

# **AMO-enhancing HR Practices, Innovation, and Organizational Performance:**

## **A Study of 28 European Countries**

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### **Abstract**

The primary objective of this study is to develop an integrative perspective on the mechanism mediating the relationship between HPWPs and different organizational outcomes. Drawing on the ability-motivation-opportunity (AMO) framework, we develop hypotheses on how organizations achieve their performance through bundles of HR practices by exploring multiple mediating pathways and differentiating between proximal and distal performance. Based on data from 28 European countries, the study shows that at large AMO enhancing HR practice bundles positively affects the proximal (i.e., human capital and work climate) and more distal performance (e.g., innovation and organizational performance). In addition, proximal performance positively mediates the relations between AMO enhancing HR practice bundles and distal performance; innovation performance mediates the relations between AMO enhancing HR practice bundles and organizational performance, as well as between proximal performance and organizational performance. This sequential mediation model contributes to a better understanding of the function mechanism of HPWPs' impact on firm performance.

Keywords: Performance, participative practices, pan-European, workplace, strategic human resources