

# SUCCESSFUL HR AUDIT: IS IT DETERMINED BY TOP MANAGEMENT COMMITMENT, HR CONSULTANTS, AND LINE MANAGER INVOLVEMENT

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## Abstract

The research aimed to find out how to execute a successful HR audit by looking into the top management's commitment, HR consultants' function in the business, and the line manager's level of participation in the audit. 70% of the total population of employees who were selected using probability random sampling participated through an online questionnaire. The hypothesis was tested using structural equation modeling since a total of 104 respondents supplied favorable responses, but only 101 could be employed to test the hypothesis. The result showed that the absence of HR and line managers did not affect the success of HR audits from the starting point and that the term "audit" had a negative connotation.

**Keywords:** Top management commitments, HR consultants, line manager involvement, HR audit.

## Introduction

As a company strives to be better every day in order to perform well and deliver good quality products as requested by customers. Some companies have difficult processes and cannot achieve the targeted production performance in the last two years, from 2019 to 2021. Human resources (HR) are very important in today's business world. Companies with more unique talent often gain a foothold in intense competition (Mishra, Kunte, Neelam, Bhattacharya & Mulay, 2021). HR, as part of the organization's goals, plays a critical role in assisting the organization in completing tasks and increasing employee performance. HR practitioners must possess the necessary skills to implement HR practices and act as change agents (Kotamena, Senjaya, Putri, & Andika, 2020).

HR Management (HRM) is currently being rejuvenated in enterprises, with a consistent assertion of its strategic importance. However, it is extremely difficult to precisely measure the impression of HRM on organizational success due to the dispersed nature of HRM, which is a fractured role inside enterprises, the vagueness of a variety of HR programs, difficulty comprehending the results of HR practices, and evaluators' arbitrariness (Belout & Gauvreau, 2004). HR audits can help determine whether a company's HR department's specialized practice areas or processes are competent, legal, and efficient (Vasantham, 2021). HR audit is one of the most important tools for analyzing human resources in a modern company and improving its performance (Kulchitskaya, Rodionova, Penzina, Maslova & Kizyan, 2016). HR audit is defined as a

system that assists an organization in evaluating and analyzing the functions of its employees decisively. To improve its current status, a company must conduct audits on a regular basis based on a set of criteria (Vivas Martin & Perez Gonzalez, 2019).

For the sake of clarity, the most important aspect of auditing is independence. To be blunt, self-audit is an oxymoron because it lacks the independence that auditors require (Andrews, 2017). In today's world, HR consulting has become unavoidable. Consultants/external partnering has the potential to supply competence, knowledge, and innovation through employees' skills, which, when bought in by a business, can greatly lessen the threat experienced (Poorani & Thiyagarajan, 2018). HR Audit should be used by organizations to gain a third-party perspective on their HR department and employee performance. Recommendations from external audit specialists will aid in increasing productivity, creativity, operations, and the system (Bukhari, 2021).

How can we be sure that the company has conducted a successful HR audit? Researchers are trying to find the answer. Does top management commitment affect the success of the HR audit? Are HR consultants successful in HR audits? What is the line manager's involvement for a successful HR audit?

## *Analytical Framework*

### *HR Audit (HRA)*

In the literature, the term audit was used "quite indiscriminately," implying that "almost any form of HR study is deemed an audit." Clearly, the HR audit

must be correctly defined and distinguished from non-auditing operations (Andrews, 2017). The HR audit comprises devoting time and resources to a comprehensive assessment of a company's HR policies, practices, processes, and strategies in order to protect the firm, establish most acceptable practices, and identify opportunities for improvement (Vasantham, 2021). The HR audit is a review of human resources or a specific element of human resources (Andrews, 2017).

HR audit is made up of three basic components: 1) pre-audit This step is all about gathering data. Depending on the point of interest, this data can be quantitative or qualitative; 2) analysis of the information gathered, this step is devoted to the evaluation of relevant information, such as data, documents, processes, procedures, and policies; 3) to compile a general report that will include auditor findings, recommendations, and other information that might assist a firm in improving its HR department and its activities (Bieliiaeva, 2019a).

Internal HR activity has been the subject of traditional HR audits, such as 1) legal compliance; 2) identifying potential major concerns; 3) identifying areas for potential practice improvement; and 4) identifying under-utilization of HR resources. However, HR audits must consider 1) determining "value for money"; 2) ensure that HR activities are aligned with and contribute to the organization's objectives; 3) increase an organization's effectiveness by contributing to its objectives; 4) ensure that HR activities are in line with the company's culture and procedures.; and 5) guarantee that Workforce Management is stable – and that the right things are being done to control and manage any alteration or disturbance or other events or compromises affecting the stability (Cannings & Hills, 2012).

The goal of the HR Audit process is to link the data to the interpretations and conclusions in the final report or document of findings and recommendations (Bukhari, 2021). The fundamental aspiration of HR audit is to determine robustness and refine goals within the human or individual asset function (Malik, 2018).

### ***Top Management Commitment (TMC)***

One of senior management's responsibilities is to make a sequence of decisions and policies in order to give the company a competitive advantage. Top management is dedicated to achieving the company's objectives by developing staff competency and providing the resources needed to ensure customer pleasure (Yusliza *et al.*, 2019; Kitsis & Chen, 2021). TMC

serves as a platform for organizational improvement and determines the organizational policies to be implemented (Digalwar, Tagalpallear, & Sunnapwar, 2013).

The impact of senior management commitment on company-wide initiatives has been extensively researched. Scholars have suggested that TMC affects employee behavior, although there is little evidence to back this up (Graves, Sarkis, & Gold, 2019). To alleviate employee uncertainty, top managers can communicate the need for an acquisition and the resulting adjustments. However, integration implementation necessitates extra time for sensemaking on the part of middle management and staff (King, Bauer, Weng, Schriber, & Tarba, 2020).

According to research, top management must match and decide the business and technological scope in order to support the company's competitiveness (Tarigan, Siagian & Jie, 2020). TMC is crucial in removing organizational barriers and, as a result, a critical factor in the successful implementation of HR audit (Kitsis & Chen, 2021). Therefore:

*H<sub>1</sub>*: Top management commitment will have positive impact on line manager involvement.

*H<sub>2</sub>*: Top management commitment will have positive impact on successful HR audit.

### ***HR Consultants (HRC)***

In lieu of conducting the audit in-house, the company can hire an outside consultant or consulting firm (Bieliiaeva, 2019b). Consulting firms should be able to provide novel services to their clients in order to help them cope with continuous change, become more competitive and successful (Akay & Demirel, 2018). Today's HRC are tasked with aiding clients in strategically integrating successful HR procedures, programs, and practices into their daily operations (Poo-rani & Thiyagarajan, 2018).

Dave Ulrich's cutting-edge research and consultancy work has repeatedly demonstrated that deserving HR professionals assure: 1) methods and practices that are favorable to line managers are available to assist management in carrying out their human management responsibilities (i.e., the technical-expert and service aspect of human resources); 2) line manager is prepared to comply with a plethora of labor laws and regulations of behavior that administer the labor-management exchange in the workplace (HR's involvement in compliance); 3) HR systems and processes are run at the lowest possible cost in each Business Unit to increase the value of employees to the company (HR's

strategic function); HR systems and processes are conducted at the lowest possible cost in each Business Unit (HR's function in financial management) (Samman, 2017).

Conducting a thorough review of existing, actual HR procedures and outcomes will allow the HR consultant to evaluate the operations' performance, as well as the calibration of definitive practices with strategic corporate goals and regulatory compliance (Bieliaieva, 2019b).

Therefore, researcher hypothesis:

$H_3$ : HR consultants will have positive impact on line manager involvement.

$H_4$ : HR consultants will have positive impact on successful HR audit.

### *Line Manager Involvement (LMI)*

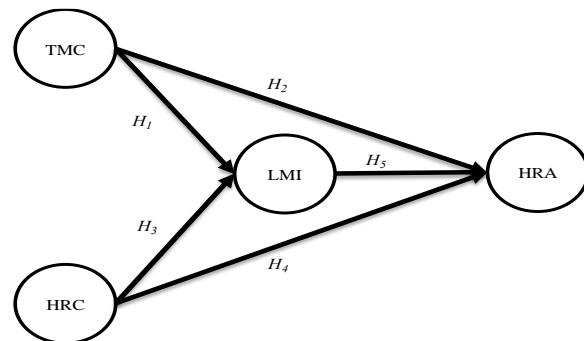
Line managers are intermediate and junior-level executives who are responsible for the organization's overall management (Renwick, 2003). Line managers play a crucial role in HRM, but research and theory on how they carry out their responsibilities are lacking (López-Cotarelo, 2018). Line managers' engagement has always been a concern, as line managers loathe the bureaucracy required, and say that this can lead to management abdication. Despite the fact that line managers have always been involved in HRM, it is through HRM that their involvement has been raised to the forefront as a critical component of HR strategy (Renwick, 2003).

The core concept is that line managers have the ability to influence HRD policies and conducts to assist employees in achieving the strategic goals of the company by identifying, improving, and advocating the appropriate expertise, abilities, dedication, and achievement (Šiugždinienė, 2008).

Line managers play a crucial role in the delivery and execution of employment policies, serving as a fundamental link between HR rules and their impact on people and performance (Keegan, Huemann, & Turner, 2012). Managerial discretion has been recognized crucial for effective strategy execution at the middle manager level, allowing managers to determine the best course of action for their specific situation (López-Cotarelo, 2018). Devolution permits line managers to make HR decisions that affect people they supervise because they are familiar with their subordinates (Rimi, Yusliza, Walters, & Basher Rubel, 2017). Therefore, the researcher proposed:

$H_5$ : Line manager involvement will have positive impact on successful HR audit.

As a result, the relationships between these variables are discussed and hypothesized. Figure 1 shows how the research model was conceptualized.



**Figure 1.** The relationship between top management commitment, human resources consulting, line manager involvement, and a successful HR audit is conceptualized in this paradigm

## **Research Methods**

### *Sample Selection Procedure and Data Collection*

Quantitative research is a strategy for collecting and evaluating objective numeric data to explain questions about or explain a phenomenon of enthusiasm (Astroth & Chung, 2018). The quantitative technique will not be used in problem solving, though it will become increasingly useful there. It will have the largest impact on problem formulation, or how managers think about their issues (Bowers, 2017). The importance of ideas like objectivity, validity, and bias, which are defined in relation to genuine inferences, is often emphasized by quantitative researchers (Zyphur & Pierides, 2020).

Probability sampling, generally known as "random sampling," is a sampling approach that assures that every individual in the organization has an equal chance of being admitted in the sample (Etikan & Bala, 2017). The researcher utilized random sampling to ensure that every employee in the population had an equal chance of being chosen as a sample. While PLS is known for its ability to manage small sample sizes, this does not mean that meeting minimum sample size criteria should be the main goal. According to previous research, a sample size of 100 to 200 people is usually a decent place to start with path modeling (Wong, 2013).

The case study for this research was taken from the manufacturing industry to find more detailed data from the total population in the company of 145 employees, consisting of staff level, 117 employees, section heads and department heads as many as 28 employees, and to ensure more freedom of expression,

questionnaires are circulated online and anonymous responses are submitted (Kotamena *et al.*, 2020).

In order to obtain the desired sample size of at least 100 employees, the researcher enlists the assistance of the HRD section's head, who assists in the selection of participants based on their particular sections, ensuring that each section is represented. The researcher targets a sample size of at least 70% of the total population to achieve this criterion.

**Table 1**  
**Respondent demographic**

Department	Number of respondents	Percent
Production	95	65.5
Support	10	6.9
Marketing	5	3.5
Engineering	35	24.1
Gender		
Male	135	93.1
Female	10	6.9
Length of Service (years)		
0 – 5	4	2.8
6 – 10	6	4.1
11 – 15	1	0.7
16 – 20	2	1.4
> 20	132	91

The company differentiates its organization into four main departments; 65.5% of production as core functions, supporting functions consist of finance, accounting, tax and general support; Marketing as one of the spearheading departments and engineering department as one of the largest departments in the company which comprises about 24.1% of the total population.

According to Renwick (2003) definition, department heads are defined as line managers in this study. Then, when we ask the respondent a question; Line manager involvement will be interpreted as department head involvement. Also, one of the independent variables was TMC, and with this in mind the researcher excluded those in the department head and TMC positions from filling out the questionnaire to eliminate bias.

104 employees returned the questionnaires in this study. The researcher then eliminated two-line managers, including one respondent with unclear descriptive data. A total of 101 respondents' data were used in the statistical data analysis. Researchers do not consider the length of service and gender of the respondents as inhibiting factors in this study, but future researchers may consider this as one of the factors that influence

their decisions regarding HR practices in the Company.

The questionnaire was developed from previous research as shown in the appendix, applying a Likert scale with 1 referring extreme disagreement; 5 indicating strong agreement; and 3 indicating neutrality (Liao & Chuang, 2004).

### *Data Analysis Technique*

To examine the data, the Partial Least Squares Structural Equation Modeling (PLS-SEM) tool was applied by researchers, which gives proof of dependability and validity (Rouf & Akhtaruddin, 2018). SmartPLS is a SEM-based software that employs the PLS method. SEM is a second-generation multivariate data analysis tool that is extensively employed in social science research (Mohd Thas Thaker, Khaliq, Ah Mand, Iqbal Hussain, Mohd Thas Thaker & Allah Pitchay, 2021).

The findings of collinearity concern, the model's deviation explained, the exogenous variable's incremental information of an endogenous variable, as well as the model's relevance prediction should all be considered while evaluating the structural model in PLS-SEM (Ting, Yahya & Tan, 2020), and when the sample size acquired is relatively small or larger, PLS is considered a trustworthy method. PLS is a prediction-oriented method that focuses on variances and always accepts non-parametric assumptions from the predictors (Hair, Ringle, & Sarstedt, 2011).

As stated in the appendix, 17 indicators were developed based on the previous literature study to examine how TMC influenced HR audit success, how HRC influenced HR audit success, and how LMI influenced HR audit success. Except for LMI, which contains five indicators, each variable in the research questionnaires had four indicators. However, after testing using SmartPLS into the model, the researcher omitted the composite reliability which was lower than 0.70 (Hair *et al.*, 2011). In the end, we have 13 indicators with the following composition: the independent variable TMC; 4 indicators, and the independent variable HRC has 3 indicators, while the mediator variable LMI has 3 indicators and the dependent variable HRA has 3 indicators.

### **Results and Discussion**

A convergent validity test was performed at the start of the investigation. The factor affecting loading, this study looked at AVE or stand for average variance extracted, also composite reliability (CR) (Mohd Thas

Thaker *et al.*, 2021). AVE of all constructs in this investigation was greater than 0.5, indicating that convergent validity was satisfactory. More than half of the variability in the indicators are explained by the latent variable. All of the CR scores were over 0.70. As a result, convergent validity can be said to have been achieved, and the measures utilized in this study are related to one another, and test items are dependable, as evidenced by the CR scores (Ting *et al.*, 2020).

Regardless of how simple or difficult the question is, the greater the loading factor value, the better the question's ability to measure what it is designed to evaluate. In this study the loading factor ranged from 0.708 to 0.903, we consider it very valid, and omitted outer loading below 0.70 (Chin, 1998; Hair, Black, Babin & Anderson, 2010). The indicators' validity is important in determining the research findings' validity.

The validation results are shown in Table 2, it shows that the data collected meet the guidelines and is certified eligible for the study as long as the Coefficient of Cronbach's Alpha is more than 0.70. The CR is greater than 0.70 and the AVE is greater than 0.50 at the same time.

**Table 2**  
**Validation Results**

Variable	Items	Loadings	Cronbach's Alpha	rh_A	Composite Reliability	Average Variance Extrated (AVE)
HRA	HRA1	0.793	0.748	0.769	0.854	0.661
	HRA2	0.843				
	HRA3	0.803				
HRC	HRC1	0.903	0.770	0.790	0.867	0.687
	HRC2	0.747				
	HRC3	0.829				
LMI	LMI1	0.718	0.745	0.761	0.855	0.665
	LMI2	0.856				
	LMI3	0.864				
TMC	TMC1	0.797	0.799	0.807	0.869	0.625
	TMC2	0.806				
	TMC3	0.844				
	TMC4	0.708				

The degree to which a concept is empirically unique from another design in the path configuration, both in terms of how strongly it correlates with other constructs and how clearly the indicators represent only this single construct, is determined by discriminant validity (Sarstedt, Ringle, Smith, Reams, & Hair, 2014).

Each latent construct having an AVE greater than its maximum squared correlation with any other latent construct passes the test, as shown in Table 3.

The next step is to determine the R-square; This model shows the influence of HR consultants, top management commitment and line manager involvement has an impact of 61.6% on the success of HR

audit. Meanwhile, HR consultants and top management commitment have a 65.9% influence on line manager involvement.

**Table 3**  
**Discriminant Validity**

	HRA	HRC	LMI	TMC
HRA	<b>0.813</b>			
HRC	0.745	<b>0.829</b>		
LMI	0.666	0.763	<b>0.816</b>	
TMC	0.724	0.761	0.761	<b>0.791</b>

The collinearity evaluation test is to find collinearity, and it is necessary to calculate the VIF of Each construct. Collinearity should not exceed 5.000 as shown in Table 4 which shows this model does not have collinearity.

**Table 4**  
**Collinearity Statistics (VIF)**

	HRA	HRC	LMI	TMC
HRA				
HRC	0.158		0.236	
LMI	0.007			
TMC	0.100		0.225	

**Table 5**  
**R-square**

	R-square	R-square Adjusted
HRA	0.616	0.605
LMI	0.659	0.652

When the researcher looks at the specific indirect effect of the relationship between variables. It can be seen that the relationship between HR consultants indirectly has a weaker relationship to the success of HR audit through line manager involvement with  $p$ -values = 0.601; while the same thing can be said to occur in connection between top management commitment and the success of HR audit through line manager involvement with  $p$ -values = 0.611; As shown in Table 6.

**Table 6**  
**Specific Indirect Effects**

Connection	Original Sample (O)	Sample Mean (M)	Std. Deviation (STDEV)	t-Statistic (O/STDEV)	p-Values
HRC→LMI→HRA	0.039	0.040	0.075	0.523	<b>0.601</b>
TMC→LMI→HRA	0.038	0.042	0.075	0.509	<b>0.611</b>

The indirect influence of HR consultants on the success of HR audits through line manager involvement looks very low at only 3.9%; HR consultant can handle projects directly to the field. The same thing

happens to top management commitment indirectly to HR audit at 3.8%. The involvement of line managers in a particular audit project will not make the difference.

The final stage is to put the researcher's theory to the test, as illustrated in Table 7.

**Table 7**  
**Path Coefficients and Hypothesis Testing**

Hypothesis	Connection	Original Sample (0)	Sample Mean (M)	Std. Deviation (STDEV)	t-Statistic (0/STDEV)	p-Values
$H_1$	TMC→LMI	0.428	0.433	0.112	3.826	<b>0.000</b>
$H_2$	TMC→HRA	0.373	0.372	0.177	2.109	<b>0.035</b>
$H_3$	HRC→LMI	0.437	0.428	0.115	3.787	<b>0.000</b>
$H_4$	HRC→HRA	0.461	0.469	0.156	2.952	<b>0.003</b>
$H_5$	KMI→HRA	0.089	0.101	0.165	0.543	<b>0.587</b>

***Top Management Commitment (TMC) Will Have Positive Impact on Line Manager Involvement (LMI)***

Table 7 shows that line manager involvement is strongly influenced by top management commitment ( $b = 0.428$ ,  $p$ -values of  $0.000 < 0.05$ ). The value of 1.984 in the t-table, indicating that the association between TMC and LMI, which has a  $t$ -value of 3.826, is significant with 101 employees and 3 independent variables.

According to a study, top management involvement in projects is extremely important, and distinct top management support techniques should be applied in all business and culture (Njogu & Simiyu, 2019). When top management commits to HR audit, employees pay attention to the "signals" sent by top managers regarding the subject. They may explain why HR audit is necessary, explain the direction of the organization, and define objectives. Employees will be more focused on HR audits as a result of their actions (Graves *et al.*, 2019).

Line managers must keep their subordinate informed about technical changes in the sector. The major responsibilities of line managers are to ensure that there is a common technical base and that all available information for project leader and functional units can be conveyed (Njogu & Simiyu, 2019). In order to make the difference between tactics as small as possible, these two primary players must interact. Top management is responsible for the organization's overall strategy and structure, while line managers serve as a link between strategic and operational operations (Savaneviciene & Stankeviciute, 2011).

Low top management commitment to HR audits, on the other hand can hinder the beneficial effects of line manager involvement. The top management's lack of commitment will not be reflected in line manager

activities. Divergent priorities among management levels will make it more difficult to work together on HR audit issues. Employees may sometimes hear contradictory signals concerning HR audits, leading to uncertainty and decreasing the impact of line managers' actions (Graves *et al.*, 2019).

***Top Management Commitment (TMC) Will Have Positive Impact on Successful HR Audit (HRA)***

Based on the findings of this inquiry, top management commitment was found to have considerable positive impact on the success of HR audits ( $b = 0.373$ ,  $p$ -values of  $0.035 < 0.05$ ). The  $t$ -value = 2.109 above the  $t$ -table value indicates that the link between the two variables is significant.

Top management can foster a supportive environment in the workplace by shaping and defining the cumulative analysis held by members of the organization in general through internal communication and personal action (Savaneviciene & Stankeviciute, 2011). When it comes to implementing any initiative, senior management commitment is regarded as one of the most significant success factors in assuring initiative's efficacy. Top management commitment is linked to efforts by top management to provide direction, authority, and resources in the execution of initiatives. In this instance top management employees were considered as both a provider and a supporter of any initiatives being implemented (Mansor, Saidi, Mohamed, & Idris, 2012).

The Strategic Plan should be reviewed and referenced on a frequent basis by management throughout its existence. It would be prudent to incorporate HR audit at the outset of the Strategic Plan process to assess the capabilities of the employee to implement the new strategy and make recommenddations.

***HR Consultants (HRC) Will Have Positive Impact on Line Manager Involvement (LMI)***

HR consultants have a significant impact on line manager involvement with a positive connection ( $b = 0.437$ ,  $p$ -values of  $0.000 < 0.05$ ). The  $t$ -value of 3.787 shows that the relationship between the two variables is significant.

Organizational consulting and advising roles are more significant today than they have ever been. Because of the speed and complexity of modern business, people must specialize and provide recommendations based on their knowledge and experience. Professional counselors are as important to modern organizations as managers and other employees (Margerison,

2018). When technology supremacy, even once gained, will swiftly disappear, there is a managerial rationale in focusing attention on people's abilities and intellectual endowments to create a big competitive edge (Samman, 2017). Directing and deciding a legitimate activity plan from a HR audit is pretty much as significant as having one in any case. Inappropriate reviews can give deceiving results, which can prompt wrong administration choices (Vasantham, 2021).

We now live in a time when all managers must be consultants, and consultants must adopt a more management mindset. The challenges raised are especially pertinent in the twenty-first century, when professionals must exert influence through their advisory talents rather than through the power of their professions. As a result, line managers are more interested in the organization's long-term goals (Margerison, 2018).

**HR Consultants (HRC) Will Have Positive Impact on Successful HR Audit (HRA)**

Table 7 shows that successful HR audit is strongly influenced by HR consultants ( $b = 0.461$ ,  $p$ -values of  $0.003 < 0.05$ ). The  $t$ -value is 2.952, shown significant relationship between HRC and HRA.

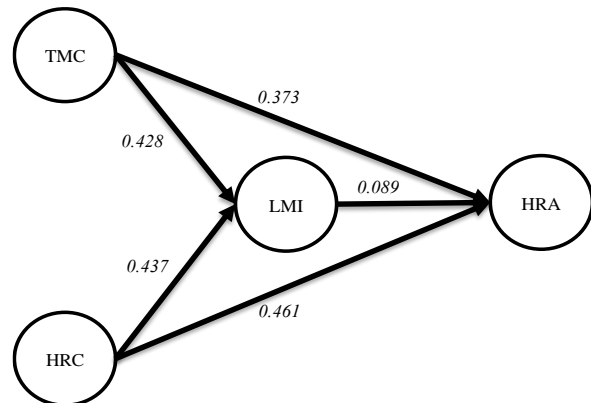
An organization hires external HR specialists to conduct HR audit using the external consultant approach, with HR Management competence, legal and auditing fundamentals, and strong credibility. The HR auditor should classify who is responsible for each action, describe the goals that each activity must achieve, analyze the policies and procedures that were employed to achieve these goals, and write a detailed report (Ukil, 2015).

HR auditing entails recognizing problems and resolving them before they become unmanageable. It's a chance to evaluate what an organization is doing well as well as how things could be done better, more efficiently, or for less money. HR leaders must take part in regular inspection and continuous improvement after the audit has been completed, a review of the organization's policies, procedures, and processes, as a result of which the organization will never cease improving. This will assist the company in gaining and maintaining a competitive edge (Vasantham, 2021).

**Line Manager Involvement (LMI) Will Have Positive Impact on Successful HR Audit (HRA)**

It turns out that the success of HRA is not related to the involvement of line managers, as we can see from the results of the data ( $b = 0.089$ ,  $p$ -values of  $0.587 > 0.05$ ),  $t$ -value = 0.543 proves the connection between HRA and LMI is not significant.

The most important aspect of auditing is independence (Andrews, 2017). Interviewing or using questionnaires to obtain input from selected employees and other department managers to see whether certain policies and procedures are understood, practiced, and accepted may also be included in HR audit (Bieliaieva, 2019a; Vasantham, 2021). Meetings with department heads, line managers and other controllers—handlers may be part of a rough audit to assess completion of the full procedure (Bukhari, 2021). Employee relation professionals exceed line managers when it comes to handling employee relations. Line managers are now anticipated to take on more HRM responsibilities and cross-training in HR processes can be beneficial; line managers should take the lead in completely incorporating HR into the organization day-to-day operations, and take a "partnership" approach to managing HR issues between HR, line managers, and employees (Renwick, 2003). To maintain independence, HR and line managers need to step back from full involvement during HR audits conducted by HRC. The absence of HR and line managers did not affect the success of the HR audit from the start.



**Figure 2. The connection between top management commitment, HR consultants, line manager involvement and successful HR audit**

**Table 8 Hypothesis Test Results**

	Proposition of a Hypothesis	Result
$H_1$	Top management commitment will have positive impact on line manager involvement	Accepted
$H_2$	Top management commitment will have positive impact on successful HR audit	Accepted
$H_3$	HR consultants will have positive impact on line manager involvement	Accepted
$H_4$	HR consultants will have positive impact on successful HR audit	Accepted
$H_5$	Line manager involvement will have positive impact on successful HR audit	Rejected

Hypothesis 1 is accepted. These results prove that TMC has a positive effect on LMI. Despite the fact that current leadership styles are less top-down, employees expect to be told what to do, tend to follow directions, and may fear punishment if they don't comply with the rules and for that reason alone top management's commitment played a major role in LMI (Korneliusson & Mohammadi, 2018).

Hypothesis 2 is accepted. These results prove that TMC has positive impact on the successful HR audit. The introduction of any initiative relies heavily on top management. By committing to a certain project, you are indicating the importance of achieving progress on specific challenges (Korneliusson & Mohammadi, 2018; Graves *et al.*, 2019).

Hypothesis 3 is accepted. The majority of the line managers interviewed were initially hesitant to share their true feelings and ideas. Following that, line managers felt relieved and began to offer their true ideas and opinions in response to our queries to the best of their abilities (Samman, 2017). These results prove HRC has the positive impact on line manager.

Hypothesis 4 is accepted. HR audit should be undertaken in light of the organization's future needs, taking into account the facts, sentiments, and perceptions of all stakeholders. External consultants will have a beneficial impact on the success of HR audits tailored to the demands of the organization (Ukil, 2015).

Hypothesis 5 is rejected. In recent years, the subject of what HRM functions are devolved from the HRM department to line managers has piqued interest (Keegan *et al.*, 2012). It turns out that when we audit HR processes, policies and procedures. What we really audit are the line managers of the organization as they are the ones who are supposed to carry out all HR policies and procedures. This proves that line managers do not have a positive impact on the success of HR audits.

### Conclusion and Implication

At the outset of this research, we assumed that the success of the HR audit would be heavily influenced by the line manager. This study found that line manager involvement in HR audits, in particular, did not have a substantial positive impact on the success of HR audits. It can also be stated that once top management has decided to conduct HR audit, the audit will be successful with their commitment and the assistance of HR consulting as an external expert. Other variables not investigated here could affect significant association patterns between top management commitment, HR consultants, line manager involvement, and subsequently effective HR audit. However, in the plan to remain competing in the market, an organization must

do HR audits on a regular basis to guarantee that the firm's policies, procedures, and practices are continually improved (Akay & Demirel, 2018; Samman, 2017; Tarigan *et al.*, 2020; Vasantham, 2021).

The primary goal of the audit mechanism is to clarify the preferred painting practice and the role of HR in an organization in order to lay the groundwork for impressive future development, to assess current effectiveness, to standardize practices within the organization, to assess astute knowledge, and capabilities required of HR practitioners, and to improve performance ranges that are better known to key or lead customers in an organization (Malik, 2018).

### Contribution and Future Studies

This study's conclusions have a variety of practical consequences. It is important for TMC to demonstrate a commitment to the HR audit initiative to outline and clarify the initiative's objectives for organizational success. The top management commitment will ensure involvement of line managers in every initiative the company takes in their strategic execution, and communication lines will not be distorted due to mid-level conflicts. However, during the HR audit; Line managers as representatives of management in the field are also part of those being audited, and the term audit sometimes has a "negative" connotation. With the limitations we had previously, future studies need to look at the perception of this negative connotation. Is it very influential or can we ignore it? The findings propose that line managers should not be involved in HR audits, however, many studies advice that line managers should be involved in every project in the organization to ensure organizational success, so researchers believe that notifying line managers from the start is the best way to implement HR audits in the organization.

This study found successful HR audit should be able to determine organization capability and employee performance; entails recognizing problems and resolving them before they become unmanageable, and give a recommendation in increasing productivity, creativity, operations, and the system (Bukhari, 2021; Vasantham, 2021). The top management commitment will ensure impactful HR audit by creating a supportive environment through internal communication and personal acts (Savaneviciene & Stankeviciute, 2011).

The success of a HR audit absolutely cannot be disconnected from the role of HR consultants, as experts in their fields and able to provide better practices and suggestions based on benchmarks and industry practices. The HRC will classify who is responsible for



each action, describe the objectives to be achieved for each activity, analyze the policies and procedures used to achieve organizational goals (Ukil, 2015). As a result, it is preferable for businesses to hire such professionals to help them succeed in HR audits.

## Appendix

### Measurement of Variables

HR audit (Belout & Gauvreau, 2004; Chang, Sheu, Klein & Jiang, 2010; Kissi, Dainty & Tuuli, 2013):

1. HR audit project schedule fulfilled.
2. Audit findings and recommendations are communicated to line managers and top management.
3. Continuous improvement is made possible via HR audits.

Top management commitment (Belout & Gauvreau, 2004; Digalwar *et al.*, 2013; Graves *et al.*, 2019; Tarigan *et al.*, 2020; Kitsis & Chen, 2021):

1. Top management considers HR audits an important part of the company's strategy.
2. Top management facilitates the HR audit process.
3. Top management monitors the progress of HR audit activity.
4. Top management provides the necessary resources for a successful HR audit.

HR consultant (Belout & Gauvreau, 2004; Vasantham, 2021):

1. HR consultants have the expertise and knowledge to conduct HR audits.
2. HR consultants are able to develop detailed action steps required for the implementation of HR audits.
3. HR consultants listen to all parties involved in HR audits.

Line manager involvement (Renwick, 2003; Šiugždinienė, 2008; Graves *et al.*, 2019):

1. Line managers play an active role in HR audits.
2. Line managers are professional and serious in conducting HR audits.
3. Line managers participate in HR audit-related meetings.

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