



This is a postprint version of the following published document:

Stirpe, L, Trullen, J. and Bonache, J. (2013). Factors helping the HR function gain greater acceptance for its proposals and innovations: evidence from Spain. The International Journal of Human Resource Management, 24(20), pp. 3794-3811

https://doi.org/10.1080/09585192.2013.778320

© Taylor & Francis



This work is licensed under a Creative Commons Attribution-NonCommercialNoDerivatives 4.0 International License

# Factors helping the HR function gain greater acceptance for its proposals and innovations: Evidence from Spain<sup>1</sup>

Luigi Stirpe<sup>2</sup>, Universidad Carlos III de Madrid

Jordi Trullen, ESADE Business School, Ramon Llull University

Jaime Bonache, Universidad Carlos III de Madrid & ESADE Business School, Ramon Llull University

<sup>&</sup>lt;sup>1</sup> Stirpe, L., Trullen, J., & Bonache, J. (2013). Factors helping the HR function gain greater acceptance for its proposals and innovations: evidence from Spain. *The International Journal of Human Resource Management*, 24(20), 3794-3811.

<sup>&</sup>lt;sup>2</sup> Corresponding author. Email: <u>luigi.stirpe@uc3m.es</u>

Factors helping the HR function gain greater acceptance for its proposals and innovations: Evidence from Spain

**Abstract** 

Based on the sense-making and sense-giving literature, this study addresses factors helping the HR

function gain greater acceptance by employees for its proposals and innovations. Using an original

sample of 298 employees from nine firms in Spain, we find that HR department credibility is only one

of the factors that influences employees' acceptance. Other essential elements are top management and

supervisor support. We also investigate the consequences that differential levels of support from

supervisors and top managers can have for the acceptance of HR innovations, and we find that

supervisor support carries more weight than that of top managers. Finally, we explore variations in the

importance of the HR function credibility as an acceptance enabler under different organizational

innovation climates. The results suggest that HR credibility plays an essential role independently of

climate.

Key words: HR innovations, HR function, acceptance factors, sense-making, sense-giving,

organizational context.

2

### 1. Introduction

Gaining acceptance and positive reactions from employees to the introduction of HR innovations (HRIs)—i.e. HR practices that are perceived as new by employees, and that are intended to improve employee outcomes in areas such as productivity, engagement, and job satisfaction—is without doubt a desirable, not to say essential, objective (Gomez Mejia and Balkin, 1987; Nishii, Lepak, and Schneider, 2008). The reason is clear: as shown in a considerable number of studies (see Guest, 2011 for a recent review), HR practices and innovations help organizations enhance their performance through their influence on employee attitudes and behaviors. However, if HR innovations are not met with favorable employee attitudes, they will very likely fail to deliver those desired employee outcomes (Nishii et al., 2008). From this point of view, it is worrying to see the results of from some recent studies showing a low level of acceptance for the initiatives and proposals that come from HR departments. For example, Cantrell and Smith (2010) found that just over one-third of the employees of a wide sample of American firms had a positive opinion of HR practices and innovations in their organizations.

Is such a low level of acceptance really typical in firms? Why are some HR innovations met with more acceptance than others? Curiously enough, despite the relevance of such questions, it is not easy to find either empirical evidence or theoretical frameworks that assess employees' reception of initiatives undertaken by HR departments. This study aims at filling this gap in the literature. The empirical evidence was obtained from a research project that took place in 9 firms operating in Spain, 4 being Spanish and 5 being subsidiaries of foreign multinationals. As described in the Methodology section, the HR directors in these firms were asked to identify two successful and two not so successful HR innovations introduced by their department in the preceding year. Then, by means of a survey answered by 434 employees, By means of a survey we observed that despite a relatively high overall

level of acceptance (only 13% of employees showed a negative attitude toward HRIs whereas 56% highly approved of them), there was significant variance in the level of acceptance of those innovations. This variance was explained by factors included in our questionnaire, which was designed on the basis of a previous theoretical model developed from the literature on organizational sense-making and sense-giving (Gioia and Chittipeddi, 1991; Weick, 1995). As we will see later on, these factors go beyond the credibility of the HR department itself, and they include elements from the context in which the HR department performs its function.

The paper is structured as follows. First, we analyze the notion of acceptance and why it is important for HRIs. Second, we identify some contextual factors capable of influencing acceptance via sense-making and sense-giving that enable us to put forward hypotheses corresponding to these factors. Third, we test those hypotheses in the abovementioned sample of Spanish companies. The paper concludes with a summary of the main results and a discussion of their relevance for research and practice.

## 2. Theory and hypotheses

Over the past years, firms have shown a growing interest in HRIs. We broadly define these innovations as people management policies and practices that are new to a firm and that aim at strategically focusing employees' efforts on achieving firm goals. Investments in HRIs are supported by the impressive volume of research showing the positive association between these innovations and various organizational outcomes such as gains in efficiency, productivity and profitability (Guest, 2011). However, research has also begun to recognize that the adoption of HRIs *per se* may not be regarded as sufficient to boost firm success. This is because these innovations are associated with firm performance through their influence on employees' behavior (Schuler and Jackson, 1987). It is the employees that, through their behavior, translate HRIs into desired organizational outcomes. As argued by Bowen and

Ostroff (2004), employees' response to HRIs precedes employees' behavior, such that the effectiveness of HRIs depends on how employees react to them. For example, in a recent study Nishii et al. (2008) have shown that positive employee reactions to HR policies deliver desired behaviors, which in turn positively affect performance. In contrast, a negative response on the part of employees is inversely related to expected behaviors and performance. These findings suggest that even well intended and strategically designed HR innovations may not succeed in eliciting the desired behaviors unless workers favorably respond to them. In this work, drawing on Kossek (1989), we use the term *acceptance* to refer to the extent to which employees hold favorable attitudes toward an HRI.

Acceptance of HRIs may be challenging for a variety of reasons. As with other organizational innovations, HRIs often cause a disruption of existing routines (Baron and Kreps, 1999). As a result, targeted employees may experience uncertainty about the personal impact of such innovations. For example, a new performance appraisal system may require a shift in the way employees think about their jobs. Similarly, the value of HRIs may be not apparent for all employees (Kim and Ryu, 2011). For example, Fisher and Howell (2004) noted how the inclusion of employee self-service modules in new HR information systems could be interpreted as a mechanism requiring employees to perform additional tasks without any noticeable personal benefit. Judging from the evidence provided by Cantrell and Smith (2010) and mentioned in the introduction, a negative attitude toward HRIs is anything but uncommon. These authors found that 37% of the employees in a broad sample of U.S. firms held a negative opinion of the HRIs in place, suggesting that they view them "more as barrier to performance improvement than as an enabler" (Cantrell and Smith, 2010: 16).

Rejection of HRIs may entail important drawbacks. Indeed, it may be counterproductive, as rejection may be accompanied by feelings of stress, negative work attitudes and, thus, lower productivity (Bacon and Blyton, 2005; Nishii et al., 2008). Low

acceptance may also result in the reduction of employees' commitment to the firm and in withdrawal behaviors (Fisher and Howell, 2004; van Dam, 2005), with the consequent replacement costs and loss of proficiency. Finally, it can end up seriously harming the credibility of the HR department introducing the innovations, which is a very negative outcome for a function that since the nineties has been struggling to improve its own status within firms (Ulrich, Younger, and Brockbank, 2008; Van Buren III, Greenwood, and Sheehan, 2011). Given these considerations, it is important to identify the factors that determine employees' acceptance of innovations put forward by the HR department.

To our knowledge, so far very few studies have attempted to address this issue.

Cantrell and Smith (2010), for example, argued that tailoring HRIs to the characteristics of each employee group within the firm can promote acceptance. Bacon and Blyton (2005) suggested that acceptance is higher when HRIs are not perceived as a threat to one's job security. In a later study, these authors also found that acceptance improved when employees received something in return (e.g., a better salary) (Bacon and Blyton, 2006). Similarly, van Dam (2005) found that employees are more receptive to HRIs when they anticipate more positive and fewer negative outcomes. More recently, Nishii et al. (2008) suggested that positive response to HRIs may be fostered by communicating the intentions of the innovations in an unambiguous and salient manner. Finally, Kossek (1989) found that acceptance depends on several employee characteristics, such as seniority and hierarchical level.

Drawing on the sense-making perspective, in the present study we aim at expanding on this research by arguing that the context in which HRIs are introduced plays a role in shaping employee responses. According to the sense-making perspective, when people face situations that are somewhat new and ambiguous, they tend to make sense of them by interpreting cues in the environment (Weick, 1995). Greenberg (1995: 185) defined sense-

making as "the process whereby organizational members translate an organizational event and construct a meaningful explanation for that event" based on what they see around them. While it may be impossible to discern the cognitive processes that occur inside the heads of individuals, the outcomes of sense-making are more easily available in the form of the discursive accounts individuals produce of the new event (Stensaker, Falkenberg, and Gronhaug, 2008) or in the attitudes and reactions they develop toward the event (Fisher and Howell, 2004). The sense-making perspective has been widely used in research on organizational change to explain (mainly by means of case studies) how contextual variables influence employees' interpretations of and responses to change and how such responses in turn influence change outcomes (e.g., Gioia and Chittipeddi, 1991). An HRI is, by definition, a novel situation for employees. As such, it evokes in employees the need to make sense of it. From a sense-making perspective, whether employees are more or less inclined to accept the HRI will depend on the meanings they attach to it, drawing on the informational cues available in the organizational environment (Fisher and Howell, 2004).

The meaning employees attach to HRIs may not only result from their personal interpretation of the environment; it may also be induced by other organizational members via sense-giving. Sense-giving may be defined as "the process of attempting to influence the sensemaking and meaning construction of others toward a preferred redefinition of organizational reality" (Gioia and Chittipeddi, 1991: 442). As argued by Maitlis (2005), sense-giving is essentially a persuasive activity. A considerable body of studies has shown how certain groups—mainly organizational leaders—orchestrate cues and attempt to manage the meaning employees attach to organizational events and thus their response to such events (e.g., Gioia and Chittipeddi, 1991; Maitlis, 2005; Stensaker et al., 2008). Sense-giving strategies include making messages appear logical and reasonable or framing messages around appeals to the values and norms of recipients (Bartunek et al., 1999). Drawing on this

evidence, we argue that acceptance of HRIs may be influenced by sense-giving activities of specific organizational actors.

Specifically, in this study we will focus on four potential sources of sense-making and sense-giving favoring employees' acceptance of HRIs: credibility of the HR function, top management support, supervisor support and innovation climate. In addition, we address how some of these factors interact to influence acceptance. Below we present our arguments.

# 2.1. Credibility of the HR function

HRIs may be championed by different actors (e.g., a line manager or even employees in highly participative organizations). However, for this study we are interested in those innovations initiated by the HR department itself. As innovation champion, the HR department may influence employees' responses to the innovations. Indeed, a crucial task of innovation champions is to justify the introduction of the innovations, thereby making them meaningful to others. Galang and Ferris (1999) argued that one of the main ways HR departments accomplish this objective is by using labels that innovation recipients are familiar with. Thus, for example, in a sales company, a training program may be termed "gaining sales by meeting customer needs." In so doing, the HR department acts as a sense-giver, influencing employees' understanding of the practice. However, an important element taken into account by innovation recipients when making sense of an innovation is champion credibility (Ellis, 1992).

According to Graham and Tarbell (2006), two main elements influence HR department credibility in the eyes of employees, namely its perceived competency and trustworthiness. For an HR department to be perceived as competent, it has to demonstrate technical knowledge of HR practices and understanding of the organizational strategic issues. For it to be perceived as trustworthy, it needs to give evidence over time that it cares for

employees' well-being (Graham and Tarbell, 2006). One may argue that when HRIs are championed by an HR department that is perceived as competent, it may be easier for employees to attach positive meanings to innovations and accept them. Independently of the sense-giving strategies followed by the HR department, the innovations are likely to be perceived as useful tools for the enhancement of organizational effectiveness. Moreover, if technical credibility is accompanied by perceived trustworthiness, it is arguable that acceptance will be further improved. Indeed, a trustworthy HR department may be a guarantee for employees that innovations will not be detrimental to their well-being (Gilbert et al., 2011). Similarly, it may reduce the uncertainty related to the implementation of the innovation and the perceived threats that the innovation poses to one's job (Kim and Ryu, 2011). Hence, we hypothesize that:

Hypothesis 1: When HRIs are championed by HR departments that are perceived as credible, employees will display greater acceptance of the innovations.

### 2.2. Top management support

HRIs introduced by the HR department that do not receive top management support are likely to gain little acceptance, no matter how well designed they are or how well they address the needs of the organization and its employees. As recently argued by Guest (2011), there is a dearth of literature on the role of top management in HRIs' implementation. Yet, formal endorsement and routine communication from top management have been acknowledged as major antecedents of the success of organizational innovations (e.g., Klein, Conn, and Sorra, 2001). The little evidence that exists suggests that top management support may influence employees' sense-making of and response to HRIs. Stanton et al. (2010), for example, found in a case study that CEO commitment to HR provided the links between organizational

strategy and HR strategy, allowing employees to establish positive attributions associated with HRM and its outcomes. They concluded that a clear differentiator in the success of any HR activity is the behavior of top management. Given top managers' role as organizational elites, their actions convey powerful messages to the workforce (Choi et al., 2011). By supporting an innovation, top management signals that the innovation is important for the organization (Klein et al., 2001). Cascio et al. (2010) argue that support for an innovation on the part of top management leads employees to think that the company is making improvements and striving to be successful in the long run, thereby engendering favorable perceptions and attitudes toward the innovation. Furthermore, top managers are also primary agents of sense-giving, possessing the ability to directly influence employees' thinking and attitudes by creating and communicating the desired vision for the innovation (Gioia and Chittipeddi, 1991). For example, in their study of an organizational change initiated by a CEO, Gioia and Chittipeddi (1991) documented that the CEO first developed an abstract vision of the change and then disseminated it to organizational members, thereby influencing through sense-giving their understanding and acceptance of the change. Top management messages are further amplified since the communication is one-sided, which limits dialogue and discussion (Cascio et al., 2010). Thus, we propose that:

Hypothesis 2: When employees perceive greater top management support for HRIs, they will display greater acceptance of the innovations.

# 2.3. Supervisor support

Due to the proximity and immediacy of their relationships with employees, supervisors are key agents of the organization through which employees form their perception of the work environment and the events that take place within it (Pereira and Gomes, 2012). As argued by

Purcell and Hutchinson (2007), it is supervisors that are charged with the enactment of HRIs. Based on interview material, these authors concluded that in most cases the HRIs experienced by employees are those delivered by supervisors, implying a sort of "symbiotic relationship between [supervisors] and HR practices" (p. 16). More recently, McCarthy et al. (2010) echoed this conclusion by arguing that as HR policies cascade down the organizational hierarchy, line managers and supervisors "become relevant stakeholders in influencing how HR policies are interpreted" (p. 159). Supervisors' actions may thus play a role in determining employee response to HRIs. Their actions may constitute important cues which help employees to make sense of the innovations (Tierney and Farmer, 2004). By supporting an HRI, supervisors affect employees' awareness of the innovation (McCarthy et al., 2010) and deliver clear signals to employees about the innovation's significance for work unit goals (Townsend et al., 2011). Furthermore, they generate expectations about a positive response to it (Tierney and Farmer, 2004) and encourage employees to incorporate it into daily work processes (McCarthy et al., 2010). Supervisors are also strong sense-giving agents. For example, Smith, Plowman, and Duchon (2010) showed how plant managers actively engaged in shaping the way subordinates viewed the organization and its values through what they called "everyday sense-giving activities" (e.g., daily walks in the plant or regular meals with subordinates). In the case of HRIs, supervisors may influence employees' responses by acting as "interpreters" of the innovations, helping employees to contextualize them in their work unit and understand how the innovations may improve job experience and deliver individual benefits (Townsend et al., 2011). Thus, we propose that:

Hypothesis 3: When employees perceive greater supervisor support for HRIs, they will display greater acceptance of the innovations.

# 2.4. Differential support enjoyed by the HR department

When the HR department introduces an HRI, it is not uncommon to find different levels of support from top management and supervisors. Such a scenario is not desirable, however. A high congruence in the level of support for an HRI by both supervisors and top managers signals that the whole organization is committed to and is serious about prioritizing the HRI implementation. This is what emerges, for example, in Cascio et al.'s (2010) study on the adoption of a sales force automation technology. Similarly, Stanton et al.'s (2010) study indicates that consistent messages across all hierarchy layers facilitate the understanding and application of HR processes. However, as mentioned above, inconsistencies in degrees of support at both supervisory and management levels often arise. It may be that while top management strongly supports an HRI, the supervisor does not or vice versa.

We argue that weak support by one of the parts is likely not only to hinder acceptance, but also to negatively moderate the effect of support by the other part. Let us consider the case in which top management support is not matched by supervisor support. Because, as mentioned, it is supervisors that enact HRIs (Purcell and Hutchinson, 2007), if they are not supportive of an innovation, employees may believe that the innovation is neither truly essential nor valued in their work unit. Such perceptions may ultimately reduce the effect that top management initiatives in favor of the innovation have on acceptance. Similarly, the effect of supervisors' support may become weaker if it is not paralleled by top management support. Indeed, top management supportive behavior gives legitimacy to supervisors' endeavors (Bowen and Ostroff, 2004). A lack of top management support may lead employees to believe that the innovation is not a priority to the firm and, consequently, to attach less value to the support activities of supervisors. Thus, we hypothesize that:

Hypothesis 4a. The influence of top management support on employees' acceptance of HRIs becomes weaker in the presence of low supervisor support.

Hypothesis 4b. The influence of supervisor support on employees' acceptance of HRIs becomes weaker in the presence of low top management support.

# 2.5. Innovation climate's moderation effect

Hypotheses 4a and 4b suggest that the HR department should work not only with top management but also with supervisors in order to gain acceptance for its proposals. Such acceptance is also likely to depend on the innovation climate within the firm. Organizational climate may be understood as "the message employees get about what is important in the organization" (Schneider and Bowen, 1995: 239) based on the policies, practices and procedures they experience on an ongoing basis (Dawson et al., 2008). More specifically, by innovation climate we mean the extent to which employees perceive that continuous improvement is important within the organization. The strength of such a climate may be understood as a function of a firm's "change history" (see Bordia, Restuboug, Jimmieson, and Irmer, 2011). If, for instance, an organization is strongly anchored to its routines, then the innovation climate is likely to be weak. In such organizations, change is uncommon and employees rarely experience alterations in standard work processes. Conversely, if the organization regularly introduces changes, such as upgrading of technology or improvements in work techniques, then the innovation climate is likely to be rather strong. In organizations with such a climate, constant improvement is a value and employees are relatively accustomed to experiencing change and realigning to novel organizational circumstances and procedures.

Because in weak innovation climates employees are less familiar with change and novel events such as HRIs, one would expect that HR credibility will be particularly important for making sense of and responding to HRIs. Put differently, weak innovation climate enhances the importance of having a credible HR department if it aims at boosting the acceptance of HRIs. Conversely, in strong innovation climates, where employees are more prone to consider the introduction of HRIs as "normal praxis," the credibility of the HR function may be less relevant in shaping employee opinions of and response to innovations. Thus, we propose that:

Hypothesis 5. In organizations with a strong innovation climate, HR department credibility exerts a lower influence on employees' acceptance of HRIs relative to organizations with a weak innovation climate.

# 3. Methodology

## *3.1. Sample*

To test our hypotheses, we adopted a field study methodology surveying employees from nine firms located in Spain. Firms ranged in size from 700 to 8000 employees and belonged to different industries (i.e., banking, insurance, social services, software, express carrier and package delivery, nutrition, electronics and telecommunications). Four of these firms were Spanish and five were subsidiaries of foreign multinationals. HR directors in each firm were asked to identify two successful and two not-so-successful HR innovations introduced by their department in the preceding year. A total of thirty-six innovations were identified. All the innovations were championed by the HR department and aimed at non-managerial employees.

From the list of employees in each company, we randomly selected employees who were affected by the HRIs identified. We selected a total of twenty employees for each innovation (eighty employees per workplace) to be included in our sample. This made a target sample for the nine firms of 720 employees.

#### 3.2. Data collection

To collect our data, we first sent an email to all employees in our sample inviting them to participate in an online survey and assuring them that their responses would be anonymous. The email briefly described the purpose of the study, which was broadly stated as analyzing the implementation of new HR practices in their firms. Previous to our email, the HR director in each firm informed the targeted employees about the importance of the survey to the company and assured them of the confidentiality of their responses. A link in our email text allowed employees to enter the questionnaire after logging in through a personal username and password provided by us. The questionnaire was written in Spanish. As surveyed employees provided data on all variables, we followed some of the strategies suggested by Podsakoff et al. (2003) to reduce the likelihood of common method bias, such as separating items measuring the same construct in the questionnaire, assuring respondent anonymity and emphasizing that there were no "right" or "wrong" answers. We automatically received completed questionnaires in an email account created ad hoc. Although the survey questions were identical for all employees, the introductory text to the survey was customized so that it mentioned the particular HRI that was specific to the respondent. Data were collected during the months of September and October of 2010.

A total of 434 employees answered the survey, which represented a 61% response rate. Such an unusual response rate is justified by the fact that top management of the participant firms was highly committed to the study. The study itself was part of a larger

research initiative aimed at exploring innovation in HR practices and their linkages with corporate performance. This research initiative, which was coordinated by a Spanish business school, was led by one of the CEOs of the companies involved, whose role was crucial in the recruitment of other companies for participating in the study.

After list-wise deletion of missing data, our sample size was composed of 298 employees. Of the final sample, fifty-five percent were female and forty-five percent were male. Twenty-six percent were age 35 or younger, sixty-three percent were between 36 and 50 and eleven percent were older than 50.

#### 3.3. Measures

HRI acceptance. Literature on adoption of organizational innovations shows that innovation acceptance can be conceptualized in a variety of ways. What matters in the case of HRIs is whether the employee has a positive attitude toward them, as this will influence their effectiveness (Nishii et al., 2008). Thus, consistent with Kossek (1989), we defined acceptance as the employee's favorable attitude toward the innovation. Specifically, acceptance was measured with a four-item scale. As in Kossek (1989), the items were worded in rather generic terms so that they could be used to assess all the different HRIs in our sample. The items selected were the following: (1) "I like the way this innovation is designed," (2) "I want this innovation to continue to be used in the future," (3) "This innovation is useful in improving the competitiveness of our company," and (4) "This innovation is useful in improving the way we work." Response options ranged from 1 (strongly disagree) to 5 (strongly agree). The scale total score was the average of the four items' scores (α=.84).

Credibility of the HR function. This construct referred to whether the HR function was perceived as a competent and trustworthy agent (Graham and Tarbell, 2006). Based on their

past experience, we asked employees whether they considered that the HR department (1) "Masters the HR practices it implements," (2) "Provides HR based solutions consistent with firm strategic objectives," and (3) "Always acts with the best intentions regarding employees' well-being." Response options ranged from 1 (strongly disagree) to 5 (strongly agree). The scale total score was the average of the three items' scores ( $\alpha$ =.79).

Top management support. This construct was measured through three items. Employees rated from 1 (very little) to 5 (very much) the extent to which they believed that top management (1) "has put all its support behind the HR innovation," (2) "has stressed the importance of the HR innovation," (3) "has encouraged us to embrace the HR innovation." The scale total score was the average of the three items' scores ( $\alpha$ =.86).

Supervisor support. Three items were used to measure this construct. Employees rated from 1 (very little) to 5 (very much) the extent to which they believed that their immediate supervisor (1) "has shown strong interest in the HR innovation," (2) "has stressed the value of the HR innovation for the work unit," and (3) "has actively pushed to make the HR innovation a success." The scale total score was the average of the three items' scores ( $\alpha$ =.84).

Innovation climate. This construct was measured with a three-item scale. Respondents rated their level of agreement (1=strongly disagree; 5=strongly agree) with the following statements: (1) "In this organization there is pressure to innovate and improve the way we work"; (2) "The organization pursues the adoption of best management practices"; and (3) "In this organization, due to cultural and structural problems, it is very difficult to improve the way we do things" (reverse coded). The scale total score was the average of the three items' scores ( $\alpha$ =.79).

Control variables. We controlled in our analyses for personal benefit derived from the innovation, personal innovativeness, employee gender, employee age, and firm. Personal benefit was included in the analysis because employees may be more receptive to HRIs when

they anticipate positive outcomes from the innovation (van Dam, 2005). Because the kind of innovations considered could affect employees' chances of promotion, we controlled for perceived promotion opportunities provided by the innovation as a potential personal benefit. Respondents rated their level of agreement (1=strongly disagree; 5=strongly agree) with the following statement: "This HR innovation improves my chances of promotion." In addition, we controlled for personal innovativeness, which represents an individual tendency to positively respond to innovations. This construct was measured through a four-item scale adapted from Hurt, Joseph, and Cook (1977). On a five-point scale, employees were asked the extent to which they agreed with the following statements (1=strongly disagree; 5=strongly agree): (1) "I am generally cautious about accepting new ideas," (2) "I rarely trust new ideas until I can see whether the vast majority of people around me accept them," (3) "I am aware that I am usually one of the last people in my group to accept something new," and (4) "I am reluctant to adopt new ways of doing things until I see them working for people around me." All items were reverse coded. We computed the average of the items' scores to obtain the scale total score ( $\alpha$ =.76). A high score on this scale indicates a weak personal innovativeness. We also used gender as a control, as it has been found to affect response to organizational innovations (Venkatesh et al., 2003). Gender was measured with a dummy variable (0=male; 1=female). Additionally, we controlled for respondent age, as individuals tend to become less open to innovations with age (Venkatesh et al., 2003). Age was measured via an ordinal variable with three categories (1=younger than 35; 2= between 35 and 50; and 3=older than 50). Finally, we used nine dummy variables to control for the firm where a given respondent was employed.

Most of the items were developed specifically for this study. Before formulating them, we consulted past research to obtain general insights into measurement. Following Kerlinger and Lee (2000), we also used business school professors and doctoral students who were

familiar with the literature on the concepts measured or who had expertise in survey design to critically assess the content validity of each item. We also asked the HR managers of the nine firms to review the final wording of the survey items in order to assure that they were readable, clear and relevant to their workplace contexts. We then revised the items on the basis of their feedback.

# 4. Analysis and results

## 4.1. Description of HR innovations and their level of acceptance

The thirty-six HRIs identified by the firms' HR directors were quite diverse in nature. Some HR directors, however, identified similar, though not identical, innovations. Three firms adopted new e-HR administrative services. Many types of innovations were adopted by two firms, including a new employee suggestions system, the use of simulations in internal selection, a competency-based appraisal system, a new flexible work schedule, a multi-source appraisal system, a new job-rotation program, an international exchange program for high-potential employees, a new work-life balance program, a gain-sharing program, the introduction of self-managing work teams, a job-enlargement program, an employee referral program, a conflict management training program, a mentoring program for high-potential employees, a training program for disability awareness, an employee performance award, the use of assessment centers in internal selection, a training program on problem-solving methods, a training program for improving communication skills, a new performance-based pay system, and a new job-enrichment program. Interestingly, we did not identify any type of HR innovation generated by only one firm.

Despite the similarity of innovations in multiple firms, in some cases they had quite different levels of acceptance. For example, the introduction of self-managing work teams had an average acceptance of 3.8 in one firm and 2.9 in the other. The average acceptance for the

employee suggestion box had an acceptance level of 3.2 in one firm and one of 4.3 in the other. Finally, the new competency-based performance appraisal system had three quite different levels of acceptance in the three firms that adopted it (i.e., 4.1, 3.5, and 3.1). For the whole sample, the average level of acceptance of the HRIs in the sample was 3.8, with a standard deviation of 0.9.

In sum, firms in our sample were innovating in a variety of HR areas. The fact that similar innovations received different acceptance rates in different firms reinforces the idea that in predicting whether a particular HRI is likely to be accepted, it is worth paying attention to the context where it is introduced.

# 4.2. Hypothesis testing

Given that a single respondent provided data on all survey variables, we first tested for the presence of common-method variance in our data. To do so, we used confirmatory factor analysis (CFA) via IBM SPSS AMOS 19 and examined the fit of our proposed measurement model with the data. To validate the six main constructs in our model (i.e., HRI acceptance, HR function credibility, top management support, supervisor support, innovation climate, and the control variable personal innovativeness) and make sure that items did not cluster in a single factor, we performed analyses of three different models, comparing them in terms of goodness of fit (see Table 1). In the first model we concentrated all the items in one common factor. In our second model, based on their strong correlations we combined HR function credibility, top management support, supervisor support, and innovation climate in a single factor, resulting in a three-factor model. Finally, in the third model, we included separately all the constructs in this study. The goodness-of-fit indices used included:  $\chi^2$  (Chi-square), RMSEA (Root Mean Square Error of Approximation), NNFI (Non-Normed Fit Index), and

CFI (Comparative Fit Index). The results of the CFA show that the six-factor model exhibited a good fit ( $\chi^2[155] = 290.023$ ; p<.0001; RMSEA= 0.045; NNFI =0.978; CFI= 0.984), whereas the common-factor model failed to achieve a satisfactory level of fit, hence reducing significantly the threat of common-method variance in our study.

# [Insert Table 1 about here]

Descriptive statistics and correlations are reported in Table 2. As shown, HR function credibility, top management support and supervisor support are all positively associated with acceptance.

## [Insert Table 2 about here]

To test our hypotheses we carried out regression analyses. First, we entered in the regression our three main predictors alongside the controls and, next, we entered the interaction terms one by one. The results are shown in Table 3.

### [Insert Table 3 about here]

Model 1 reports the relationships of HR credibility, management support, and supervisor support with HRI acceptance. As shown, we found a positive and significant association between HR credibility and acceptance ( $\beta$ =.31; p<.001). Hence, the results confirm Hypothesis 1. We also found a positive and significant association between top management support and acceptance ( $\beta$ =.18; p<.001), thus confirming Hypothesis 2. Finally, we found that acceptance is positively and significantly associated with supervisor support

(β=.29; p<.001). Accordingly, Hypothesis 3 is also confirmed. As beta coefficients indicate, HR credibility is the most significant factor in determining employee acceptance of the innovations. With regard to the controls, we found that promotion opportunities (β=.16; p<.01) and personal innovativeness (β=-.13; p<.01) are significantly associated with acceptance, whereas gender and age are not.

Model 2 was run to test Hypotheses 4a and 4b. To this end, we first constructed a variable indicating the degree of inconsistency between top management and supervisor support. Such a variable is the result of the difference in absolute terms between top management and supervisor support. The higher the value of this variable, the larger the level of inconsistency. Then, after mean-centering the variables in order to avoid multicollinearity, we introduced the interactions of this variable with top management support and supervisor support. As shown in Table 3, the interaction term with top management support is negatively and significantly related to acceptance ( $\beta$ =-.16; p<.01). However, the interaction term with supervisor support, though negative as expected, is not significantly associated with acceptance. Hence, these findings confirm Hypothesis 4a but not Hypothesis 4b. The controls maintain with our dependent variable the same associations as in Model 1.

Finally, Model 3 was run to test Hypothesis 5. We introduced innovation climate as an additional predictor, and after mean-centering the variables, we introduced the interaction of innovation climate and HR department credibility. As expected, the interaction term is negatively associated with acceptance, but the association is rather small and lacks statistical significance, leading us to reject Hypothesis 5. Again, the controls maintain with the dependent variable the same associations as previous models.

It is worth noting that, despite high correlations between some of the predictors, variance inflation factor values ranged from 1.1 to 1.9, suggesting that multicollinearity effects were not influencing the regressions<sup>3</sup>.

#### 5. Discussion

Popular press and academic research alike have insisted on the importance of the HR department's developing its credibility in order for the policies and practices it champions to be taken seriously by strategic decision makers (Baron and Kreps, 1999). Credibility would ultimately provide legitimacy to the HR department, allowing it to become an influential strategic partner. Our study suggests that the response of employees to HR policies and practices is determined by the perceived credibility of the HR department. Specifically, we found that acceptance of HRIs is higher when championed by a credible HR department.

Our study also suggests, however, that the HR department's credibility is not the only relevant factor. Drawing on the sense-making/sense-giving perspective (e.g., Weick, 1995; Gioia and Chittipeddi, 1991), we argued that contextual cues such as top management support and supervisor support can facilitate employees' positive attributions of HR innovations, thus promoting acceptance. Our empirical analyses conducted on an original sample of 298 employees from nine different firms in Spain confirm our arguments.

With regard to top management support, while its role in the success of other organizational innovations has been widely examined (e.g., Klein, et al., 2001; Cascio et al., 2010; Choi et al., 2011), so far its influence on the success of HRIs has remained largely unexplored. Guest (2011) has recently mentioned the consequences of top management support for HR implementation as a promising area of future research. Our study takes a step toward the understanding of such consequences, suggesting that top management support for

-

<sup>&</sup>lt;sup>3</sup> Variance inflation factor (VIF) is a measure of the degree of multicollinearity. A VIF of 10 or higher is used as rule of thumb to indicate excessive or serious multicollinearity (Hair, Black, Babin, and Anderson, 2010).

HRIs is likely to send a message about the significance of such innovations and, in so doing, to positively bias employees' attitudes toward innovations. Our analysis also contributes to the literature by highlighting the effect of supervisor support on employee reactions to HRIs. Recent research has indicated that supervisors have a major responsibility in enacting the HRIs introduced by the firm (e.g., Purcell and Hutchinson, 2007; Townsend et al., 2011). We add to this research by showing that employee acceptance of HRIs is strongly influenced by supervisor behavior. Our analysis thus suggests the need for the HR department to work together with top management and supervisors so that its initiatives are well received.

This is even more relevant if we take into account, as shown in this study, that acceptance is affected by inconsistencies between top management and supervisor support. In particular, we found that low supervisor support for HRIs negatively moderates the effect of top management support on the acceptance of HRIs. Figure 1 represents the moderation effect found. Conversely, and contrary to what we expected, if supervisors are supportive of HRIs, they will be able to influence acceptance even when top managers show little support for the innovations. All in all, these findings highlight the need for HR managers to avoid the temptation of having their proposals backed only by top management. Compared to top management, supervisors have a greater cognitive influence over employees because of their close relationship with employees (Redman and Snape, 2005). Supervisors establish the priorities in the work unit and determine individual and collective goals. They also evaluate the performance of subordinates and are the means by which employees can obtain rewards and recognition. Agarwal, Datta, Blake-Beard, and Bhargava (2012) found that supervisor behavior has a significant positive relation with employee work engagement. Furthermore, Joo and Ready (2012) found that supervisors are responsible for employees' career satisfaction. Supervisors are thus seen by employees as the main agents of the organization. Accordingly, they are capable of shaping employees' perceptions about what is important and

what is not. Moreover, research has shown that employee commitment to the supervisor may be even greater than that to the organization (Becker et al., 1996). Such a prominent role of supervisors would justify why they still influence employees' acceptance of HRIs even in presence of low top management support, and why the effect of top management support on the acceptance of HRIs by employees is negatively affected by unsupportive supervisors, as Figure 1 indicates.

## [Insert Figure 1 about here]

Finally, we found that a strong innovation climate does not negatively moderate the effect of HR credibility. While contrary to what we hypothesized, this finding is nonetheless interesting. It suggests that HR credibility is an important acceptance enabler independently of organizational climate. In weak innovation climates, credible HR managers may be essential for employees to make sense of an unusual event (i.e., the HRI) and reduce the uncertainly associated with it. In strong innovation climate, where employees are highly exposed to innovations, they may signal that the HRI is not one of minor importance.

# 5.1. Limitations and directions for future research

The study is not without limitations, which demand some caution and point to further issues for future research. First of all, we used a single source to gather information on our dependent and independent variables, which presents threats of bias arising from common method variance. Although the confirmatory factor analysis reduced our concerns regarding this problem, it does not exclude the problem entirely. A second limitation is related to the fact that we used cross-sectional data. Thus, we cannot rule out reverse causalities between our dependent and independent variables, though rationales presented about causations appear

sound. A longitudinal study would be required to resolve this. A third limitation relates to the characteristics of our sample, which call for caution in the generalization of the results. Particularly, because we focused on large firms, it may not be appropriate to generalize our findings to the small business context. Also, because all the employees surveyed were Spanish, caution is needed in generalizing the findings to other geographies. Indeed, Spanish culture is relatively high in uncertainty avoidance (Hofstede, 1980). This implies that Spanish employees may feel particularly uncomfortable with the ambiguity associated with such new organizational events as HRIs. Therefore, they may be especially sensitive to the level of HR function credibility as well as to superiors' supportive behavior, as these elements may help reduce the ambiguity surrounding the innovations. These elements, however, may play a less prominent role in cultures with lower levels of uncertainty avoidance where employees may accept innovations more straightforwardly. The replication of the study in cultures with lower levels of uncertainty avoidance may well constitute an area for future research, which may reveal interesting differences in the relative weight of the acceptance enablers considered in this study.

Replicating the study in other national settings is not, however, the only potential area of future research. For example, while in this study we analyzed some factors leading to acceptance, we were not able to explore the effect of acceptance on the intended outcomes of HRIs. Future studies should analyze this point. In addition, future studies may explore additional factors for the acceptance of specific HRIs such as the degree of change required by the HRI, the quality of the relationship between supervisors and employees, or the competitive position facing the firm in which the innovation is implemented. It should not be difficult to speculate how each of these factors (or many others) might influence employee acceptance of different HR innovations launched by the HR department, a task to be done in

the future. Finally, future studies may also analyze how the design of the HR function (e.g., administrative versus strategic) may affect the degree and type of HR innovations.

These areas of future research suggest that much may still be done to increase our understanding of employee acceptance to improvements and initiatives put forward by the HR department. We hope that our effort helps pave the way towards a more systematic research.

## References

- Agarwal, U.A., Datta, S., Blake-Beard, S., and Bhargava, S. (2012). 'Linking LMX, innovative work behaviour and turnover intentions: The mediating role of work engagement'. *Career Development International*, 17, 3, 208-230.
- Bacon, N., and Blyton, P. (2005). 'Worker responses to teamworking: exploring employee attributions of managerial motives'. *International Journal of Human Resource Management*, 16, 2, 238-255.
- Bacon, N., and Blyton, P. (2006). 'The effects of co-operating or conflicting over work restructuring: evidence from employees'. *The Sociological Review*. 54, 1, 1-19.
- Baron, J.N., and Kreps, D.M. (1999). Strategic human resource management. Frameworks for general managers. New York, NY: John Wiley and Sons.
- Bartunek, J., Krim, R., Necochea, R., and Humphries, M. (1999). 'Sensemaking, sensegiving, and leadership in strategic organizational development'. In *Advances in Qualitative Organizational Research*, Ed. J. Wagner, Greenwich: JAI Press, vol. 2, pp. 37-71.
- Becker, T.E., Billings, R. S., Eveleth, D. M., and Gilbert, N. L. (1996). 'Foci and bases of employee commitment: Implications for job performance'. *Academy of Management Journal*, 39, 2, 464-482.
- Bordia, P., Restubog, S.L.D., Jimmieson, N.L., & Irmer, B.E. (2011). 'Haunted by the past: Effects of poor change management history on employee attitudes and turnover'. *Group and Organization Management*, 36, 2, 191-222.
- Bowen, D. E., and Ostroff, C. (2004). 'Understanding HRM-firm performance linkages: the role of the "strength" of the HRM system'. *Academy of Management Review*, 29, 2, 203-221.
- Cantrell, S. and Smith, D. (2010). Workforce of One: Revolutionizing talent management through customization. Boston, MA: Harvard Business Press.

- Cascio, R., Mariadoss, B. J., and Mouri, N. (2010). 'The impact of management commitment alignment on salespersons' adoption of sales force automation technologies: An empirical investigation'. *Industrial Marketing Management*, 39, 7, 1088-1096.
- Choi, J.N., Sung, S.Y., Lee, K., and Cho, D.-S. (2011). 'Balancing cognition and emotion: Innovation implementation as a function of cognitive appraisal and emotional reactions toward Innovation'. *Journal of Organizational Behavior*, 32, 107-124.
- Dawson, J. F. González-Romá, V., Davis, A. J., and West, M. A. (2008). 'Organizational climate and climate strengths in UK hospitals'. *European Journal of Work and Organizational Psychology*, 17, 1, 89-111.
- Ellis, B. (1992). 'The effects of uncertainty and source credibility on attitudes about organizational change'. *Management Communication Quarterly*, 6, 1, 34-57.
- Fisher, S. L., and Howell, A. W. (2004). 'Beyond user acceptance: an examination of employee reactions to information technology systems'. *Human Resource Management*, 43, 2, 243-258.
- Galang, M., and Ferris, G. (1997). Human resource department's power and influence through symbolic action. *Human Relations*, 50, 1403–1426.
- Gilbert, C., De Winne, S., and Sels, L. (2011). 'The influence of line managers and HR department on employees' affective commitment'. *International Journal of Human Resource Management*, 22, 8, 1618-1637.
- Gioia, D. A., and Chittipeddi, K. (1991). 'Sensemaking and sensegiving in strategic change initiation'. *Strategic Management Journal*, 12, 6, 433-448.
- Gómez-Mejía, L.R., and Balking, D.B. (1987). 'Dimensions and characteristics of personnel managers perceptions of effective drug-testing programs'. *Personnel Psychology*, 40, 745-764.

- Graham, M.E., and Tarbell, L.M. (2006). 'The importance of the employee perspective in the competency development of human resource professionals'. *Human Resource Management*, 45, 3, 337-355.
- Greenberg, D. (1995). 'Blue versus gray: a metaphor constraining sensemaking around a restructuring'. *Group and Organization Studies*, 20, 2, 183-209.
- Guest, D. E. (2011). 'Human resource management and performance: still searching for some answers'. *Human Resource Management Journal*, 21, 1, 3-13.
- Hair, J. F., Black, W. C., Babin, B. J., and Anderson, R. E. (2010). *Multivariate data analysis:* a global perspective (7th ed.). Upper Saddle River, N.J.: Pearson Education.
- Hofstede, G. (1980). *Culture's consequences: international differences in work-related values.*Beverly Hills CA: Sage.
- Hurt, H.T., Joseph, K., and Cook, C.D. (1977). 'Scales for the measurement of innovativeness'. *Human Communications Research*, 4, 58–65.
- Joo, B.K., and Ready, K.J. (2012). 'Career satisfaction. The influences of proactive personality, performance goal orientation, organizational learning culture, and leader-member exchange quality'. *Career Development International*, 17, 3, 276-295.
- Kerlinger, F.N, and Lee, H.B. (2000). *Foundations of behavioral research* (4th Edition). London, Wadsworth Thompson Learning.
- Kim, S., and Ryu, S. (2011). 'Social capital of the HR department, HR's change agent role, and HR effectiveness: evidence from South Korean firms'. *International Journal of Human Resource Management*, 22, 8, 1638-1653.
- Klein, K.J., Conn, A.B., and Sorra, J.S. (2001). 'Implementing computerized technology: An organizational analysis'. *Journal of Applied Psychology*, 86, 5, 811–824.
- Kossek, E.E. (1989). 'The acceptance of human resource innovation by multiple constituencies'. *Personnel Psychology*, 42, 2, 263-281.

- Maitlis, S. (2005). 'The social process of organizational sensemaking'. *Academy of Management Journal*, 48, 1, 21-49.
- McCarthy, A., Darcy, C., and Grady, G. (2010). 'Work-life balance policy and practice:

  Understanding line manager attitudes and behaviors'. *Human Resource Management Review*, 20, 2, 158-167.
- Nishii, L.H., Lepak, D.P., and Schneider, B. (2008). 'Employee attributions of the "why" of the HR practices: their effects on employee attitudes and behaviors, and customer satisfaction'.

  Personnel Psychology, 61, 503-545.
- Oreg, S., and Bergson, Y. (2011). 'Leadership and employees' reactions to change: the role of leaders' personal attributes and transformational leadership style'. *Personnel Psychology*, 64, 3, 627-659.
- Pereira, C.M.M., and Gomes, J.F.S. (Forthcoming). 'The strength of human resource practices and transformational leadership: impact on organizational performance'. *International Journal of Human Resource Management*, iFirst, 1-18.
- Podsakoff, P.M., Organ, D.W., Lee, J., and Podsakoff, N.P. (2003). 'Common method biases in behavioral research: A critical review of the literature and recommended remedies'.

  \*Journal of Applied Psychology, 88, 5, 879-903.
- Purcell, J. and Hutchinson, S. (2007). 'Front-line managers as agents in the HRM-performance causal chain: theory, analysis and evidence'. *Human Resource Management Journal*, 17, 3–20.
- Redman, T. and Snape, E. (2005). 'Unpacking commitment: multiple loyalties and employee behaviour'. *Journal of Management Studies*, 42, 2, 301–28.
- Schuler, R. and Jackson, S. (1987). 'Linking competitive strategies with human resource management practices'. *Academy of Management Executive*, 1, 3, 209-213.
- Schneider, B. and Bowen, D.E. (1995). Winning the Service Game. Boston, MA: HBS Press.

- Smith, A. D., Plowman, D. A., and Duchon, D. (2010). 'Everyday sensegiving: a closer look at successful plant managers'. *Journal of Applied Behavioral Science*, 46, 2, 220-244.
- Stanton, P. Young, S., Bartram, T., and Leggat, S.G. (2010). 'Singing the same song:

  Translating HRM messages across management hierarchies in Australian hospitals'.

  International Journal of Human Resource Management, 21, 4, 567-581.
- Stensaker, I., Falkenberg, J., and Gronhaug, K. (2008). 'Implementation activities and organizational sensemaking'. *Journal of Applied Behavioral Science*, 44, 2, 162-185.
- Tierney, P., and Farmer, S.M. (2004). 'The Pygmalion process and employee creativity'. *Journal of Management*, 30, 3, 413-432.
- Townsend, K., Wilkinson, A., Allan, C., and Bamber, G. (2012), 'Mixed signals in HRM: the HRM role of hospital line managers', *Human Resource Management Journal*, 22, 3, pp. 267-82.
- Ulrich, D., Younger, J., and Brockbank, W. 2008. 'The twenty-first-century HR organization'. *Human Resource Management*, 47, 4, 829–850.
- Van Buren III, H.J., Greenwood, M., and Sheehan, C. (2011). 'Strategic human resource management and the decline of employee focus'. *Human Resource Management Review*, 21, 3, 209-219.
- Van Dam, K. (2005). 'Employee attitudes toward job changes: An application and extension of Rusbult and Farrell's investment model'. *Journal of Occupational and Organizational Psychology*, 78, 253-272.
- Venkatesh, V., Morris, M.G., Davis, G.B., and Davis, F.D. (2003). 'User acceptance of information technology: toward a unifying view'. *MIS Quarterly*, 27, 3, 425-478.
- Weick, K. E. (1995). Sensemaking in organizations. Thousand Oaks, CA: Sage.

Table 1. Comparison of CFA results

	$\chi^2$	df	RMSEA	NNFI	CFI
One-factor model (combining ALL in one construct)	4039,965*	170	0,229	0,535	0,544
Three-factor model (combining HR function credibility, top management support, supervisor support, and innovation climate)	3173,872*	167	0,204	0,635	0,646
Six-factor model	290,023*	155	0,045	0,978	0,984

<sup>\*</sup>p<.0001

Table 2. Correlation matrix and descriptive statistics

	Mean	SD	1	2	3	4	5	6	7	8
1. HRI acceptance	3.8	0.9								
2. Age	1.8	0.6	08							
3. Gender	0.6	0.5	.03	.18**						
4. Promotion opportunities	2.9	1.3	.42**	07	.11**					
5. Personal innovativeness	1.7	0.5	- .17**	.02	02	.01				
6. HR function credibility	3.8	0.8	.54**	02	- .13**	.31**	01			
7. Top management support	3.4	0.9	.48**	.07		.27**	06	.45**		
8. Supervisor support	3.0	1.1	.47**	.02	.10	.44**	03	.38**	.38**	
9. Innovation climate	3.7	0.8	.41**	.16**	.06	.30**	.14**	.35**	.28**	.34**

\*p<.05; \*\*p<.01 two-tailed N=298

Table 3. Regression analyses

	Model 1	Model 2	Model 3
Control Variables			
Gender	03	04	02
Age	.01	01	02
Promotion opportunities	.16**	.14**	.14**
Personal innovativeness	13**	12**	12**
Firm	Yes	Yes	Yes
Independent variables			
HR credibility	.31***	.28***	.28***
TM support	.18***	.26***	.15**
S support	.29***	.18*	.28***
TM/S inconsistency		04	
TM/S inconsistency × TM support		16**	
TM/S inconsistency $\times$ S support		.01	
Innovation climate			.14**
Innovation climate × HR credibility			06
$\Delta R^2$	.522	.013	.020
Adjusted $R^2$	.496	.504	.514
Change in F	20.022***	$2.556^*$	5.777**

a Yes indicates that the firm dummy variables were included within the model. p<.05; \*\*p<.01; \*\*\*p<.001

Figure 1. The moderation effect of the inconsistency between top management and supervisor support on the effect of top management support

