Indian PSOs tend to have a higher level of institutionalised practices in their conceptualisation and management of people, suggesting that changes or applications of new organisational practices may affect psychological contracts and employment relationships (Pio, 2007; Pereira & Malik, 2018).

These arguments reflect a more complicated view of SHRM in PSOs, calling for a more fine-grained exploration of how PSOs’ SHRM reforms affect employees. Approaches would need to consider the multiple stakeholders and the bottom-line mission of public sector service (Moore, 2000; Boxall & Purcell, 2011). Thus, a fundamental question that is currently unaddressed is how are SHRM initiatives implemented in the first place, and what meaningful motivations and interactions among multiple organisational actors lead to its implementation?

Organisational Trust and HRM Implementation in Indian oil and gas PSOs

Given the changes wrought by NPM and increasing globalisation, scholars have also noted the changes in the employment relationship with PSO employees (Bordogna, 2008; Bach & Bordogna, 2011). Such contexts spur reforms in HRM and managerial practices such as performance management, performance appraisal, and the special status of PSO employees, engendering changes to their employee relationships (O’Donnell et al., 2011). For example, traditionally, Indian PSOs have always offered a stable career and better work-life balance in addition to a good salary and fringe benefits compared to the private sector (Agarwal & Sajid, 2017), as well as giving more importance to employee satisfaction and transparency (Kashive, 2013), making PSOs attractive places to work. Additionally, ample evidence demonstrates that Indian PSO employees are motivated by social values, community concerns, and altruism (Budhwar & Boyne, 2004; Gupta et al., 2021). Despite the potential changes in employee expectations, few studies have examined how the changes brought on by NPM have affected public sector employees, especially when PSOs take a more SHRM approach (Kutaula et al., 2020). In a rare Indian PSO study, Shahnawaz and Goswami (2011) showed that when PSO employees’ psychological contracts were violated, they decreased commitment, trust, and employee turnover more than in the private sector. Krishnan (2011) argues that, in the Indian context, trust is an explanatory mechanism for these violations. These studies suggest that organisational trust is an essential managerial resource for PSOs, where it is integral to Indian PSOs’ daily social activities (Budhwar, 2003; Kumar & Saha, 2017).

Organisational trust is defined in this study as

the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party (Mayer et al., 1995, p. 712).

This is especially critical for PSOs in their endeavour to achieve efficiency and effectiveness. Aryee, Budhwar, and Chen (2002) encouraged a closer look at the social exchanges that manifest organisational trust through examining the reciprocal interdependence between parties in their social exchanges, such as seen in the
employment relationships of PSOs. Social exchange theory highlights the series of interactions that generate obligations and have the potential to generate high-quality interdependent relationships (Blau, 1964). These social exchanges can affect organisational outcomes, especially when implementing SHRM in PSOs (Konovsky & Pugh, 1994).

Existing HRM research demonstrates that specific bundles of HRM practices can enhance trust (Gould-Williams, 2003; Lewicka & Krot, 2015). For instance, through HRM, trust increases feelings of organisational commitment and distributive and procedural justice (Jiang et al., 2017); affects turnover intentions (Zeffane & Bani Melhem, 2017); and is enhanced by perceived organisational support (Narang & Singh, 2012). However, although these studies stress that HRM influences trust, there is little explanation of the social processes or mechanisms that explain how managers in PSOs utilise HRM to increase trust. Indeed, research suggests that leadership and its influence on how HRM is delivered are integral to instilling or maintaining trust (Jena et al., 2018; Ugaddan & Park, 2019). Given our interest in how managers make sense of HRM’s role in building trust, the granular focus on the social exchanges that determine HRM implementation may reveal how HRM determine their desired outcomes (Guest & Bos-Nehles, 2013). HRM implementation requires employees to perceive HRM as effective if its practices are to be used daily (Bondarouk et al., 2016; Bos-Nehles et al., 2017). Utilising a line manager’s perspective helps shape theory as they are the primary implementors of HRM and help form employees’ perceptions of HRM (Woodrow & Guest, 2014; Bos-Nehles &Meijerink, 2018). Therefore, scholars advocate for an inductive case study approach to unearth how managers perceive and implement HRM to create value (Woodrow & Guest, 2014; van Mierlo et al., 2018). Thus, this study seeks to understand further how managers in the Indian oil and gas industry PSOs implement SHRM initiatives to enable organisational trust.

Methods

Description of Case Organisations

This research uses a multiple case study design (Eisenhardt, 1989; Yin, 2003; Gehman et al., 2018) to explore (1) the role of HRM practices on trust in PSOs, (2) how and why managers utilise HRM to build trust, and (3) uncover the mechanisms and processes that might illuminate the HRM implementation process. As noted above, PSOs in the Indian oil and gas industry offers valuable context for exploring these research objectives utilising a multiple case approach (Keating, 1995). We employed theoretical sampling illustrating the concepts of SHRM initiatives and trust in the public sector (Yin, 2003; Eisenhardt & Graebner, 2007). Our cases were five large PSOs (IND1-5) in India’s oil and gas industry, selected to control environmental and organisational variation (Yin, 2003). These PSOs are typical of PSOs in the Indian context, which faces labour market challenges, pressures to diversify and innovate, and sustain their competitive advantage through NPM initiatives (TERI, 2006; Agarwal et al., 2021). These cases had between 2,000-35,000 full-time equivalent employees (FTEs) in the oil and gas industry’s exploration and production (E&P) upstream segment, involving activities such as search, exploration, drilling, and extraction activities (Muduli, 2010).
Data Collection and Analysis

Data collection spanned three months, including semi-structured interviews, observations, follow-up interviews (or emails), and archival data collection. Formal individual semi-structured interviews were with at least one member of the top management team and an HR manager or director, a senior manager, and at least one employee who reported directly to the line or top managers. These formal interviews lasted 45-90 minutes and were in English. At some sites, informal interviews with other managers and employees occurred. These informal interviews also formed the basis for the triangulation of HRM activities, their relationship to perceptions of organisational trust, and other outcomes. Interviews were audio-recorded and transcribed. Archival sources of information included organisation websites, memos, media and news articles, employee manuals and newsletters, and emails the participants supplied. The interviews were semi-structured into broad sections around (1) the general history and background of the informants’ roles and background, (2) their perceptions of HRM policies and practices, (3) their experiences of organisational trust, including providing critical incidences and examples, (4) their everyday activities in managing and/or being managed, and (5) use of PSO resources and other processes involved in working at the PSOs. Table 1 provides a brief description of the cases and the number of data sources.
<table>
<thead>
<tr>
<th>Company name</th>
<th>Organisational size (FTE)</th>
<th>Industry (sector)</th>
<th>Interviews (#)*</th>
<th>Other data sources (#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IND1</td>
<td>35,000</td>
<td>National oil and gas exploration and production company</td>
<td>HR Manager (1)-HR-IND1; Line Manager (4)- EXE1-IND1; EXE2- IND1; EXE3-IND1; EXE4-IND1; Employees (5) - EMP1-IND1; EMP2-IND1; EMP3-IND1; EMP4-IND1; EMP5-IND1</td>
<td>Annual reports (2); Meeting minutes (2); Internal newsletter (2); News articles (12); Informal interviews (3)</td>
</tr>
<tr>
<td>IND2</td>
<td>33,000</td>
<td>Largest oil refinery; marketing of oil and LPG</td>
<td>HR Manager (1)- HR-IND2; Line Manager (3)- EXE1-IND2; EXE2-IND2; EXE3-IND2; Employees (4)- EMP1-IND2; EMP2-IND2; EMP3-IND2; EMP4-IND2</td>
<td>Annual reports (2); Meeting minutes (2); Internal newsletter (2); News articles (2); Informal interviews (2)</td>
</tr>
<tr>
<td>IND3</td>
<td>2,000</td>
<td>Oil exploration, production and distribution</td>
<td>HR Manager (1)- HR-IND3; Line Manager (1)- EXE1-IND3; Employees (1)- EMP1-IND3</td>
<td>Annual reports (2); Meeting minutes (2); News articles (1); Email (2); Social media (23); Informal interviews (5)</td>
</tr>
<tr>
<td>IND4</td>
<td>2,000</td>
<td>Marketing of natural gas</td>
<td>HR Manager (1)- HR-IND4; Line Manager (3)- EXE1-IND4; EXE2-IND4; EXE3-IND4; Employees (2)- EMP1-IND4; EMP2-IND4</td>
<td>Annual reports (1); Meeting minutes (2); News articles (12); Email (5); Informal interviews (3)</td>
</tr>
<tr>
<td>IND5</td>
<td>10,000</td>
<td>National gas marketing company having pipeline network across the country</td>
<td>HR Manager (1)- HR-IND5; Line Manager (2)- EXE1-IND5; EXE2- IND5; Employees (1)- EMP1-IND5</td>
<td>Annual reports (2); Informal interviews (4)</td>
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*Names of participants have been coded and identified with generic tags (job role-case organisation) to maintain confidentiality.*
Our research analysis followed the open-ended method set out by Gioia to build our cases (Corley & Gioia, 2011; Gioia et al., 2013) from the grounded theory developed by Miles and Huberman (1994). The analytical steps involved a process of iterative, overlapping data collection and repeated data comparisons throughout the data collection and analysis efforts (Glaser & Strauss, 1967). We identified an initial reading of the data through constructing first-order concepts or codes using an open coding approach (Strauss & Corbin, 1998). These concepts were teamwork, transparency, job security, and personal relationships. The concepts were refined and labelled through repeated readings of the transcripts, resulting in 43 first-order concepts. We then performed axial coding, where first-order concepts were transformed into higher-order themes and compared to the existing literature on HRM and trust (Strauss & Corbin, 1998). Iterative processes saw first-order codes reduced to 12 second-order themes (see Table 2 for exemplar quotes across cases). The final stage of the analysis was to aggregate these second-order themes into overarching aggregate dimensions (Glaser & Strauss, 1967; Gioia et al., 2013). These aggregate dimensions were then used to sequence and link dimensions to create a process model from the data (Corbin & Strauss, 1990; Langley et al., 2013). Finally, we constructed case histories and chronologies to build the context for our cases. Our emergent model constitutes the final step for inducing theory from our data. Figure 1 displays the data structure of our study.
Figure 1. Data structure of HRM and trust in the public sector

1st Order Concepts

- Descriptions of sustained and stable employment at the organisation
- Stories of organisational care and recognition of employees' welfare and performance
- Stories of open dialogue and employee involvement in important decisions
- Descriptions of organisational practices aimed at promoting corporate or social responsibility
- Descriptions of leader's visibility and rationales
- Statements about leader's flexibility or executive decisions
- Statements about receiving mentoring from senior members
- Descriptions of working in teams
- Descriptions of taking interpersonal risks at work
- Accounts of relying on the actions or support of others to help achieve work
- Descriptions about relationships based on other aspects aside from work
- Statements about equal treatment through personal relationships

2nd Order Themes

- Job security
- Employee benefits and rewards
- Employee participation
- Upward communication
- Transparency
- Autonomy
- Mentoring
- Teamwork
- Psychological safety
- Trusting others
- Personal relationships
- Promoting equality

Aggregate Dimensions

HRM

Leadership

Organisational trust

Social adaptation
Table 2. Additional exemplar quotes supporting the emergence of second-order themes.

<table>
<thead>
<tr>
<th>Quotes from cases</th>
<th>Second-order Themes</th>
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<tbody>
<tr>
<td>Our job security plays a vital role in creating trust... (EMP1-IND5)</td>
<td>Job security</td>
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<tr>
<td>...At the lower levels, work pressure is quite less, and job market is very competitive nowadays. So, people tend to stay with this organisation for long (EXE1-IND3).</td>
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<td>...knowing the job is safe makes me try different ways or doing my best more, I feel we can be as open about doing well at our jobs (EMP1-IND4).</td>
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<tr>
<td>This organisation takes care of its employees in a much better way than other organisations (EMP1-IND1).</td>
<td>Employee benefits and rewards</td>
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<tr>
<td>When my mother was critically ill, the management and HR went out of the way to help me out in terms of medical benefits... I was given special provisions of medical benefit and allowed to take leaves (EXE1-IND3).</td>
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<tr>
<td>There was a big chopper accident where six people died. During such emergencies, from Chairman to a bottom-level employee, everyone was totally involved in the whole process and it was all over in media. We work in very risky areas ... there is faith and trust in the company and amongst employees especially when the company gives looks after us through help, medical, times off (EXE4-IND1).</td>
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<tr>
<td>We listen...we get HR people keep on changing and updating policies. Many allowances and facilities have increased after I joined this company in 1984 (EXE4-IND1).</td>
<td>Employee participation</td>
</tr>
<tr>
<td>We encourage people from different disciplines to come together and discuss new ideas...or suggestions (HR-IND4).</td>
<td></td>
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<tr>
<td>This company is first, they listen to us, then they discuss...and this is how we do better (EMP3-IND2).</td>
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<tr>
<td>Communication plays a very important role in building trust, and that is there in our organisation (HR-IND3).</td>
<td>Upward communication</td>
</tr>
<tr>
<td>As an HR Manager, streamlining the policies and systems after the merger was a big task. Convincing higher management for employee benefits like salary revision, housing, and medical was a challenge. And we have successfully managed to do that. This also builds trust in the organisation (HR-IND2).</td>
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<tr>
<td>Here, we mostly do clarifications related to performance management system and we try our best to address that. We also go to sites and meet all the employees. Main purpose of going to site locations is to listen to employee problems and address them timely (HR-IND4).</td>
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</table>
For creating trust, clear and transparent communication should be there at all levels (EXE2-IND1).

*Transparency*

We have a lot of online systems available where people can view what is happening (HR-IND2).

**We don’t monitor every employee’s shift timings and their work all the time (EMP1-IND3).**

**Autonomy**

*Most of the times we are carefree and work independently. And that is very important to create trust (EMP2-IND2).*

They need to have their freedom to do their job, they know what they need to do (EXE1-IND3).

*After SAP implementation, things have streamlined... where every employee has been assigned tasks and responsibilities; they have the autonomy to work (EXE2-IND5).*

**Mentoring**

Being a technical person, there is so much to learn each day, this continuous learning process creates trust because learning and growth makes you happy and gives you satisfaction (EXE3-IND1).

A new recruit has a lot of expectations so we have to keep that in mind; for that we have mentor-mentee programmes where the new recruits can share their work and personal problems with HR and their bosses as well (HR-IND4).

To enhance trust, our chairman gives a lot of emphasis on mentor-mentee programme, especially for new recruits (HR-IND5).

**Teamwork**

Our decision-making with regards to work becomes easy while working in small teams, and it leads to greater productivity (EXE3-IND2).

Everyone works in small teams ... it is one of their greatest strengths. (EMP2-IND2)

We have an informal structure and teamwork approach that helps in building trust; being receptive to people’s problems, involving them in decision making helps building trust (HR-IND4).

Allow them to speak their minds and to be free to tell us what they need to get it done, they need to feel safe to challenge us (EXE4-IND1).

*Psychological safety*

This way, targets are also achieved within the timeframe. I do not have to cross-check them always because they keep me informed always. I give them the freedom to work (EXE1-IND5).

Good amount of trust is there, even if there is little friction between two individuals, by and large, trust is there...No one feels like leaving this organisation because freedom to work and allowing decision making is there (HR-IND3).
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<tr>
<td>We have mutual trust amongst employees; I trust my subordinates (EXE3-IND4)</td>
<td>Trusting others</td>
</tr>
<tr>
<td>I have worked with other public service organisations before and I feel this is one of the good companies to work with. Everything is defined here. Trust has to be there in the organisation, else the organisation cannot achieve its goals. It has to be both ways (employees and management). If you do something good, you have to trust your management that they will appreciate you. So this kind of mutual trust should be there (EMP3-IND2).</td>
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<tr>
<td>Trust has an impact on the employee output. They should rely on us and we rely on them so it’s a mutual thing (EXE2-IND5).</td>
<td></td>
</tr>
<tr>
<td>Personally, people are good with each other and everything is on mutual trust and understanding (EXE1-IND2).</td>
<td>Personal relationships</td>
</tr>
<tr>
<td>The ultimate role of HR should be to solve employees’ problem. Rules are there but at times you have to go beyond rules to help them out. You may have to use your personal relations too for solving their issues. And if you help them, they will always be kind to you- that kind of trust we have in our organisation (HR-IND5).</td>
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<tr>
<td>We meet informally and talk about personal issues as well (EXE4-IND1).</td>
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<tr>
<td>Feeling of being equal, equal opportunity to work, an equal status has to be there because in case of any dissimilarities in the functions, policies, or procedure, trust won’t be there amongst employees (EXE2-IND4).</td>
<td>Promoting equality</td>
</tr>
<tr>
<td>It is the duty of HR people to treat all employees (officers and non-officers) with equality, there should be equality in the services extended to officers and non-officers (HR-IND5).</td>
<td></td>
</tr>
<tr>
<td>There should be equality in officers and non-officers for human resources, personal approach and transparency is very important, medical benefits, job security... (EMP2-IND1).</td>
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</table>
Findings

The findings demonstrate three insights into how managers perceive HRM in managing trust in the public sector. First, our findings highlight the critical role of integrating traditional and non-traditional HR practices into a coherent bundle in the public sector, revealing the importance of ethical and socially responsible practices in enacting trust. Second, HRM implementation from espoused HRM to enacted management practice is evident. Through flexible adaptation, managers in public sector organisations affect organisational trust in their employees. Lastly, we found that HRM practices and public sector leadership patterns ultimately influenced PSOs’ organisational trust.

Human Resource Management (HRM)

A set of best practices emerged under the rubric of HRM, defined as human resource policies and practices (e.g., Becker & Gerhart, 1996; Pfeffer, 1998) for managing public sector employees. Several vital themes underlie the aggregate dimensions of HRM, including job security, employee benefits and rewards, employee participation, and upward communication. These practices were salient to management perceptions of how HRM influences trust in the data.

Job security was a fundamental theme in the perception of HRM influence in PSOs. In the early years of independence, PSOs could generate employment and industrial development in India. Therefore, PSOs still have institutional expectations for employment security and a tradition of employees with long tenure (Saha & Kumar, 2018). A typical response was, “Job security creates trust; for instance, you cannot remove an employee” (EXE1 IND3). Managers supporting this identified their job security as the basis for trust. Interestingly, lower-level and new employees also reported this trust association as they were aware that their job was secure even if they did not perform.

Our second theme, employee benefits and recognition were practices aimed at recognising and rewarding employees. Our data suggest that PSO employees primarily valued recognition and non-financial rewards for their efforts. While previous studies showed financial rewards as a good predictor of organisational trust (e.g., Narang & Singh, 2012), the findings suggest that recognition of employee value and contribution underlie these feelings. One executive remarked, “employee welfare measures increased trust in employees as they feel (the) organisation cares for them and their families (EXE1-IND4)”. Another informant said that her organisation gave special attention to the employees’ families during emergencies or accidents. Supporting this, the HR Manager of IND1 said, “We treat our employees as customers. We provide them with a lot of welfare amenities (housing and medical), which makes them feel that they are a part of the organisation (HR-IND2)”.

The third theme under HRM consists of employee participation. Employee participation is a process in which employees take control of their work and its conditions by incorporating their involvement in decisions regarding their work (Strauss, 2006). Findings reveal that managers viewed involvement in decision-making as pivotal for fostering trust in the workplace. Our data suggest that some employee participation in decisions was significantly encouraged. One HR Manager substantiated this by stating, “there should be open dialogue within employees and between HR and employees. To
cater to that, we have unions and associations, and we are open for dialogues because they have their perspectives and we have our own, so there should be a balancing act (HR-IND2). Similarly, others affirmed the fact by stating, “employees work in teams, so they are involved in making decisions related to work and given full freedom to perform it (HR-IND3).”

Our final theme is upward communication. Upward communication originates from the subordinates and is targeted toward their immediate superiors (Saunders et al., 1992; Kamal Kumar & Kumar Mishra, 2017). Our findings show that PSO employees articulated a link between HR policies and practices and upward communication as essential for engendering trust. It is also noteworthy that managers stated that upward communication on HR policies positively influenced trust in their organisations. As one manager commented, “we continuously try to revise our policies about performance appraisal based on feedback and so on. Therefore, the attrition rate is also very low” (HR-IND2). Altogether, these salient HRM practices represent the managerial perceptions of HRM that encompasses trust across the PSOs. Some of these HRM practices embody best practices such as job security and employee participation – demonstrating managers’ awareness of specific HRM practices required to manage the trust (Pfeffer, 1994).

Leadership

The second aggregate dimension, leadership, focuses on leaders’ behavioural actions towards change processes leading to organisational outcomes (Hunt, 2004; Storey et al., 2017). The themes of transparency, autonomy, mentoring, and teamwork highlight the leadership actions that facilitate trust in an organisation.

Transparency is the knowledge and information-sharing of leaders (Walumbwa et al., 2011), established as a critical factor for building trust in an organisation. Participants believed that leader behaviours such as greater transparency during change processes led to perceptions of that leader being more trustworthy. One manager from IND1 shared her observations of this; “every crucial proposal is discussed and conveyed to maintain transparency” (EXE4-IND1). Another case organisation (IND2) highlighted the organisation’s transparency by highlighting the lack of use of confidentiality agreements (typical within the industry). An employee stated that they did not have to sign any such agreement, “while joining, we did not have to sign any secrecy bond unlike other organisations” (EMP3-IND2).

Our second theme underlying leadership is autonomy, which is how and when employees accomplish their tasks (Gagne & Bhave, 2011). Senior executives shared their views by saying, “we have a defined delegation of authority where every manager has been assigned with tasks and responsibilities and given full freedom to accomplish them in whatever manner they want” (EXE1-IND4). As one employee said, “Trust is very important in every domain; it’s like a bridge which connects two people. Most of the times we are carefree and work independently. And that is very important to create trust” (EMP2-IND2).

The third theme, mentoring, is associated with leaders’ active professional development of their subordinates (Bass, 1985). Mentoring emerged as a prominent feature in all five cases. One Senior Vice President (Human Resources and Legal) of a PSO said, “we have informal relations with our employees where we guide them on professional as well as
personal issues” (HR-IND3). The HR department also supported and encouraged mentoring. For example, one employee noted, “senior people, including HR, are very frank. If we have any problems, they listen to us and guide us well” (EMP1-IND2).

The final theme, facilitating teamwork, is defined as facilitating group cohesion enhanced by members’ desire to stick to the group, work towards a common goal, and succeed as a team (Gilbert & Tang, 1998). One of the HR directors (HR-IND3) stated, “we work in teams and give full importance to that. This strengthens interpersonal relations and quickens the decision-making process. Employees working in teams trust each other’s work, and we don’t believe in policing around”. While managerial perceptions of HRM highlight specific bundles of HRM practices in PSOs that they believe help facilitate trust, the overarching leadership dimensions highlight collaborative work practices, delegation, and openness for engendering trust in PSOs.

Organisational Trust

The next significant dimension is organisational trust, defined earlier. Two mechanisms facilitate organisational trust between individuals and their interactions with others: psychological safety (Kahn, 1990; Edmondson, 1999); and trusting others (Frazier et al., 2010).

Our first theme, psychological safety, is the belief that the workplace is safe for interpersonal risk (Edmondson, 1999). Employees in IND1 were cognisant of the environment created for them by managers to make mistakes and find the best way to work and perform for their stakeholders. Managers were also aware of creating an environment of safety and continuous practice of trust. As the HR Manager of IND1 stated, “engaging employees creates a culture of trust within the organisation as employees feel content that they are a part of the organisation that contributes to society’s development”. Employees of IND1 revealed that the ability to make mistakes was “very large-hearted” (EMP3-IND1) and increasing the ability to test ideas and find new ways of improving work practices as “motivating and so my trust with this organisation is very strong” (EMP5-IND1).

The second theme, willingness to trust, is highlighted by the cases through which managers in the study revealed their need to trust others to help them achieve organisational aims. The HR Manager of IND4 expressed his belief by stating that “a very important role in building trust is for us to show this to our employees (HR2-IND4)”. This particular case merged with another public-sector unit recently, and the immediate consequences were many changes in the policies related to pay, fringe benefits, and the work environment. Employees revealed that managers’ willingness to trust them to stay during the changes profoundly impacted how employees felt about the organisation throughout this change process. One employee (EMP2-IND4) stated that “when I am selected for a certain crucial project, I feel the organisation has trust in me and they recognise my efforts…they take care of its employees in a much better way than other organisations”. One executive suggested, “giving full freedom to accomplish them in whatever manner they want” (EXE1-IND4) was part of their management philosophy as PSO executives.
Social Adaptation

Our final dimension is social adaptation. This is the process where HRM characteristics are adapted to its implementers’ perceived needs, objectives, and structure (Bijker & Law, 1994; Shahzad et al., 2010) and represents the social exchanges between managers and employees (Blau, 1964). One study examining how practices evolve in their implementation suggest that modifying practices may be more commonplace than anticipated (Ansari et al., 2014). Such ‘interpretive flexibility’ (Bijker & Law, 1994) suggests that HR implementation may follow a customised process to fit their specific context, such as the Indian context (Shahzad et al., 2010). Social adaptation is facilitated by social exchange, detailed through personal relationships and promoting equality in PSOs.

Participants strongly expressed personal relationships as central to trust in all PSOs. This is evident from the following quote, “it is very important to have personal relationships with HR and other departments so that work doesn’t get delayed and every project proposal is through easily” (EMP1-IND1). Senior management also agreed that their HR implementation and management bases were through their relationships first, conflict of interest is always there because everyone has different perceptions. It can be sorted out with interpersonal relations and we try to balance that. This is one of the reasons for less [sic] attrition rate. Otherwise, a lot of people would have left the organisation for greener pastures (EXE4-IND1).

The second theme to facilitate social adaptation in PSOs is through promoting equity. Rafferty and Restubog (2011) have assessed that social exchange interactions and equity motivates employees and keeps negative attitudes such as worry and frustration at bay. Participants expressed that employees look for equal and fair treatment from the organisation, with one case (IND5) reporting their perception of inequity when employees experienced dissimilarity in treatment in the organisation. One employee explicitly described it as,

policies are good for all employees, but the quality of services like tea and snacks differs between managers and non-managers. HR people must treat all employees with equality. There should be equality in the services extended to managers and non-managers (EMP2-IND5).

Some other cases also echoed this experience, “feeling of being equal, equal opportunity to work; an equal status has to be there because, in case of any dissimilarities in the functions, policies, or procedure, trust won’t be there amongst employees” (EXE2-IND4).

Emergent Theoretical Model of HRM and Trust in Public Sector Organisations

Figure 2 represents a summary of the emergent data from the cases and provides a structure for revealing how managers conceptualise the role of HRM for organisational trust in PSOs. HRM influences direct organisational trust (pathway 1) and indirectly through managerial behaviours in the implementation process (pathway 2). Across all cases, managers consistently linked specific bundles of HRM practices to organisational trust. For example, IND3 managers revealed that utilising specific HRM practices significantly impacted trust in their organisations, “some HRM practices, job security…all these factors create trust” (EXE2-IND3). However, the direct links
managers drew between HRM practices and trust are perhaps not surprising, considering theoretical and practitioner literature have documented these links (Vanhala & Ritala, 2016; Weibel et al., 2016).

**Figure 2. Emergent process model of HRM and organisational trust in the public sector**

However, what is less known are the indirect links for how HRM influences trust. In our sample, managers voiced leadership and social adaptation as alternative routes for establishing trust between the organisation and employees. The process through which HRM indirectly influences PSOs’ trust was through feedback loops to HRM and leadership (pathway 5). These improved feelings of trust lead to greater congruency between HRM and managers in the PSOs. As described by the executive of IND3, managers were cognisant of these indirect routes of influence on trust, suggesting that “being the leader and adapting these practices to their individual relationships” (EXE1-IND3).

These findings are congruent with social exchange theory, where managers in an organisation were agents of social exchange and enacted ‘goodwill’ toward employees, engendering an ‘obligation’ on the part of employees to reciprocate the ‘good deed’ (Aryee et al., 2002; Gould-Williams & Davies, 2005). Finally, through social adaptation (pathway 3), managers modify HRM policies and practices to influence the perceptions of trust (pathway 4). The HR manager (HR-IND3) when discussing the difference between PSOs and private organisations, “we have informal relations with our employees where we guide them on professional and personal issues. It’s hard to separate these out”. We interpret this as a pragmatic response to new SHRM or HRM initiatives, as “going to fields/different departments and meeting all employees informally, discussing their issues, able to answer them “why” to them, able to escalate their queries and convince higher management (e.g., salary hike)” (HR2-IND4). Social adaptation of HRM practices borrowed from the primarily western-influenced private sector has roots in diffusing Western managerial practices to Asian or other perspectives (Common, 2011; Srinivasan
et al., 2014). It is the process through which localisation of best practices is diffused for PSOs (Lu & Bjorkman, 1997; Pudelko & Harzing, 2008; Festing, 2012).

**Discussion and Conclusion**

This study aimed to explore how HRM enhances trust, a central issue for PSOs and HRM research (Farndale & Kelliher, 2013; Weibel et al., 2016). First, our findings highlight how HRM is enacted to enhance organisational trust, unearthing the critical practices that constitute managers’ and employees’ expectations in the Indian oil and gas public sector. Second, we illuminate how managers facilitate the translation and transformation of HRM to build trust. Lastly, we unearth the direct and indirect mechanisms for how HRM manifests trust in the public sector in an emergent model.

Our first pivotal contribution addresses the mutuality of managers and employees in specifying HRM practices for instilling trust in the Indian public sector (Pereira & Malik, 2022). The interaction between the two represents a new insight into the HRM process of influencing trust. Our findings highlight that not only is HRM important in and of itself, but also the meaning managers attach to specific practices is critical to the process (Ostroff & Bowen, 2016; Sanders & Yang, 2016). In our study, traditional practices of job security and employee benefits and recognition have institutional antecedents in Indian PSOs (Budhwar & Boyne, 2004; La Forgia et al., 2015), while more recent developments in the public sector HRM practices such as employee participation and upward communication have begun to permeate the expectations of PSO employees. These insights demonstrate the importance of bundling coherent and integrated HR systems to facilitate trust, highlighting the synergies between actors, practices, and context (Boon et al., 2019). Our contribution demonstrates the importance of mutuality, shared feelings, actions, or relationships between stakeholders on HRM practices.

Second, our inductive process model illuminates the HR implementation process in PSOs (Trullen et al., 2020). This vital contribution highlights HRM implementation as a complex and dynamic process that involves individual relationships and interpersonal social exchanges (Steffensen et al., 2019). Our model demonstrates the process of strategic congruence in HRM implementation in Indian PSOs (Farndale, 2005; Sheehan, 2005). Strategic congruence relies on social adaptation as a mechanism for strategic integration (McCracken et al., 2017). These processes of practice adaptation or flexible interpretation (e.g., Ansari et al., 2014) engender greater trust in the organisation, suggesting a role for this adaptation process to contribute to our understanding of employee relations within HRM implementation. Additionally, a practical implication is suggested where implementation should be managed, as unintended or negative outcomes may occur if this process is left to chance. For example, HR departments should direct managers on consistent ways to implement valuable practices.

Lastly, our feedback loops demonstrate how leaders create meaning for PSOs’ HRM processes and systems. This process lends insight into how HRM implementation leads to *implementation effectiveness*, a pressing problem in the HRM literature (Trullen et al., 2020). These feedback loops suggest that when implementing SHRM initiatives, managing trust through HRM should be an imperative for PSOs (Jabeen & Isakovic, 2018; Kim, 2018; Ugaddan & Park, 2019). One practical implication would be to highlight communication and social exchanges that PSO employees value, sustaining
these changing employee expectations. Additionally, HRM could bolster these feedback loops effects through leadership training, knowledge sharing, and collaboration (Lewis, 2004; Kumar Goel, al., 2014; Top et al., 2015).

Limitations and Future Research

We identify two main limitations to this study. Firstly, although we have presented rich contextual information and attempted to mitigate any erroneous interpretations and offer greater scrutiny for readers (Lincoln & Guba 1985), our timeframe of data collection may limit the effects of the emergent process model. For example, it would have been helpful to investigate performance outcomes from the emergent process model by including performance data such as turnover over time. Future research could collect outcome data to supplement the insight into outcomes of the process in PSOs. This information could provide potential relationships for the development of trust that could be examined through larger scale and generalisability studies.

Secondly, we relied on our participants’ retrospective accounts and perceptions. As with all retrospective accounts, these are prone to recollection and memory errors (Huber & Power, 1985; Berney & Blane, 1997). However, as highlighted in our methods sections, using multiple perspectives and data sources combined with researcher checks may mitigate these problems. One avenue for future research is to examine how social adaptation prior to organisational change influences perceptions of trust as social adaptation may have long-lasting effects on the nature of management and practice in PSOs (Steffensen et al., 2019).

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