

HR Strength as a Mediator or a Moderator in the Relationship between HR Practices and Organizational Innovation? The Romanian Study*

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Abstract

The literature points to the positive role of Human Resource Management (HRM) best practices affecting organizational innovation. However, it is still insufficiently clear which mechanisms produce this outcome. In this study, we focus on Human Resource Strength (HRS) as a major variable in that process. More precisely, we examine whether Human Resource Strength (HRS) is a mediator or a moderator in the relationship between four high commitment HR practices and organizational innovation.

We investigated a sample of 323 Romanian managers. Our findings indicate that HR strength has a double role as a moderator (training only) and full mediator (training and education and performance appraisal only) in the relationship between HR practices and organizational innovation. The discussion elaborates on the theoretical implications and indicates ideas for future research.

Keywords: HR practices, HR strength, organizational innovation, Romanian culture

Introduction

Human resources management (HRM) is a collective term for all the activities that manage people in an organization (Boxall/Purcell 2008). Examples of these management activities include recruitment and selection, employee training and development, and performance appraisal. Some twenty-five years ago, HRM became strategic and, in parallel, led to increased awareness that HR practices have the potential to improve organizational performance (Wright/Dunford/Snell 2001). Indeed, research in the field clearly documents the importance of HRM in

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bolstering organization performance (e.g., Hailey/Farndale/Truss 2005; Combs/Liu/Hall/Ketchen 2006; Takeuchi/Lepak/Wang/Takeuchi 2007; Herdman 2008; Subramony 2009; Messersmith/Patel/Lepak 2011; Baluch/Salge/Piening 2013; Chen/Wang 2014; Bello-Pintado 2015).

HRM enables an organization to reach its full potential and to achieve and sustain a competitive advantage (Kepes/Delery 2007), a process that can be viewed from several angles. For example, Delery and Doty (1996) suggested that the relationship between strategic HR practices and organizational outcomes be approached from the following perspectives:

- (a) *Universalistic Perspective* – Greater use of specific HRM practices will always result in better/worse organizational performance; namely, there is only one best way to achieve organizational efficiency (Mayrhofer/Brewster/Morley 2016). This perspective is consistent with the model of "best practices" (Boxall/Purcell 2000). It is dominant in the USA, and widely used in other countries (Mayrhofer et al. 2016);
- (b) *Contingency Perspective* – The relationship between HRM practices and organizational performance will be different for various levels of a contingency variable (acting as a moderator). This approach, also called "best-fit" model, postulates that HRM strategies are more effective if they fit certain critical contingencies in the business environment (Boxall/Purcell 2000). This contextual paradigm is idiographic, focusing on the differences within and between HRM in various contexts (Mayrhofer et al. 2016);
- (c) *Configurational Perspective* – The synergistic effects of HR practices will result in higher organizational performance. To cite Bello-Pintado (2015), "While there is broad consensus about the critical role that the adoption of advanced HRM practices plays in a firm's success, there still is an open debate about the configuration of HRM systems and their effectiveness" (p.1). Capitalizing upon the configurational perspective, we believe that this perception of HRM strength can serve as a useful window through which to study how HRM results in differing organizational outcomes.

Historically, Bowen and Ostroff (2004) were pioneers in emphasizing the importance of the psychological processes through which employees give meaning to HRM, concluding that the HRM process approach is, "a promising next step in studying the HRM field" (p. 499). In a comprehensive review, Sanders, Shipton and Gomes (2014) delved more deeply into the concept of HRM psychological processes and indicated, specifically, their potential to shed light on organizational outcomes. In consequent studies, Sanders and colleagues found that when the HRM system is perceived as strong and consistent (HR strength), it moderates specifically the relationship between HR practices and employees' innovative behavior (Sanders/Yang 2015; Sanders et al. Working paper). The aim of the current study is to extend these findings. More precisely, we investigate a model

in which HR strength acts as a moderator between HRM practices and organizational innovation, as shown in Figure 1. We believe that replication can contribute to an enhanced understanding of this process and cast further light on this moderation factor, as we pinpoint organizational innovation, in contradistinction to individual innovative behavior. The need to replicate is consistent with the contention of eminent scholars that the ultimate test for validity of findings is their recurrence in numerous replications and different contextual settings (James/Mulaik/Brett 1982). Furthermore, we examine an alternative model in which HR strength acts a *mediator* between HRM practices and organizational innovation as shown in Figure 2.

Consequent to this discussion, we seek to contribute to the understanding of the role of HRM psychological processes in relating to *organizational performance* by:

- (1) Investigation of the role of HR strength in the relationship between HRM practices and organizational innovation (as opposed to *individual* innovative behavior);
- (2) Exploration of the role of HRM strength as a moderator between HRM practices and organizational innovation;
- (3) Exploration of the role of HRM strength as a mediator between HRM practices and organizational innovation;
- (4) Comparison between the *mediation* and the *moderation* research models.

The two competing models were studied empirically with Romanian managers. We identified these specific subjects since Romania is a relatively virgin field of research on human resources management (Buzea, 2014). Romania is an ex-communist state in Central and Eastern Europe (CEE) that joined the European Union only in 2007. "The greater explanatory power of the contextual paradigm in such cases (namely CEE) at least is manifest; the poverty of attempts to explain developments there by contrasting them with the universalistic conception of HRM is clear" (Mayrhofer/Brewster/Morley 2016:12). As implied by the Contingency Perspective, HRM strategies will be more or less effective according to critical contingencies in the environment (Delery/Doty 1996), such as Romanian culture.

Furthermore, we favored the use of managers, rather than employees, as participants in the research, since managers tend to play a key role in creating a social context that shapes employees' perceptions and interpretations (Yukl 1989). Consequently, we investigated managers' perceptions of HR practices (especially in the context of the Romanian culture transition). We chose to investigate organizational innovation, a critical requirement for Romanian organizations attempting to transit from a communist economic state towards global organizations and western organizational norms.

Figure 1: The Suggested Model for HR Strength as a Moderator between HRM Practices and Organizational Innovation

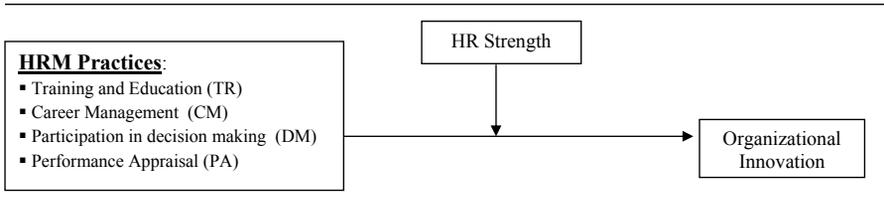
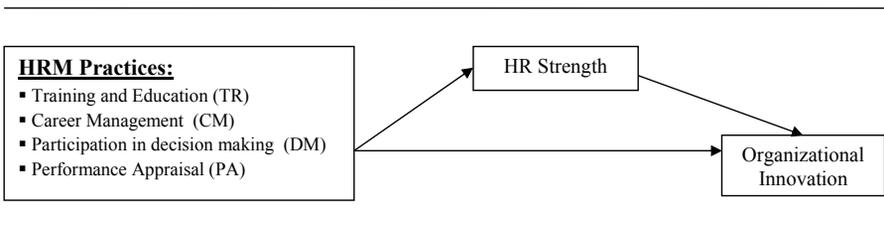


Figure 2: The Suggested Model for HR Strength as a Mediator Between HRM Practices and Organizational Innovation



Theoretical framework

HRM Practices

As indicated, theorists adopting a universalistic perspective of strategic HRM (Delery/Doty 1996) posit that greater use of specific HRM practices will always result in better organizational performance (e.g., Terpstra/Rozell 1993; Hamid 2013). This perspective is consistent with the content approach of HRM practices (Sanders/Dorenbosch/de Reuver 2008; Sanders/Shipton/Gomes 2014) and with Boxall and Purcell's (2000) best practice model. Specifically, and pertinent to our current investigation (as we shall discuss further), several recent papers have revealed a positive relationship between HRM practices and organizational innovation (e.g., Leavy 2005; Ling/Nasurdin 2010; Al-Bahussin/El-Garaihy 2013; Fu/Flood/Bosak/Morris/O'Regan 2015; Gritti/Leonie 2015).

Best practices. Concerning HRM content, we focused specifically on HRM practices identified as high commitment (Pfeffer 1995; Guest 1997) that are essentially designed, "to develop committed employees who can be trusted to use their discretion to carry out job tasks in ways that are consistent with organizational goals" (Arthur 1994: 672). Notably, however, there is little consensus concerning which of these practices should be included in the analysis of high commitment HRM (Legge 1995). Consequently, for our purposes, we have followed Sanders and colleagues' working paper, replicated their research, and have

drawn upon their selected four HRM best practices, namely, (1) Training and education, (2) Performance appraisal; (3) Career management (internal mobility), and (4) Participation in decision-making.

- (1) **Training and education.** Training and education refers to a planned effort by the company to facilitate the acquisition of specific knowledge, skills, or behaviors that employees need to be successful in their current jobs (Goldstein 1993; Pfeffer 1995). Moreover, Pulakos, Hanson, Arad and Moye (2015) advocated that employee training go beyond discrete training events, so that the work experience itself is leveraged for that training process. Not surprisingly, investment in training produces positive organizational outcomes (Knoke/Kalleberg 1994). Notably, Ling and Nasurdin (2010) found that of all the HRM practices they researched (performance appraisal, career management, training, reward system, and recruitment), training alone was found to have a positive and significant effect on the three forms of organizational innovation (product innovation, process innovation, and administrative innovation).
- (2) **Performance appraisal.** Performance management is designed to achieve behaviors that are important drivers of positive engagement and performance (Pulakos et al. 2015). One such major practice within this domain is performance appraisal. Performance appraisal is a formal, well-planned organizational process that facilitates managers to obtain reliable and precise information about targeted employees' job-related behavior and performance (Tziner/Rabenu 2011). Performance appraisal includes two components. The first component focuses on the employees' prior knowledge of the organizational expectations of their performance (e.g., achieving goals; innovating on the job). Critically, of course, these performance appraisal processes should be strategically aligned with the organization's overall strategic objectives (Tichy/Fombrun/Devanna 1984). The second component highlights the importance of the feedback that employees receive regarding their performance and job-related behaviors. Recent research has revealed considerable support relating performance appraisal to high grades of firm-level performance (DeNisi/Smith 2014). Notably, however, regarding the specific relationship between performance appraisal and organizational innovation, findings are not yet definitive: Only Ling and Nasurdin, (2010) found that performance appraisal affects one aspect of organizational innovation positively, namely, administrative innovation.
- (3) **Career Management** (also referred to as internal mobility). For the most part, organizations no longer actively plan the individual careers of their employees; in our age, the burden of career management is on the individual. However, organizations are still an important factor in shaping careers through determining opportunity structure plans (e.g., career-lattice model, internal job boards) through which mobility occurs (Cappelli/Keller 2014).

That is to say that there exists one aspect of staffing which deals primarily with the internal work force by means of extending promotional opportunities to its organizational members. When management offers opportunities for advancement within the organization and promotes its employees, it is a means of recognizing workers' accomplishments. This signals to employees that the organization values their contributions and is willing to invest in them further by promoting them to positions of greater responsibility (Gavino 2005). Career management provides an opportunity for an organization to achieve congruence of the interests and aspirations of high-performing individuals with organizational business needs (Mishra/Sachan 2012). Specifically, within the context of this research undertaking, this facilitation of internal mobility of talent has been shown to foster organizational learning and innovation (Leavy 2005).

- (4) **Participation in decision-making.** Participation in decision-making is defined as influence sharing between hierarchical superiors and their subordinates (Mitchell 1973; Wagner/Gooding 1987). Studies have revealed that employee participation in decision-making leads to positive organizational outcomes such as higher job performance and organizational performance (e.g., Kim/MacDuffie/Pil 2010; Ojokuku/Sajuyigbe 2014). Specifically, participation in team decision-making spurs job-related innovation (De Dreu/West 2001).

However, based on their meta-analysis, Wagner and Gooding (1987) suggested that methodological artifacts explain many of those positive findings. Significantly, it is important to elaborate on the aspect of cross-cultural contexts when seeking to understand and explain differences between studies. We point to Ronen and Shenkar's (1985) observation that there are differences between Western and non-Western countries in attitudinal dimensions, and to Cohen's (2006) comment that organizational researchers and practitioners show interest in comprehending cultural similarities and diversities. Consequently, in the current research study, we hypothesize Human Resource Strength (HRS) as an important variable in the HRM practices-innovation relationship, while referring to a specific Romanian culture.

Romanian culture and HRM

Aycan et al. (2000) observed how the socio-cultural environment influences internal work culture and human resource management practices. Additionally, a meta-analysis conducted by Rabl and colleagues (2014) revealed that the effect of a bundle of HRM practices also varies across different national cultures. With respect to our current research, we highlight the aforementioned field study conducted by Sanders et al. (working paper). This study, conducted in 11 countries (Romania not included), further underscored that national culture affects the re-

relationship between HRM practices and employees' innovative behavior (through interaction with HRM strength).

Romania, a country currently in transition from a centrally planned economy to a free-market economy, offers a unique and interesting focus since, "little is known about the possibilities of applying Western conceptual models in an Eastern-European context" (Buzea 2014: 426). Indeed, Constantin, Pop and Stoica-Constantin (2006), researching 558 company managers in Romania, concluded that modern HRM in Romania is in its infancy after the communist period, and that the HRM process faces important challenges. They noted that "HRM does not seem to be one of the priorities of the managers included in the present study. Most of them have never solicited HRM consulting and do not intend to do so in the near future, nor have they hired an HRM specialist" (p.764). Accordingly, Dalton and Druker (2012) stated that the nature of Romanian business militates against a strong HRM presence and in many organizations, HRM practices are perceived as a lower level administrative process (e.g., recruiting, staffing, and training). HRM is neither valued as a catalyst of organizational development nor as central to the organization's competitive advantage (Amaria 2008; Buzea 2014). Significantly, Poor and Plesoianu (2010) summed up their study of the Romanian civil service by concluding that traditional Human Resource Management approaches no longer work in that country. The authors thought that the time had come to devote more attention to best practices.

In light of this discussion, we saw as a challenge the unique opportunity to study the relationship between HRM (practices and strength) and organizational innovation in the rising HRM culture in Romania, all the more so because the management aspects of the modernization of Romania are under-reported in the literature (Dalton/Druker 2012: 588). After Fein, Tziner, Vasiliu and Felea (2015), we observe that Romanian managers – particularly the generation of managers that can recall working within the communist labor system – are beginning to understand the need for a different leadership style.

Human Resource Strength (HRS)

We recall that, in their introductory discussions of the topic, Bowen and Ostroff (2004) posited that the relationship between HRM systems and performance is mediated by psychological strength. They defined this concept as the "strength of the HRM system" or "Human Resource Strength" (HRS) which, in short, describes the convergence (or divergence) in people's perceptions of their organizational situations. In what they term the process approach to HRM, Bowen and Ostroff proposed that HRM practices can be viewed as a signaling function that sends messages that lead to employee perceptions, which in turn lead to specific attitudes and behaviors. When employees perceive the HRM system to be consistent, this perception contributes to positive and firm performance by moti-

vating employees to adopt desired attitudes and behaviors (Bowen/Ostroff 2004; Sanders/Shipton/Gomes 2014). When the HRM system is strong, all employees in an organization perceive the HRM messages in a similar way, and consequently they all have a common understanding of what is expected of them and how they should behave (Sanders/Dorenbosch/de Reuver 2008; Li/Frenkel/Sanders 2011; Ribeiro/Coelho/Gomes 2011). However, when the HRM system is weak, the workers perceive the HRM messages as ambiguous and the organization struggles to achieve its strategic goals (Bowen/Ostroff 2004; Sanders et al. 2008).

Innovation: Innovative work behaviors and organizational innovation

Innovation has been defined as "a strategic orientation involving the regeneration of product, process, services and or strategies" (Sanders/Lin 2016: 32). Examples of innovation include improvement in software, new processes of production methods, and new marketing methods (OECD 2005; Fay/Shipton/West/Patterson 2015). Innovation is a major differentiator for organizations and a critical factor for organizational growth and competitive advantage (Cunha/Cunha 2004), and is considered to contribute positively to business performance (e.g., Jiménez-Jiménez/Sanz-Valle 2011).

At this point, it is important to stress the difference between *innovative work behavior* and *organizational innovation*. Innovative work behavior – also known as entrepreneurial behavior (after Sanders/Lin 2016) – is defined as an individual's behavior that aims to achieve the initiation and intentional introduction of new and useful ideas, processes, products or procedures (Farr/Ford 1990). These innovative work behaviors are discretionary behaviors and are not part of the employees' formal job description (Janssen 2000). Examples of innovative work behaviors are paying attention to issues that are not part of the employee's daily work, wondering how to improve things, and searching out new work methods, techniques or instruments (De Jong/Den Hartog 2010).

Organizational innovation, in contrast, focuses on the adoption of innovations at the organization level (Damanpour 1991). The term applies to organizations that are unceasingly and deeply changing their processes, systems, techniques, and services to newer and better ones (Ling/Nasurdin 2010). Another close designation is that of "Innovation Performance" (also called Innovativeness) that defines the level of organizational performance against that of relevant competitors in areas such as financial performance, terms of service quality, product to market time, and rate of innovation (Cunha/Cunha 2004). In this field, it can be useful to take a global look at the relative overall innovation performance of competing organizations with respect to their ability to generate product innovations and innovativeness within their products and services (Hurmelinna-Laukkanen/Gomes 2012). In the current research, we have defined organizational innova-

tion as the implementation of new organizational methods (OECD 2005); it is non-technological innovation, not product or process innovation (Strategy OECD Innovation 2009). For this purpose, an example of organizational innovation might be the implementation of activities that increase employees' autonomy in decision-making and that encourage employees to contribute their own ideas (OECD 2005).

HRM practices, HRM strength and Innovation

Scholars in the area of HRM argue that employees' expectations of HRM moderate the relationship between perceived and implemented HRM practices (Piening/Baluch/Ridder 2014). This supposition is compatible with the previously mentioned process approach of HRM, which raises the expectation that the way that employees perceive the content of HRM practices, namely Human Resource Strength (HRS), contributes to the link between HRM and employee attitudes and behaviors (Bowen/Ostroff 2004). This supposition is supported by Cunha and Cunha's (2004) study of organizational information from companies in 28 countries (not including Romania) that revealed the impact of HRM strength, specifically on employees' innovation work behavior. In contrast, Hurmelinna-Laukkanen and Gomes (2012) did not find significant correlations between HRM strength and innovation performance, although there were significant positive correlations between certain sub-dimensions of HRM Strength and innovativeness. However, the recent studies of Sanders and colleagues, among others, appear to indicate decisively that HRM strength acts as a moderator between HRM practices and employees' innovative behavior (Bednall/Sanders 2014; Bednall/Sanders/Runhaar 2014; Sanders/Yang 2015). To be more accurate, Bednall et al. (2014) found modest positive effect of performance appraisal on innovative behavior, while Bednall and Sanders (2014) found modest positive effect of formal training on innovative behavior. In both studies, the relationships were stronger when employees could understand HRM in the way management intended, namely, HRM strength was high (distinctive, consistent and consensual). In sum, our discussion leads to the conclusion that, one way or another, HRM practices are effective in promoting employees' innovative behavior, and all the more so when employees can make sense of HRM (high HR strength).

Taking a closer look at the possible relationship between HRM and organizational innovation, we note, after Sanders and Lin (2016), that Oladapo and Onyiaso (2013) revealed that two out of three sub-dimensions of high performance work systems (HPWS) practices act as predictors of organizational innovation. (These two sub-dimensions relate to "Administrative HR" practices and "Merit-Based HR Evaluation", respectively). Notably, Fay and colleagues (2015) found that an HRM practice (taking time out in order to review team performance) functioned as a moderator between teamwork and organizational in-

novation, albeit a technological innovation related to products and technical systems (unlike our specified definition).

It is significant that a deep examination of the relationship between HRM strength and innovation in various studies reveals that many researchers have not employed organizational innovation as the dependent variable; rather other types of innovative behaviors or performance serve in that role. Based on this observation, we now turn to the salient question: Does HRM strength act as a moderator or as a mediator in the relationship between HRM practices and organizational innovation.

The role of HRM strength as a moderator between HRM practices and organizational innovation

Although, for the most part, the cited results of HRM strength as a moderator apply to the HRM practices-innovative behaviors relationship, we believe that the rationale of the moderation model is constant. Moreover, since HRM practices generate organizational structures that enable knowledge flow within and across organizational boundaries (Sparrow 2016), it follows that the results of Sander et al.'s investigations can be replicated and applied to organizational innovation as a dependent variable. As mentioned above, the four best practices that we studied correlate with some aspects of organizational innovation or job-related innovation. However, we stress that only when the HRM system is recognized as strong with real capabilities to implement organizational change, will the organization be able to intensify the generation of innovation in its processes.

By way of example, we could appreciate that training – a standard HRM system best practice in organizations – potentially may not lead to either the desired employee acquisition of knowledge and skills or to innovative improvements. Reasons might include low willingness to transfer the knowledge, boring training sessions that reduce motivation to learn, and lack of congruence between training sessions and the necessary skills needed to innovate new methods. Strong HRM, however, should act to strengthen the impact of the training by raising employee motivation, thus maximizing the absorption of the knowledge and skills needed for organizational innovation. Accordingly, participation in decision-making mostly increases important bottom-up information and generates brainstorming. Therefore, we believe this is an especially important practice for enhancing organizational innovation. We appreciate that when there is legitimacy and visibility for this practice – and consistency about all attributes of HR strength across the organization and over time – the relationship between decision-making and organizational innovation will be higher. However, if HR strength is low, decision-making can easily become "groupthink" that can strongly impair organizational innovation.

Furthermore, using the same rationale, we contend that HRM strength is also likely to act as a moderator on performance appraisal. HRM strength refers to the communication process through which HRM sends its messages to employees and shapes their view of what is required of them. When both employees and managers understand, and are focused on, the criteria of assessment derived from organizational priorities, HRM strength helps the organization become more innovative.

Career management, another aspect of HRM system best practices, can also contribute to innovation: If an organization's directorate wants its employees (including management, teams, and units) to be innovators, it must reduce among its employees the perceived risk that might be associated with their incorrect ideas or actions (Sparrow/Shipton/Budhwar/Brown 2016: 328). This message can be carried to the employees by the practice of filling staff vacancies and promoting employees from within the organization, in contrast to taking on outsiders to fill the jobs. Consequently, and at a certain level, employees will be more likely to be innovative, in order to excel and to stand out for future promotion venues.

Based on this premise, and with respect to the work of Sanders and colleagues, we hypothesize that HRM strength will be a moderator between HRM practices (training and education, career management/internal mobility, participation in decision-making, and performance appraisal and reward) and organizational innovation.

The research hypotheses for the moderation effect of HRM strength are thus:

Hypothesis 1: HRM strength will moderate the relationship between HRM practices and organizational innovation.

Hypothesis 1 a: HRM strength will moderate the relationship between training and education and organizational innovation.

Hypothesis 1 b: HRM strength will moderate the relationship between career management and organizational innovation.

Hypothesis 1 c: HRM strength will moderate the relationship between participation in decision-making and organizational innovation.

Hypothesis 1 d: HRM strength will moderate the relationship between performance appraisal and reward and organizational innovation.

The role of HRM strength as a mediator between HRM practices and organizational innovation

HRM strength can also serve as a mediating mechanism through which HRM makes a positive difference in organizational outcomes. Notably, HRM practices derive from organizational strategy (what knowledge or skills are considered necessary to achieve the strategy, what performance and/or behaviors should be appraised and rewarded, and so on). Following Bowen and Ostroff's (2004) caveat that HRM practices can be viewed as a signaling function by sending messages that lead to employee attitudes and behaviors, it follows that the more HRM practices are valid and well-structured, the better they signal clear and consistent messages (HR strength) that encourage positive behaviors and actions, such as seeking and implementing new organizational procedures. For example, if the training in the enhancement of interpersonal skills that an organization employs as part of its best-fit HRM practices meets the above criteria, this training module is likely to produce a wide consensus regarding its importance to the organization. Correspondingly, this specific training module is likely to be applied more consistently across all levels of management (high HRM strength). Consequently, there is a higher probability that organizational innovation will occur, insofar as management is spurred to introduce further influential tactics that correspond to the specific characteristics and needs of their subordinates, for the good of the organization. When the perception of HRM strength is high, the experience also motivates both employees and managers to suggest, share, and examine new processes and techniques, since both supervisors and employees feel respected and considered as assets to the organization: They believe in the power of HRM to empower them.

High HRM strength promotes the perception of distinctiveness, consistency, and consensus about the HRM practices in the organization so that employees and managers customarily employ them. According to Cavagnoli's model (2011), organizational innovation is a reflection of "a functionally flexible division of labor" (p.112), which can be seen as a learned and transmitted factor embedded in the culture of the organization, with its own particular norms of behavior.

In sum, HRM best practices lead employees and managers to grasp HRM as an important function in the organization, even a strategic one. They perceive HRM as a tool and make a habit of employing the best HRM practices for the promotion and implementation of current and innovative organizational methods and processes. Logically, we can argue that HRM strength does indeed play a significant role of mediator between HRM practices and organizational innovation.

The research hypotheses for the mediating effect of HRM strength are thus:

Hypothesis 2: HRM strength will mediate the relationship between HRM practices and organizational innovation.

Hypothesis 2 a: HRM strength will mediate the relationship between training and education and organizational innovation.

Hypothesis 2 b: HRM strength will mediate the relationship between career management and organizational innovation.

Hypothesis 2 c: HRM strength will mediate the relationship between participation in decision-making and organizational innovation.

Hypothesis 2 d: HRM strength will mediate the relationship between performance appraisal and organizational innovation.

Method

Participants

Data were collected from a conveniently selected sample of 323 managers of various industrial companies in Romania, trading in the following fields, among others: agriculture, energy, manufacturing, building, retail, transport, and services. 54.8% of the participants were males and 45.2% females, between the ages of 19 and 64 ($M = 38.01$, $SD = 10.22$) with tenure ranging between 1 and 40 years ($M = 9.11$, $SD = 7.22$). 33.2% of the participants were single and 66.8% were married or living with a partner. 98.8% were born in Romania. 13.2% subjects completed high school or had some academic training; 86.6% held a university degree. 14.5% participants worked in the public sector or government, 73.5% worked at a profit organizations, 3.4% worked at non-profit organizations, and 8.6% were self-employed. Only 16.6% were unionized employees. 17.8% reported an annual income of less than £20,000; 23.7% between £20,000-30,000; 22.8% between £30,000-40,000; 14.5% between £40,000-50,000; 8.3% between £50,000-60,000; 3.1% between £60,000-70,000; and 9.8% £70,000 or more. 46.5% of the participants held interim management jobs, while 53.5% held top managerial jobs. 35.4% worked in small organizations with less than 25 employees, 29.2% worked in medium organizations with 26-100 employees, and 34.4% worked in large organizations with more than 100 employees.

Procedure and measures

Questionnaire. Participants filled out a paper-and-pencil questionnaire, all items of which were taken from a questionnaire on employees' attitude to work that was part of a world-wide survey investigating Human Resource Management, compiled by Prof. Karin Sanders, Dr. Helen Shipton, and five more AOM members. Participants were instructed to give honest answers about their perceptions.

HRM practices. A 15-item scale, used to measure high commitment to Human Resource Management (Low to High), was derived from Sanders and colleagues

(2008), who reported a Cronbach's alpha of .80 for this scale. The items were measured on a 6-point rating ranging from 1 (strongly disagree) to 6 (strongly agree). The questionnaire is attached in Appendix 1. This measure represents a 'bundle' of various high commitment HRM practices, as follows:

- i. *Training and education.* Four items measured HRM practices related to training and education: For example, "I have had sufficient job-related training". The measure was calculated as the mean of each respondent's responses to the four items. In the current study, the reliability of training and education and other characteristics was: $\alpha = .85$, $M = 4.71$, $SD = 0.90$.
- ii. *Career management.* Three items measured HRM practices related to career management. For example, "This organization promotes from within". The measure was calculated as the mean of each respondent's responses to the three items. In the current study, the reliability of career management and other characteristics was: $\alpha = .87$, $M = 4.64$, $SD = 1.01$.
- iii. *Participation in decision-making.* Four items measured participation in decision-making. For example, "I am often asked to participate in decisions". The measure was calculated as the mean of each respondent's responses to the four items. In the current study, the reliability of participation in decision-making and the other characteristics was: $\alpha = .79$, $M = 5.09$, $SD = 0.71$.
- iv. *Performance appraisal and reward.* Four items measured performance appraisal and reward. For example, "There is a strong link between how well I perform my job and the likelihood of my receiving recognition and praise". The measure was calculated as the mean of each respondent's responses to the four items. In the current study, the reliability of performance appraisal and reward and the other characteristics was: $\alpha = .84$, $M = 4.62$, $SD = 0.93$.

HRM strength (HRS). There are limited scales in the literature to measure Human Resource Strength, because it is a relatively new construct in HRM research. The most recently developed Human Resource Strength scale identified in the literature was developed by Coelho et al. (2012). A revised and shorter version (15 items; see below) was used in this study to measure Human Resource Strength (Gomes et al. 2013). The shortened scale had maximized intradimension correlations, and the most reliable items were taken from each subscale to best measure the concepts. Reliability coefficients for the nine subscales of Human Resource Strength ranged from $.70 < r < .92$, and hence were all above the recommended point of $.70$ (Hair et al. 2009). Items were rated on a 6-point scale, from 1 (strongly disagree) to 6 (strongly agree). Respectively, three subscales measured the distinctiveness ($\alpha = .86$), consistency ($\alpha = .92$) and consensus ($\alpha = .81$) of the Human Resource Strength variable.

- i. *Distinctiveness.* Respectively, four items measured the visibility, understandability, relevance and legitimacy of authority of HRM practices. For example, an item measuring the understandability of HRM practices is, "HRM

- practices are well-known by everybody in my organization” ($\alpha = .86$, $M = 4.48$, $SD = 0.92$).
- ii. *Consistency, instrumentality and validity.* Respectively, seven items measured if the HRM system communicates regular and consistent messages over time (instrumentality, validity and consistency). Of these, two items measured the instrumentality of the HRM messages. For example, “HRM practices in my organization contribute to having highly skilled employees”. Two other items assessed the validity of the HRM messages. For example, “In my organization skills and competencies acquired through training are applied to the work we do”. The remaining three items on the subscale measured the consistency of the HR messages ($\alpha = .92$, $M = 4.66$, $SD = 0.83$).
 - iii. *Consensus.* Four items, respectively, measured the agreement among decision-makers and the fairness of HRM practices. Two items assessed the agreement among decision-makers, for example, “Managers in my organization agree on how to follow HR guidelines”. The other two items measured the fairness of the practices, for example, “Supervisors make an effort to treat staff fairly” ($\alpha = .81$, $M = 4.67$, $SD = 0.84$).

Confirmatory Factor Analysis (CFA) using AMOS software was conducted to test the structure of the three sub-dimensions of HR strength. The results show very high correlation between three HRM strength factors (.89–.99); consequently, all three subscales were unified to one measure, named HR-Strength. One factor model was fitted well, and all indices were acceptable with χ^2 (60) = 179.6, $P < .01$, $\chi^2/df = 2.99$, CFI = .965, NFI = .949, RMSEA = .078. In the present study, there was adequate reliability of the total measure of HR strength ($\alpha = .95$, $M = 4.62$, $SD = 0.80$).

Organizational Innovation. Subjects were asked about innovation in their organizations (namely, managers’ perceived organizational innovation). Four items were adapted from the West and Anderson (1996) group innovation measure, adapted to managers (West and Anderson adapted the items from an individual role innovation measure, after West 1987). Examples of items include: “We are more innovative than our competitors in deciding what methods to use”; “We are more innovative than our competitors in initiating new procedures or systems”. Respondents were asked to indicate the extent to which each statement was true of their organization on a 6-point scale ranging from 1 = strongly disagree to 6 = strongly agree. The measure was calculated as the mean of each respondent’s responses to the four items. In the present study, the reliability and the other characteristics of the total measure of Organizational Innovation were: $\alpha = .91$, $M = 4.62$, $SD = 0.85$.

West and Anderson (1996) used three criteria, respectively, to measure overall group innovation, namely, (a) Teams’ self-perceptions of innovativeness, (b) Individual propensity to innovate (individual innovation) and (c) Overall innova-

tion aspect (an overall evaluation of innovations by thirty independent domain-relevant experts). However, teams' self-perceptions of innovativeness was correlated strongest with overall innovation aspect ($r=0.73$, $p<0.01$). We therefore decided to concentrate only on the overall innovation aspect (organizational innovation), a highly important aspect of innovation in our research. (Note: In the tables, this measure is designated as "Innovation")

Results

Means, standard deviations, correlations and reliabilities are reported in Table 1. All four HRM practices were significantly correlated with HRM strength and organizational innovation as shown in Table 1. Additionally, a positive relationship was found between HRM strength and innovation ($r=.51$, $p<.01$).

Table 1: Means, Standard Deviations, Correlations and Reliabilities (N=323)

	1	2	3	4	5	6
1. Training and Education	---					
2. Career Management	.35**	---				
3. Participation in decision making	.38**	.39**	---			
4. Performance Appraisal	.49**	.44**	.60**	---		
5. HR Strength	.63**	.38**	.45**	.61**	---	
6. Innovation	.38**	.42**	.39**	.43**	.51**	---
7. Mean	4.71	4.65	5.08	4.63	4.63	4.62
8. Standard Deviation	0.90	1.01	0.71	0.91	0.78	0.84
9. Reliability	.85	.87	.79	.84	.95	.91

Notes: $n=323$; ** Coefficient is significant at the .01 level (1-tailed)

We conducted hierarchical regression analysis using SPSS software in order to test the moderation effect of HR strength on the link between HRM practices and innovation (Model 1). Three steps were conducted. The first step included all four practices of HRM. The second step included HRM strength. At the third step, all four interactions were added. Table 2 displays the results of the moderation effect of HRM strength.

Table 2: Results of Moderated Regression Analysis for Predicting Innovation

STEP 1	Beta	t	ΔR^2
TR	.180	3.19**	.277**
CM	.226	4.13**	
DM	.465	2.67**	
PA	.123	1.85**	
STEP 2	Beta	t	ΔR^2
TR	.042	0.69**	.049**
CM	.209	3.95**	
DM	.134	2.24**	
PA	.014	0.20**	
HRS	.327	4.79**	
STEP 3	Beta	t	ΔR^2
TR	.089	1.42**	.034**
CM	.228	4.34**	
DM	.085	1.37**	
PA	.027	0.39**	
HRS	.341	5.04**	
TExHRS	.214	3.35**	
CMxHRS	.032	0.56**	
DMxHRS	-.103	-1.75**	
PAXHRS	-.121	-1.81**	

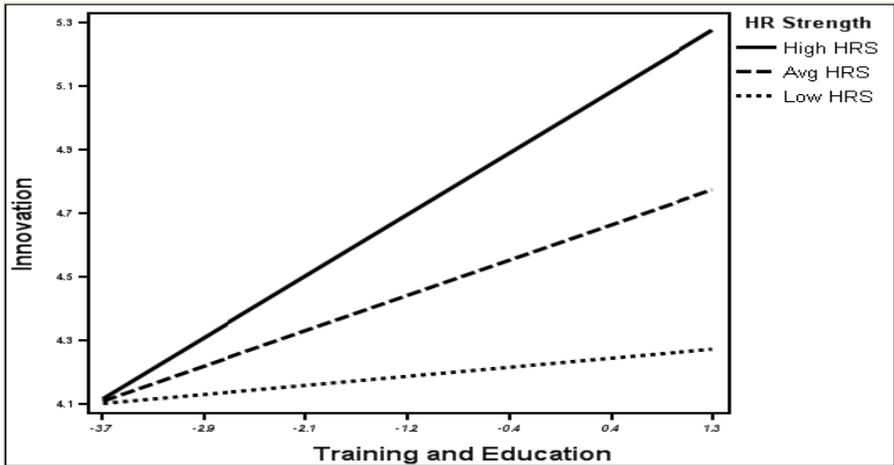
Notes: n=323; * Coefficient is significant at the.05 level, ** Coefficient is significant at the.01 level (2-tailed), Total R^2 .36.

Results and Conclusions (Model 1). The results in Table 2 show a significant interaction between Training and Education and HRM strength ($\beta = .214$, $t=3.35$, $p<.01$), suggesting that there is a moderation effect of HRM strength on the relationship between Training and Education and Innovation, therefore, hypothesis H1 a was confirmed.

All other three interactions are not significant; therefore, hypotheses H1 b, H1 c, and H1 d were not supported.

The interaction between Training and Education and HRM strength is depicted graphically, based on standard deviations above and below the mean (Figure 3). Using SPSS split file procedure by the level of HR strength (low, medium and high) and linear regression between Training and Education and Innovation, we noted that only for *high* level HRM Strength, the relationship between Training and Education and Innovation is positively significant ($\beta = .325$, $t=3.53$, $p<.01$). For low or average HRM Strength, this relationship is not statistically significant ($\beta = .062$, $t=0.63$, $p>.05$; $\beta = .143$, $t=1.48$, $p>.05$) respectively.

Figure 3: Moderating Effect of HRM Strength on the Training and Education – Organization Innovation Relationship



Results and Conclusions (Model 2). Mediation analysis was conducted exploiting the bootstrapped approach suggested by Preacher and Hayes (2004), using AMOS statistical software.

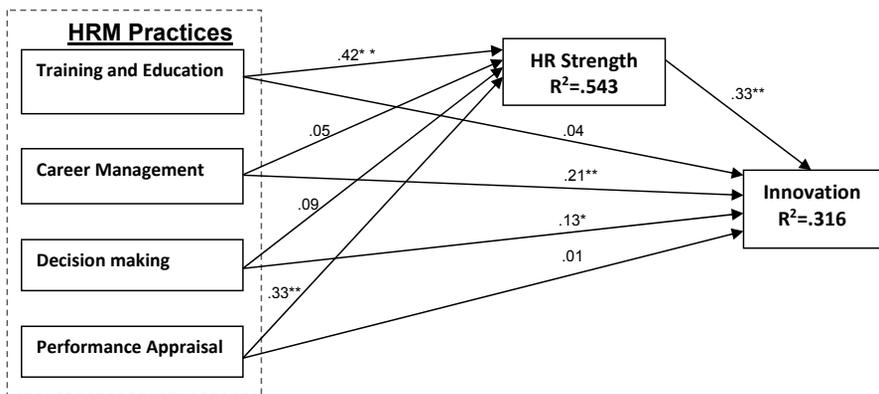
- i. *Training & education.* As shown in Table 3, a significant *indirect effect* was found between the first HRM practice, training and education (TR), and innovation through HRM strength ($\beta=.137$, $p<.01$). No *direct effect* (after including HRM strength as the mediator) was found between TR and innovation ($\beta=.04$, $p>.05$); therefore, HRM strength is a *full mediator* between TR and innovation (H2 a was confirmed).
- ii. *Career management.* The second HRM practice, career management (CM), has no significant indirect impact on innovation ($\beta=.017$, $p>.05$) through HRM strength. However, a direct effect was noted ($\beta=.209$, $p<.01$). Therefore, there is no effect of HRM strength as mediator between career management and innovation (hypothesis H2 b was not supported).
- iii. *Decision-making.* The third HR practice, participation in decision-making (DM), has no significant indirect effect on innovation ($\beta=.03$, $p>.05$), but a direct effect was found ($\beta=.134$, $p<.05$). Therefore, there is no effect of HR strength as mediator between participation in decision-making and innovation (hypothesis H2 c was not upheld).
- iv. *Performance management.* The fourth and last HRM practice, performance management (PM), has an indirect effect on innovation through HRM strength ($\beta=.109$, $p<.01$), but has no significant direct effect on innovation ($\beta=.014$, $p>.05$). Therefore, HR strength is a *full mediator* between PM and innovation (hypothesis H2 d was corroborated).

Table 3: Direct and Indirect Effect of HRM Practices on Organizational innovation through HRM Strength

Hypothesis	Direct Effect (X → Y)	Indirect Effect	Results	Research Hypothesis
TR →HR-S→Innovation	.042(ns)	.137**	Full Mediation	H2 a: con- firmed
CM →HR-S→Innovation	.209**	.017 (ns)	No Mediation	H2 b: not sup- ported
DM →HR-S→Innovation	.134*	.003 (ns)	No Mediation	H2 c: not sup- ported
PM →HR-S→Innovation	.014(ns)	.109**	Full Mediation	H2 d: con- firmed

Notes: n=323; *p<.05, **p<.001.

Figure 4: Results of Mediation Effect Using Amos Bootstrapping Method



Note: The standardized regression coefficients are depicted on the paths of Figure 4.

Notes: n=323; *p<.05, **p<.001.

Discussion

In the present study, we took a macro-level perspective to look at how HRM practices promote organizational level innovation. We sought to explore the role of HRM strength as both a moderator and mediator in the relationship between HRM practices and organizational innovation. As we noted, these two roles can be justified by the literature, although HRM strength’s role as a moderator in a similar relationship (HRM practices-innovative behaviors) is more profound (e.g., Sanders/Yang 2015). The study was conducted with managers in Romania – a country that is currently developing its HRM after years under the communist regime. Our findings indicate that HRM strength plays a double role, as a

moderator and as a mediator, between training and education (TR) and organizational innovation. It also serves as a mediator between performance appraisal (PA) and organizational innovation. There is no moderate or mediate effect of HRM strength between other HRM practices, namely, career management (CM) and participation in decision-making (DM), respectively, and organizational innovation. Sanders and colleagues (working paper) analyzed the interaction of HRM strength for similar HRM practices (training, internal mobility, participation, and performance-based rewards) and discovered that only the performance-based reward dimension showed a significant interaction with HRM strength. As noted, that particular research investigated employee innovation behaviors and not organizational innovation, *per se*. Additionally, we have noted that the effect of HRM strength on the relationship between bundles of HRM practices and employee outcomes varies between countries (Sanders et al. 2008; Li et al. 2011).

We can conclude that HRM strength plays an important role in promoting innovation in the workplace. We have observed the consensus in the literature regarding employees: When they perceive HRM within their organization as distinctive, consistent and consensual, they have a better understanding of what kinds of innovative behaviors on their part management expects, supports and rewards (Bednall et al. 2014; Bednall/Sanders 2014; Sanders/Yang 2015). The current research expands that when *management* perceives HRM as strong (and by association, the workers do too), not only does the quality and quantity of individuals' innovative behaviors increase, but also the positive perception of organizational innovation increases among both workers and management.

In general, the range of HR practices influences employee behavior in the desired direction (Paauwe/Boselie 2005), yet they are not all equally effective regarding their impact on organizational innovation. Our findings show that although all four practices are part of HRM, managers (and perhaps employees) might only perceive some as belonging to HRM – specifically training and performance appraisal. It seems these are perceived in essence as HRM practices, and therefore HRS functions as a moderator (in training) and as a mediator (in training and performance appraisal) in the relationship between these practices and organizational innovation.

As stated, of these practices, ongoing training appears to be the most tangible: Employees usually undergo training in the initial stages of their working life in the organization, and generally continue that process on a regular basis together with their colleagues. It is probably safe to presume that also under the communist regime training was a clear and profound HRM practice. Strong HRM should act as a moderator, which strengthens the impact of the training by raising employee motivation, and thus maximizing the absorption of the knowledge and skills needed for organizational innovation. In the same vein, as mediators, training and performance appraisal lead managers to perceive HRM as a tool for

signaling clear and consistent messages (HR strength). That makes the use of training and performance appraisal a customary practice for the promotion and implementation of current and innovative organizational methods and processes. Regarding performance appraisal, in Romania, under Communism, there were no such practices because appraisal, *per se*, contradicted socialist egalitarianism (Dalton/Druker 2012), and bonuses were more likely to be awarded for loyalty than individual or group performance (Maruyama 1993). So, within that context, we tend to believe that new performance appraisal procedures in Romania will be powerful in promoting perceptions of HRM strength.

As mentioned above, Bednall et al. (2014) and Bednall and Sanders (2014) found HRM strength as a moderator in the relationship between performance appraisal and training (respectively) and innovative behaviors (but not between the other HRM practices and innovative behaviors). Although our study is about organizational innovation (and not innovative behavior), HRS was found to be both a mediator and a moderator of training-organizational innovation and only a mediator of performance appraisal-organizational innovation. There is no doubt that many studies testify to the significant role of HRS in increasing innovation (whether as a mediator or moderator) in relation to training and performance appraisal.

The two remaining practices – decision-making and career management – are obviously perceived as management practices that deal with formal-administrative aspects rather than essence. Although we considered both to be HRM practices, they do not contribute to its strength. With respect to Romania, in particular, it is relevant to note that the Romanian leadership leans towards the autocratic style (55 percent of the leaders in Romania are authoritarian and 45 percent are democratic). Romanian managers are thus less likely than their western counterparts to involve their subordinates in decision-making; indeed, they frequently retain the final decisions (Aioanei, 2006). Therefore, not surprisingly, participation in decision-making in this context was (and is) unlikely to predict HR strength significantly since the criterion is likely to be perceived as a manager's characteristic.

Both decision-making and career management, however, have a direct – but not indirect – effect on organizational innovation. Specifically, regarding participation in decision-making, the average degree of participation perceived by the managers was high (5 out of 6). When participation in decision-making is perceived as high, it follows that organizational innovation would (also) be perceived as high because of the shared knowledge and brainstorming – and the opposite is true.

Similarly, promotion from within the organization was perceived as relatively high (4.46 out of 6). Notably, however, career management (the confidence of promotion from within the organization) is not a strong practice in Romania be-

cause, in a country not far removed from the influences of Communism, promotion is likely to be based more on political considerations and cronyism than professionalism and other transparent criteria (Gallagher 2005). In all likelihood, this relatively high level of perception is a reflection of managers' political power (that passes through HR as a formality), and is not indicative of an HR practice that creates organized career paths as a function of training and performance appraisal. Romanian employees thus do not perceive promotion as contributing to HRS. Inside promotion, however, is likely to be perceived as contributing to organizational innovation because, following Sparrow et al. (2016), such promotion reduces the pressure of poor decisions managers might make in an effort to be innovative

As we see, in Romania not every HRM practice has the same effect. As implied by the Contingency Perspective, the effectiveness of HRM strategies depends also on the environment (Delery/Doty 1996) – in this study, the Romanian culture. Our findings are congruent with the findings of Sanders and colleagues (working paper) that national culture affects the relationship between HRM practices and employees' innovative behavior.

In our study, HR strength was positively related to organizational innovation. HR strength (when strong) can lead to HR messages perceived as clear and consistent concerning the importance of professional collaboration and the acquisition and sharing of knowledge, which are critical factors in enhancing innovation in the workplace (Huber 1991; Zahra/George 2002). Clearly, training and education are key processes for both the initial and consequent stages of acquiring the knowledge and skills that serve as the basis for successful work performance.

Our results, pertaining to both moderation and mediation, reinforce the notion that the HR process – the psychological processes through which employees give meaning to HRM – can partially explain the relationship between HRM and innovation. Specifically, the various managers in the current study demonstrated such meaning (according an HRM strength of 4.62 out of 6). This perception led them to believe that their organizations were more innovative than were their respective competitors.

The current finding is particularly intriguing when taking into account the Romanian culture where, previously, HR was held in low status (Amara 2008; Dalton/Druker 2012). Now, we can see the winds of change. The HR strength is quite solid (4.62 out of 6) and the average score of all HRM practices in the questionnaire is above average (over 3). It is likely that traditional Human Resource Management approaches are no longer viable (Poor/Plesoianu 2010), and that the transfer of westernized HR ideas to Romania through the medium of multinational enterprises (Dalton/Druker 2012) is having its effects on the HR systems in that country. However, we must be prepared to consider that when

there is cultural diversity, on the one hand, and tension between modern HR values (e.g., liberalism, flexibility, and participation) and historical cultural values (e.g., autocratic), on the other hand, HR practices are really, "labels or slogans which belie the activities carried out in their name" (Dalton/Druker 2012: 599). This supposition is reinforced by the clear distinction in the literature made between *intended* HRM practices (those designed on a strategic level), *actual/implemented* HRM practices (those implemented, for instance, by supervisors), and *perceived* HRM practices (those perceived by employees) (e.g., Wright/Nishii 2007; Kehoe/Wright 2013). We believe that in Romania there might indeed be a gap between the perceived and actual HRM practices. There is a possibility that the managers report on HR practices but in reality, these practices are not fully implemented.

Implications for organizations

First, specifically because strong HRM results in both an enhanced perception of the organization's human resource management and consequent, significant positive contributions to organizational innovation, organizations should invest strongly in the best HRM practices and, in particular, training and performance appraisal. More precisely, the strength of HRM lies not only in the enhancement of the relationship between HRM practices and organization innovation (Human Resource Strength-HRS – as a moderator), but it is also the variable, the catalyst in the organization, that "makes things happen", since Human Resource Strength is the preliminary spur to organization innovation (Human Resource Strength-HRS – as a mediator). Innovation is promoted and shaped through individuals or groups engaging with the context; it does not occur in a vacuum (Shipton et al. 2016). Therefore, organizations willing to be innovative in their processes and methods, should first implement well-designed HRM practices (such as training and PA) that engage their employees, and that empower the perception of HRM as a professional, strategic and crucial contributor to the innovation advantage of the company.

Second, international companies that have sites in post-Communist Romania should be cognizant of the differences between their (Western) perceptions and the Romanian perception of HRM. Romanian organizations are still undergoing a cultural transition that involves learning new managerial procedures and practices. The literature attests to a generally poor localized perception of HRM in Romanian organizations; it is considered unprofessional and lowly valued. Consequently, it is especially important to sensitize decision-makers to this perception, and to reinforce HRM as a catalyst for positive outcomes, such as organizational innovation, in order to change this situation. Strengthening the perception of HRM with best practices (training and performance appraisal) might help to enhance HRM "branding" as strategic.

Limitations and recommendations for future research

First, the research variables in this study were collected from single-source data, namely self-report questionnaires filled out by the respondents. Therefore, common method bias cannot be entirely excluded.

Second, the measures of organizational innovation employed in this research were somewhat restricted. We recommend, in future research, employing additional, objective measures of innovation, such as market share, new products, and organizational growth.

Third, since all of the study variables were examined concurrently, we are limited to a picture that is cut in real time. In order to put this study into a longitudinal context, and in the light of the changes occurring in Romania, we advocate a long-term investigation that reflects the possibility of ongoing changes occurring in the perception of HRM in Romania.

Fourth, we used a global score of HR strength and did not adequately research its three sub-dimensions. In our case, all three subscales measures were highly correlated so that we could not use them separately. Nevertheless, in order to be more accurate, we recommend using these subscales in future research.

Fifth, although we pointed out our preference at this stage to conduct a study that included only managers, we nevertheless recommend studying multi-source data by including both managers and employees. It would be interesting to examine whether the changing perceptions of managers regarding HRM as reported in the current study are indeed expressed by non-managerial employees. Researching employees from different hierarchical stages would help to comprehend whether the reported changes in the perception of HRM are truly a deep development rather than a limited phenomenon.

Sixth, we measured organizational innovation (organizational level) as the dependent variable rather than innovative behaviors (individual level). In any future replication, we strongly recommend replicating the preliminary mediating model of HR strength on both the organizational level and on the level of individual innovation.

Finally, following Sparrow's (2016) caveat concerning HRM practices that cross international boundaries and our belief in the consistency of the HRM model, we recommend that in studies that examine the relationship between HRM and innovation, more attention should be paid to organizational forms. We suggest, for example, adding more control variables such as international versus local organizations in Romania.

Authors' Note

In this paper, we used the term **moderator** in the sense of a variable that effects the association between two or more variables (Dawson, 2014). The term **mediator** was used in the sense of a variable that transmits the effect of a predictor (X) to an outcome (Y) (MacKinnon, Coxé & Baraldi, 2012).

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Appendix 1

A. About your Organization and your Job. In the following pages you will find a series of statements and questions about your work, your organization and your culture. For each question choose the answer that best translates your opinion, by circling the appropriate number.

HRM Practices S1. Below are some questions about Human Resource Management (HRM) in your organization. Please indicate your level of agreement with each statement.		Strongly disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Strongly agree
1.1	I am given a real opportunity to improve my skills through education and training programs. Training and Education	<input type="checkbox"/>					
1.2	I have had sufficient job-related training. Training and Education	<input type="checkbox"/>					
1.3	I receive on-going training, which enables me to do my job better. Training and Education	<input type="checkbox"/>					
1.4	HR practices here help me a great deal to develop my knowledge and skills Training and Education	<input type="checkbox"/>					
1.5	This organisation prefers to promote from within Career Management	<input type="checkbox"/>					
1.6	This organisation always tries to fill vacancies from within Career Management	<input type="checkbox"/>					
1.7	People inside the organisation will be offered a vacant position before outsiders Career Management	<input type="checkbox"/>					
1.8	My job allows me to make job-related decisions on my own Participation in decision making	<input type="checkbox"/>					
1.9	I am provided the opportunity to suggest improvements in the way things are done Participation in decision making	<input type="checkbox"/>					
1.10	Supervisors keep open communications with me on the job Participation in decision making	<input type="checkbox"/>					
1.11	I am often asked to participate in decisions Participation in decision making	<input type="checkbox"/>					
1.12	There is a strong link between how well I perform in my job and the likelihood of receiving recognition and praise Performance appraisal	<input type="checkbox"/>					
1.13	There is a strong link between how well I perform in my job and the likelihood of receiving a pay raise Performance appraisal	<input type="checkbox"/>					
1.14	There is a strong link between how well I perform in my job and the likelihood of receiving high performance appraisal ratings Performance appraisal	<input type="checkbox"/>					
1.15	There is a strong link between how well my team performs and the likelihood of receiving a pay raise Performance appraisal	<input type="checkbox"/>					