

Employee perceptions of HRM and wellbeing in nonprofit organizations: Unpacking the unintended

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Abstract

Adopting a process-based HRM lens, this study addresses how nonprofit workers perceive their HR practices and the ways in which these perceptions of HRM impact their wellbeing. Drawing on a multiple case study of eight social services NPOs in the UK, the impact of the employment relationship on the psychological, social and physical dimensions of wellbeing is examined in this climate of austerity. The findings highlight the increasing precariousness of this employment relationship alongside relatively weak HR systems characterized by low consistency and consensus, leading to variation in the interpretation and application of HR practices at the level of line managers and the front-line. Moreover, the analysis shows how these divergent perceptions amongst HR system features manifest themselves in unintended consequences. By examining employee perceptions of HR practices, this study contributes to ongoing debates on why nonprofit employees view HRM in unintended ways and why HR practices may fail to bring about their intended effects.

Keywords: employee wellbeing, employee perceptions, HRM implementation, process-based approach, nonprofit organizations

Introduction

The increasingly precarious employment relationship in nonprofit organizations (NPOs) can be expected to manifest itself in the detrimental employee responses identified in nonprofit workplaces (e.g. low morale and commitment, ill health) (Baines and Cunningham, 2011; Cunningham and Nickson, 2011). The current evidence of the impact of public sector austerity suggests employees are facing downward pressures regarding their job security, increased usage of zero-hours, temporary and short-term contracts, as well as a reduction in pay and terms and conditions (Cunningham, Hearne and James, 2013). Far from adopting strategic HRM (Akingbola, 2013; Guo, Brown, Ashcraft, Yoshioka and Dong, 2011), NPOs are responding with low road HRM characterized by basic investments, rudimentary HR practices and an administrative HRM approach (Ridder, Piening and Baluch, 2012b).

This limited range of HR practices neither signals to nonprofit employees that their contributions are valued and nor that their employer is interested in a long-term, mutual relationship, viewing employees as replaceable instead (Nishii, Lepak and Schneider, 2008). As employees attach various meaning to HR practices and the rationale behind them (e.g. enhancing service quality and employee wellbeing vs. cost reduction and exploiting employees), they adjust their attitudes and behavioral responses accordingly. Nonprofit employees are thus likely to make negative attributions towards their employer about the current cost-minimization approach to HRM.

Yet it is puzzling that employees have positive perceptions of these basic HR investments and low road HRM in NPOs, with research boasting an array of explanations for this seemingly counterintuitive phenomenon. For example, favorable responses to HRM in low pay social care work have been accounted for by social norms that privilege altruism, thereby mitigating employees' negative responses (Atkinson and Lucas, 2013). Additional studies point to nonprofit employees' seemingly self-perpetuating commitment regardless of

wages and working conditions along with their astounding resilience and ability to tolerate increasing levels of stress and even increased violence and harassment at the workplace (Baines, 2010; Baines, 2006; Nickson, Warhurst, Dutton and Hurrell, 2008). A further strand of research highlighting employees' positive perceptions of rudimentary HRM points towards the role of the implementation process and employees' low expectations in these NPOs compared to those with more sophisticated HR practices (Piening, Baluch and Ridder, 2014).

This latter area of research draws on the process-based approach to HRM which diverts the focus from the content of HR practices to the process through which employees interpret and gain a shared sense of the behaviors that are expected and rewarded in an organization (Bowen and Ostroff, 2004; Ehrnrooth and Björkman, 2012; Nishii et al., 2008). A growing body of work has begun to unpack HRM implementation and employee perceptions of the information conveyed in HR practices as being of particular relevance for understanding employee attitudes and behaviors (Alvesson and Kärreman 2007; Den Hartog, Boon, Verburg and Croon, 2013; Woodrow and Guest, 2014). These studies are valuable in that they point us to the HR system features that, if neglected, result in a weak HR system that accounts for why employees may perceive HRM differently from each other.

This still raises the question why some HR practices are subject to a range of re-interpretations by both line managers and lower level employees that diverge from the original intention. Both conceptual and empirical research around employee perceptions of and responses to HRM would stand to benefit from further scrutiny of the assumptions underlying the strength of HR systems. This study therefore seeks to gain a better understanding of the processes through which variations in perceptions of HR practices arise in NPOs. The nonprofit setting provides an especially rich area for examining how workers' HR perceptions emerge as their norms, motives, commitment, identity, expectations and the organization's orientations to HRM in this sector may prevent employees from gaining a

shared sense of the behaviors that are expected and rewarded in the organization. In addition, given the limited understanding of the impact of the employment relationship in this climate of austerity, a further aim of this study is to gain insight into nonprofit managers' and employees' attitudes at work. Taken together, this study specifically addresses 1) how nonprofit workers perceive their HR practices and 2) the ways in which these perceptions of HRM impact their wellbeing.

Drawing on a qualitative multiple case study in eight NPOs providing social services in rural and urban areas in the UK, the findings highlight similarities in the observed worsening employment conditions (e.g. increasing job insecurity and usage of short-term contracts, growing job demands and work intensification). Yet the data reveals that organizations differ in their responses to the climate of austerity, alongside variation in the interpretation and application of HR practices at the level of line managers and the front-line. Stemming from divergent perceptions amongst the HR system features, this study points to a wide array of unintended consequences and differentiations in the subsequent impact on workers' psychological, social and physical wellbeing.

This study entails several important contributions to both HRM and nonprofit research. First, it contributes to the burgeoning debates around why employees might perceive HRM in unintended ways (Piening et al. 2014). By examining their views of and experiences with specific HR system features, this study sheds light on employee perceptions where neither consistency in HR practices is experienced nor is consensus enabled by the HR system. Building on conceptual work by Bowen and Ostroff (2004), this study empirically specifies the processes through which this undesirable combination creates the most ambiguous situation when employees are aware of HR practices, yet messages are inconsistent and conflicting.

Second, and pertaining to this point, this study offers further insight into why HR practices may fail to bring about their intended effects (Woodrow and Guest, 2014). Regarding the wellbeing impacts that stem from the design and implementation of HRM in organizations (Grant, Christianson and Price, 2007), the analysis suggests that the negative impact on psychological and physical wellbeing can, in part, be accounted for through the re-interpretation of HR practices by both managers and lower level employees. In particular, the unintended detriments to wellbeing highlight the need for further inquiry to view employee outcomes in conjunction with the ways in which an HR system signals to its organizational members what is expected of them and what they can expect of the organization, i.e. the reciprocal exchange relationship (Shaw, Dineen, Fang and Vellella, 2009).

Finally, this study provides a more nuanced picture of the employment relationship and its impact on employees that builds on prior observations of the absolute levels of terms and conditions in the nonprofit sector (Cunningham et al., 2013). As such, this study adds to a growing body of nonprofit research on the under-reported employees' perspective in HRM which is seen as crucial to understanding the HRM-performance chain (Atkinson and Lucas, 2013; Eaton, 2000). The study concludes with the practical implications the findings bear for under-resourced NPOs looking to enhance their employee wellbeing. Providing additional wellbeing initiatives seems less effective for supporting positive health and functioning at work given their diminishing utility in comparison to ensuring consistency and consensus-enabling HR practices (Bowen and Ostroff, 2004).

Process-based approach to HRM

Strategic HRM research has endeavored to specify the mechanisms through which HR systems bring about employee and organizational outcomes (Kehoe and Wright, 2013; Kuvaas, 2008). In particular, by bringing employee perceptions of HR practices to the foreground (Boon, Den Hartog, Boselie and Paauwe, 2011; Guest, 2011), an increasing

emphasis has been placed on the psychological processes through which employees make attributions about HR practices and the rationale behind these practices (Nishii et al. 2008). In line with this research, this study adopts an approach to HRM that devotes attention to the process - as opposed to the content of HR practices- through which employees interpret and gain a sense of the behaviors that are expected and rewarded in an organization (Bowen and Ostroff, 2004; Ehnrooth and Björkman, 2012; Li, Frenkel and Sanders, 2011; Sanders, Dorenbosch and De Reuver, 2008). A growing body of work has begun to unpack how organizations achieve a shared understanding of HRM among employees with a specific focus on the implementation and usage of HRM (Alvesson and Kärreman 2007; Den Hartog et al., 2013; Khilji and Wang, 2006).

Accordingly, the process-based approach to HRM provides a suitable point of theoretical departure for examining employee outcomes in relation to the strength of an HR system, i.e. “the features of an HRM system that send signals to employees that allow them to understand the desired and appropriate responses and form a collective sense of what is expected” (Bowen and Ostroff, 2004: 204). Strong HR systems are highly distinctive, consistent and achieve consensus among relevant stakeholders (Woodrow and Guest, 2014); whereas, weak HR systems are characterized by HR practices that send ambiguous messages which prevent employees from developing shared understanding around HRM (Piening et al., 2014). In other words, an HR system will be more likely to convey the behaviors that are expected and rewarded in the organization when it is characterized by distinctiveness, consistency and consensus.

Distinctiveness entails ensuring HR practice understandability (degree to which the content and functioning of HR practices is clear) and relevance (degree to which HR practices are perceived as useful, supportive, and relevant). Furthermore, an HR system is high in *consistency* when there is validity of HR practices (degree of consistency between

what HR practices purport to do and what they actually do) and consistency of HR messages (degree of congruency between espoused and inferred values; of internal consistency of HR practices, of the stability of practices over time). Finally, employees will accept, contribute to and utilize the HR system if there is *consensus* about the fairness of HRM (degree to which HR practices adhere to the principals of distributive, procedural, and interactional justice) and agreement among principal HRM decision makers about the design and implementation of such practices (Bowen and Ostroff, 2004; Delmotte et al., 2012).

Examining these insights in the nonprofit sector, studies have increasingly focused on employee perceptions of HRM to shed light on employees' responses to enacted HR practice (Atkinson and Lucas, 2013). Recent research by Piening et al. (2014) in social services NPOs points to the discrepancies that arise between the implementation of HRM and employee perceptions thereof when employees, for example, receive inconsistent messages about the implemented HR practices, are unaware of the available HR practices or view these as lacking in fairness and continuity of usage. Their findings suggest that as employees' expectations towards HRM increase, the greater the role the implementation process will play in whether employees perceive HRM as intended. Drawing on the concept of under-met expectations (Locke, 1976; Schaubroeck, Shaw, Duffy and Mitra, 2008), Piening et al. (2014) argue that low expectations might serve as a coping mechanism that lessens employees' disappointment should these conditions fail to improve. Additional research corroborates the importance of process and quality of HR implementation for unpacking the unintended effects of HR practices in public hospitals (Woodrow and Guest, 2014). Taking these findings together, variation in the application of HR practices can be expected to arise at the level of line managers and front-line employees if the HR system fails to signal to these organizational members what is expected of them and what they can expect of the organization.

Beyond these differences in the communication and usage of HR practices, weakly shared perceptions of HRM might emerge from individual personalities (e.g. different priorities regarding the kind of organizational support employees view as important) and individuals' subjective experiences of HRM (e.g. perceived unequal treatment amongst employees). Particularly in the nonprofit setting where employees accept lower wages than in for-profit organizations (Leete, 2000) and often have ethical or ideological motives for working in the sector (Baluch, 2012), employees can be expected to prioritize HR practices differently and vary in their responses to HR practices. For those who view the altruistic, caring aspects of their job as part of their identity and possess a seemingly self-perpetuating commitment to the mission (Baines et al., 2014; Baines and Cunningham, 2011), these employees may have quite low expectations about the level of support their employer provides. Yet nonprofit workers with more instrumental orientations might be less tolerant of low employment terms and conditions, and react negatively to inequities in working arrangements or in pay both within and outside the organization. These characteristics suggest that employees are likely to have differing perceptions of the trend of downward pressures in the nonprofit employment relationship (e.g., job insecurity, fixed-term contracts, pay freezes). The extent to which employees gain a sense of the behaviors that are expected and rewarded may be further complicated by varying degrees of strategic and employee orientations within the HRM architecture, resulting in an administrative, motivational, strategic or values-based approach to HRM) (Ridder and McCandless, 2010; Ridder, Baluch and Piening, 2012a).

In sum, the process-based approach points to employees' experiences as essential to understanding their attitudes and behaviors. Whether employees interpret HR practices as management intended is influenced by the strength of the HR system in place (Bowen and Ostroff, 2004). Despite the valuable insights gained by adopting an employee perspective

(Guest, 2011), the mechanisms through which these HR perceptions and attributions result in employee outcomes are still poorly understood. As such, this study seeks to further examine the processes through which variations in perceptions of HR practices arise in NPOs. These processes entail the ways in which HR practices are implemented, used, experienced and interpreted.

Methods

Given the limited research on workers' perceptions and responses to the employment relationship in NPOs, an exploratory case study was conducted. A case study approach is useful for providing in-depth insights about underexplored research phenomena in their natural context (Yin, 2009). Following a theoretical sampling strategy (Patton, 2002), in which cases were purposefully selected in which the phenomena under study (i.e., HR system perceptions and work experiences in the employment relationship) could be expected to be present, the multiple case study included eight NPOs delivering a range of social services in rural and urban areas across Scotland (see Table 1). In accordance with the multiple case study design, the case selection followed a replication logic that entails selecting cases that predict similar results (literal replication), as well as contrasting results but for anticipatable reasons (theoretical replication) (Yin, 2009). Access was sought in small to medium-sized NPOs in the UK providing similar kinds of services (e.g., for the elderly, children and families, mentally ill, and unemployed) with respondents in similar occupations (e.g., case workers, support workers). Of the 15 total organizations approached either in person, by email or via telephone, access to eight was obtained.

In the small NPOs (7-28 employees), the HR function fell mostly to the responsibility of the director with some outsourcing of issues related to employment legislation. The medium-sized NPOs (Cases E and G) were embedded within a larger institutional structure (e.g. branch of a national umbrella organization) which afforded them with a greater level of

administrative support to their employees through recourse to a centralized HR function in the umbrella organization which provided shared services or access to an outsourced HR consultant. Despite these variations in organizational support and the locus of the HR function, these organizations are all subject to a similar operating environment, with the same kinds of occupations providing similar services. They all face the same external pressures due to funding cutbacks and welfare reform, creating an increased demand for services and greater pressure from funders to provide services to client groups outside of their mission's remit (e.g., long-term unemployed or elderly with severe health problems). Furthermore, in this climate of austerity each of the cases is reliant upon a mix of funding sources from government support, grants and fee-based income. It is worthwhile to examine employee perceptions of HRM in these small to medium-size organizations, especially as these are typical of the nonprofit organizational landscape.

[Table 1 near here]

Data collection and analysis

24 semi-structured interviews were conducted over a nine-month period with a wide range of participants across hierarchies and occupations in each organization. Interviews were held with seven directors and one HR manager as key informants responsible for the organization's goals in order to gain a sense of the organization's response to the current climate of austerity and the changes they experienced in the nonprofit sector over the last few years. The directors' views are also salient to the HR system dimensions as these respondents represent the locus of the HR function and are responsible for HR decisions in the organizations. Thereafter, using a snowball sampling strategy to gain further participants in each case, interviews were conducted with a minimum of 2-3 organizational members in each

organization (5 senior managers, 5 line managers and 6 front-line employees) to gain a cross-section of respondents and insight into the perceptions of the HR practices that both managers and employees experience and use. Given their organizational size and flatter structure, Cases C and F did not have any line managers and hence all respondents are working at the front-line. In other cases in which access to front-line employees was not granted due to remote working and weekend or night shifts, managers were interviewed both in their role as senior or line managers with supervisory responsibilities and as members of the organization who use and experience HR practices themselves as well as provide services to clients. This is in line with studies of care work which provide increasing evidence of line managers' direct involvement in delivering services, especially as the middle management layers are becoming increasingly lean (Cunningham et al., 2013). An additional 3 interviews were conducted with public healthcare (NHS) staff responsible for promoting workplace wellbeing initiatives. The interviews averaged 75 minutes in length and were digitally recorded and transcribed. Triangulating multiple data collection methods to counter problems associated with hindsight or attributional biases and cross-check contradictory evidence, documents such as organizational policies, reports, and employee surveys were also analyzed to enhance validity.

The data analysis proceeded in several stages: First, a broad list of themes began to emerge from openly coding the raw data across the cases into 1st-order concepts (Glaser and Strauss, 1967) that captured employee perceptions of HR practices and of their current work experiences in the NPO (e.g., mission, social goals, flexibility, autonomy, lack of trust, equality, differentiation, short-term contracts, long-term development,). As several of the themes are related to each other, this list was reduced in a procedure similar to Strauss and Corbin's (1998) axial coding by bundling them into broader themes. Retaining informant

terms where possible, these were labeled or given phrasal descriptors (Gioia, Corley and Hamilton, 2012).

The themes emerging from the analysis were then iterated with categories from process-based theorizing (e.g. visibility, instrumentality, validity and fairness of the HR system) to elicit cross-case patterns that represent shared positive and negative HR perceptions across the eight cases. In this final stage of data reduction and analysis, the impact of the employment relationship and of HR perceptions on employee wellbeing was examined through within- and cross-case analysis along three wellbeing dimensions (Grant et al., 2007). Employees' varying attitudinal responses coded in the data (e.g. coping, acceptance, confusion and distress) were matched to each of the psychological, social and physical dimensions. Saturation was reached once further rounds of iteration between the data and the emerging themes failed to generate any additional categories.

Findings

Examining employee perceptions of their HR practices across the eight cases reveals noteworthy similarities in the precariousness of the nonprofit employment relationship and its impact on employee wellbeing. Perhaps even more striking, however, are the differences in organizational responses to the climate of austerity and the divergent perceptions of the HR system features regarding the distinctiveness, consistency and consensus of HRM. In the following, the findings from this multiple case study will be presented along the three main themes that were examined in the data analysis, offering both evidence of cross-case and deviant case patterns.

Precariousness of the nonprofit employment relationship

Regarding directors' responses to the climate of austerity and managers' and front-line employees' current work experiences, the analysis revealed several cross-case patterns that point to similarities in the increasing precariousness of the employment relationship in the nonprofit sector. Not all of the cases responded similarly to these downward pressures, however, and these deviant case patterns are depicted in Table 2 and addressed in the following as well.

[Table 2 near here]

Across all of the organizations, job insecurity, work intensification and an increasing use of short-term contracts were observed alongside freezing or reducing pay, and terms and conditions (e.g., sick pay and holiday benefits). Employees in Case A, for example, faced fixed 1 or 2 year contracts subject to funding renewal, yet due to grave cash flow issues could only be extended on a monthly basis currently. One front-line support worker described these short-term contracts with a sense of humor (Case A, employee 2, p.4): 'Yes [my contract is renewed] monthly at the moment, we just actually got another one today. It's quite funny cause one of these girls mentioned 'I'm growing quite fond of these letters, getting them every month''. In addition, all of the organizations responded to funding cutbacks by either freezing salaries, reducing pay or failing to adjust for inflation. A senior manager in Case E (p.8) commented that the reduction in pay is coupled with growing job demands: 'So I think the knock-on effect of reduced funding is reduced salaries in a lot of ways for jobs that have grown in terms of expectations around the role for quite a small salary in a lot of respects.' These worsening employment conditions can be seen against the background of increasing job insecurity across all of the cases. As the front-line employee 2 in Case C (p.2) states '[...] it has definitely made me feel, that the job I thought was permanent might not be. Nobody

knows what's happening with funding and our main funders are FC, FC have a massive debt and they're in the process of major cutbacks. No, yea definitely don't feel that my job is secure.'

Yet, several of the cases engaged in differing responses to the widespread funding cutbacks through staff redundancies or reducing the number of posts which resulted in work intensification for the remaining staff (Cases B, D, G). The senior manager in Case G (p.23) expressed desperation about this gradual phasing out of positions as follows: 'I am not quite sure where else we can make the cuts, we are phasing out, when support workers leave we don't replace them so those posts are gradually reducing and phasing out and my concerns are that I don't know where we go from here because the budgets are so tight.' Additional deviant patterns emerged from the data in Cases A-C, F and H, such as a lack of career progression and training budgets being cut, which is to be expected in these small organizations. Slashing training budgets resulted in employees resorting to seeking out free training opportunities, although it is noted that organizations struggle with the other costs associated with sending employees to free training while still providing their core services. As the senior manager in Case H commented (p.4), 'it is the cost of getting the person, the infill for that person and that has all got to be taken into consideration [...] they are looking can we afford to release that person, what would be the cost to us, that is another thing that obviously a lot of organizations and especially when they are trying to deliver a service if they have not got someone to infill for that role there [...].'

In terms of additional deviating organizational responses, the financial and debt counseling services offered in Cases B and G reveals a reactive approach to the precarious nature of the employment relationship (see Table 2). As one of the directors in Case B (p.24) commented on the threat of the economic environment to their employees' wellbeing, 'And I think the biggest thing that affects staff right across the board from my personal point of view

is their own personal financial management. With the current economic climate they are struggling. We've had a couple of them come and ask for an advance in their wages.'

Taken together, these findings provide evidence of similarities in how the climate of austerity has impacted the basic terms and conditions as well as the work experiences that both the small and mid-sized NPOs share. Deviant case patterns around reducing positions and training budgets and providing financial and debt counseling services offer insight into the varied responses organizations engage in with regard to their external pressures.

Divergent perceptions of HR system features

Iterating the data with categories from the process-based approach to HRM regarding the elements characterizing the strength of an HR system (i.e., distinctiveness, consistency and consensus; Bowen and Ostroff, 2004), cross-case patterns about employee perceptions of HRM were identified. As displayed in Table 3, which uses interview data to exemplify these shared views of the HR system, nonprofit workers display positive perceptions of the dimension of distinctiveness, while perceptions of its consistency and consensus dimensions are ambiguous and even negative. The following section explores the processes through which the perceptions and experiences of these HR system features diverge.

[Table 3 near here]

First, the analysis indicates a *favorable perception of the distinctiveness of HRM* in all of the cases in terms of how positively the respondents view the HR system features of visibility, understandability, and relevance as well as the legitimacy of authority of the HR function. For example, across the cases there is evidence of a move towards professionalizing the limited HR function in the NPOs, with employees valuing the formalization of basic HR policies (e.g. staff induction, health and safety, employment law, leave policy, monthly

feedback) which were not available in the recent past. As the director in Case B (p. 19) noted, ‘They seem to be taking to [the monthly feedback] quite nicely. We only brought it in over the last 18 months. The appraisals were a bit hit and miss anyway so we brought this formal process in.’ Upon introducing these new standard practices or updating existing practices, staff are often provided with additional training which enhances their understanding of how the HR practices function, as evident in Case G.

Furthermore, workers tend to perceive the HR function as credible since it is usually synonymous with the role of the director in the smaller organizations (Cases A- C, F) or it is imbued with legitimacy through the central position of HR in the umbrella organization or the designated responsibility of an HR manager (Cases D, E, G). Finally, the limited available HR practices, such as training, supervision feedback and workplace flexibility, are viewed as useful to their jobs, for instance as in Case C (see Table 3). Across the organizations, employees are thus mostly positive about the availability, content and relevance of these relatively basic HR practices. This finding is noteworthy given the absence of the kinds of practices that make up high performance or high commitment HR systems (e.g. pay for performance systems, selective staffing, career development), which purportedly enhance the distinctiveness of the HR system relative to other stimuli in the organization (Bowen and Ostroff, 2004).

In comparison to the above dimension of the distinctiveness of HRM, employee perceptions of the *consistency of HRM are negative* with regard to HR practice instrumentality, validity, and the consistency of HR messages across all of the cases. As one apt example, the ambiguity of cause-effect relationships is evident in employees equating performance appraisal with an ‘insult’, thus reflecting that the desired performance behaviors in the organization are not clearly linked to associated employee rewards (Case C). Furthermore, in Case A flexible working arrangements are implemented in ways that

undermine their very purpose so that employees cannot benefit from the espoused greater workplace flexibility of NPOs, attesting to the low perceived validity of HR practices and contradictory HR messages that employees receive about the organization's values (see Table 3).

Finally, *ambiguous perceptions characterize the dimension of the consensus of HRM*. This is reflected in a positive assessment of the general agreement among principal decision makers coupled with a low perceived fairness of the HR system. On the one hand, there is no room for disagreement about how to design and implement the HR practices given that the director is usually responsible for the HR decisions in the organization, as seen in Cases A-C, F, and H. Where HR is accessed through a centralized shared services point, outsourced to consultants (Cases E, G) or there is a designated HR manager (Case D), there is coordination of HRM with the director, e.g. "working with generally with the Chief Executive and Business Development Team to develop policies, whether that's amending existing ones or developing new policies" (Case D, HR manager 1, p.1).

On the other hand, employee perceptions of fairness are somewhat mixed but tend to be negative. While staff is frustrated by the generally low pay and lack of external rewards or adjustment for cost of living increases, across all the cases they view the compensation as fair compared to other social services organizations (*external equity*). However, their perceptions of *internal pay inequity* are much less favorable as employees do not feel the differences in rewards are based on perceived relevant differences in relation to the level of job responsibilities (Cases D, E). For example, in Case E (p. 12) line manager 1 remarked it is unfair to have the same job demands and caseload as those in a pay scale above her: "[...] it obviously suits as well because if you can pay someone less money for doing the same job then y'know that is." Furthermore, there is evidence of distributive injustice when HR practices such as flexible working arrangements are not perceived as based on individual

need, revealing that workers fail to understand the distribution rules by which HR practices are used (Cases A-C, F-H).

Overall the analysis of employee HR perceptions of the basic HR practices highlights positive views of the distinctiveness of the organization's HR system. Employees' views of the consistency and consensus of the HR system are less favorable in comparison, most likely given their greater susceptibility to the aforementioned downward pressures within the sector. The extent to which these divergent perceptions and experiences of low HR investments manifest themselves in terms of employee wellbeing remains to be explored in the next section.

Impact on employee wellbeing

A final third theme explored in the data concerns the relationship between the precarious employment relationship, HR perceptions and employee wellbeing, as exhibited in the cross-case and deviant patterns in Table 4.

[Table 4 near here]

By distinguishing amongst the psychological, social and physical dimensions of wellbeing in the analysis, a more fine-grained appreciation of the impact of HRM on employee attitudes can be gained from the data. While psychological wellbeing refers to the subjective experiences of individuals at work and encompasses employee attitudes such as job satisfaction and engagement, physical wellbeing addresses the objective physiological measures and subjective experiences of bodily health at work relating to injury, disease and stress. Thirdly, social wellbeing focuses on the interactions that occur between employees and the quality of these relationships (Grant et al., 2007).

The findings reveal that reducing pay and terms and conditions, failing to adjust for cost of living increases and work intensification entail detrimental effects on employees' psychological and physical wellbeing across all of the cases. For example, in terms of wellbeing, senior manager 1 (Case B, p. 8) admitted the work intensification has led to increased stress: 'I'd say sometimes my job gets on top of me. Because I need more support, having lost two supervisors and not replaced with anything else, my workload has increased through that [...]. We addressed the need for additional support but decided we could not afford it.' Some members of staff even expressed fear of losing their jobs over expressing their exhaustion with increasing workload to their managers: 'I'm afraid to say I'm over worked because I don't... how do I say this without sounding awful... I don't feel the people I need to speak to are approachable enough. And I feel that I have seen in the past people being got rid of as it were for being complainers or not towing the line or not conforming. I've seen people having problems and I don't want to go down that road' (Case C, employee 2, p. 9).

Notably, the data exhibit only a positive impact of the precarious employment relations on social wellbeing. Rather than work intensification being linked with increased conflict amongst employees, colleagues cite evidence of their satisfaction with trusting, supportive relationships that buffer the stress of this aspect of the labor process. For example, in Case A (p.12) employee 2 commented on how they offer to help with each other's workload, 'but I suppose the rest of the colleagues are really really good, because they'll kinda say 'are you okay, is your caseload too high, do you want me to take some of your people, do you need time out to do something?' we try and support as much as we can.' This suggests that rather than lead to conflict and further stress, the adversity that front-line workers face likely breeds camaraderie.

Furthermore, growing job insecurity, use of short-term contracts and a lack of career progression have minimal negative impact on all three of the wellbeing dimensions. Instead, the data suggests that employees' prior work experience in the nonprofit sector enables them to develop the ability to cope with increasing job insecurity and fixed-term or short-term contracts and maintain their psychological wellbeing. For example, instead of receiving signals of being less valued, disposable or in a short-term relationship with the organization (Nishii et al., 2008), employees across all of the cases deem the fixed-term contracts and the lack of job security as fair given their prior work experiences in the voluntary sector. This resilience is expressed in the following quote by employee 1 in Case A (p.1) : 'I've always been working in the charity field, for 15 years now. And I have gone through this I think every single year, and I always say I'm a bit immune to kinda, the stress levels. I don't let it eat away at me too much because it's either been that funding has come up. I have been through redundancy and been put in other posts and things like that.'

Yet, a deviant case pattern emerges in some of the cases (Cases A-C, F, H) where the evidence indicates employees accept the tradeoff of limited career progress in the organization in exchange for job flexibility. Despite often being overqualified for their job positions, workers seem satisfied with the lack of or limited promotion opportunities given the flexibility their job affords. As employee 1 in Case C (p.12) comments, 'well for me personally it's so flexible here I find and that's great. [...] Y'know if I get a call from the school I can immediately go and collect [my daughter]. There's that a flexibility that's important, that's important to my wellbeing otherwise I would be stressed, worrying about it, worrying if she was ill how would I go and collect her and that sort of thing. So that really is the main reason for me liking it.' In this respect, the findings suggest that certain aspects of work in NPOs play a buffering role against work stress, absenteeism or turnover intentions. Negative work experiences appear to be offset by the value employees place on flexible

workplace arrangements and continual skills development. As employee 3 in Case C comments on her physical wellbeing in relation to teleworking (p. 12-13), ‘there’s that flexibility that’s important, that’s important to my wellbeing otherwise I would be stressed... And I can also arrange to work from home.’ Since this pattern of satisfaction with the tradeoff is not shared across all of the cases, it underscores how employees have different priorities in terms of the kind of support they expect to receive from the organization through its HR practices.

Furthermore, organizations are likely to design and implement HR practices in ways that bring about mixed effects and unintended consequences (Grant et al., 2007). Although employees view HR practices focusing explicitly on wellbeing (e.g. health checks, mental health awareness training, occupational therapist support, and financial and debt counseling) as useful for reducing work stress, unintended negative consequences arise from the rhetoric-reality gap of these HR practices. Indeed, the main threats to both psychological and physical wellbeing stem from the mixed messages employees receive about the HR practices. Despite the best intentions (e.g., supporting employees’ mental and physical health), the present analysis reveals that these HR practices paradoxically lead to detrimental effects on wellbeing for employees. More specifically, the analysis points to the phenomenon that the employees exhibit resistance and negative emotions of confusion, fear, dissatisfaction as well as experience stress and exhaustion. These undesirable impacts on psychological and physical wellbeing stem in part from the ambiguous signals employers send about the availability and usage of HR practices (Bowen and Ostroff, 2004).

Across all of the cases, employees receive contradictory messages when practices intended to support employees are implemented in ways that undermine their very purpose (e.g, stigmatizing mental illness). In Case A, for example, instead of the provision of counseling support services aiding mental health, the application of this practice led to the

paradoxical outcome of failing to bring about the intended effects (wellbeing) in the workplace, resulting instead in confusion and distress. These responses are illustrated by the following mixed signals received by a front-line employee: ‘I’ve never quite understood it because they were supportive [...] But it was strange because they used to say in your diary don’t write down that you are going to a CPN [community practice nurse] appointment [...] I used to think like ‘why’? I don’t have anything to hide. That used to really confuse me quite a lot, and used to bother me cause- one- it was lying. And I didn’t understand why we were covering things up,’ (Case A, employee 1, p.14).

Furthermore, employees respond negatively both psychologically and physically to the mixed messages about the behaviors the organization values, but undermines through its managerial practices. One theme that emerged only in Cases B and C pertains to the contradictory signals the board and directors sent about work autonomy, personal responsibility and trust, while simultaneously micromanaging and monitoring the employees in their daily tasks. Although the manager in Case C (p.21) allows employees to manage their own tasks and emphasizes job autonomy, as evidenced in statements such as ‘this is your job, take responsibility for your own jobs, take your own decision’, mixed signals are sent through requiring daily logs of all employees’ individual work tasks. As one employee describes her dissatisfaction with these inconsistent messages that are enacted through supervisory monitoring,

‘I think well you know we’re all adults here so do we need to explain every half an hour of the day? [...] You’re still to account for how you are doing it and what you’re doing [...] but the way I actually operate throughout the day and what I decide to do when is pretty much my own accountable to myself [...]’ (Case C, employee 3, pp.11-12). As seen in Table 3, there is evidence of physical stress and fear arising from inconsistent HRM messages about autonomy. The unintended consequences of sending ambiguous signals through these

managerial monitoring practices thus appear to have a detrimental impact on both psychological and physical wellbeing.

Moreover, a deviant case pattern emerges as employees perceive inconsistent messages through implementing HR practices inflexibly, leading again to impacts on psychological and physical health that fail to bring about the intended effect on wellbeing. As one employee in Case A described this contradiction that arose from these ambiguous messages around the usage of flexible working arrangements, ‘you have to try and get any health appointments outwith your working time. [...] You would have to come in early or work late to make up that time. [...] I see that as quite, don’t know what the word is, a little bit of contradiction, because we’re a mental health charity. And to me we should be encouraging, sort of, to me that’s my wellbeing and getting me back on form’ (Case A, employee 1, p. 12). This example illustrates that these wellbeing impacts emerging from the implementation of workplace flexibility are exacerbated even further by the stark contrast to the organization’s mission, which is to promote mental health.

These latter findings highlight that employee wellbeing is compromised through workers’ perceptions of the consistency of the HR system. In particular, with regard to the negative perception of this HR system dimension, employees respond, in turn, negatively to the contradictory signals received when practices that are intended to support wellbeing are implemented in ways that stigmatize mental illness in the workplace or are implemented inflexibly, and as such, undermine the values the NPOs purport to have. Furthermore, employees experience similarly detrimental effects on their wellbeing in response to the mixed messages they receive from the board and directors about valuing work autonomy while being micromanaged or monitored in their daily tasks. The inconsistency of HR messages manifests itself not only in fear and stress on the part of the employees, but in dissatisfaction as well.

Discussion and conclusion

This study aimed to address how nonprofit workers perceive their HR practices and the ways in which these perceptions of HRM impact their wellbeing. Adopting a process-based approach to HRM, a multiple case study design was employed to examine the impact of the employment relationship on psychological, social and physical wellbeing in this climate of austerity. The rich qualitative data provides evidence of variation in the interpretation and application of HR practices at the level of line managers and the front-line. Moreover, the analysis shows how these divergent perceptions amongst HR system features of consistency and consensus manifest themselves in unintended consequences.

This study makes three important contributions to both HRM and nonprofit research. First, it contributes to the burgeoning debates around why employees might perceive HRM in unintended ways (Piening et al. 2014). By examining employee perceptions of HR practices, this study yields insight into the exchange relationship represented by the HR system. In this respect, HR practices are understood themselves to “specify the resources of exchange between employers and employees” (Shaw et al., 2009, p.1018). HR practices designed to enhance employees’ expected outcomes, referring to those HRM inducements which an organization offers to its employees (e.g., training, pay and benefits level, job security) can be viewed as a form of investment in the exchange relationship, e.g. through their provision of additional skills and resources. On the other hand, HR practices such as pay-for-performance systems, employee monitoring and formal performance appraisals reflect employers’ expected contributions from employees, known as HRM-expectation enhancing practices (Shaw et al., 2009; Cropanzano and Mitchell, 2005). Most of the cases did not offer such practices reflecting employer expectations about performance levels, other than employee

monitoring in several of the cases. Simultaneously, however, the HRM inducements and investments in employees' training, wellbeing, and career are being cut.

It is against this exchange relationship backdrop that this study's positive perceptions of the HR system's distinctiveness (i.e., visibility, understandability, legitimacy of authority of HR function and relevance) can be viewed. The findings suggest that, despite the absence of a sophisticated range of HR practices as in a high involvement or high commitment HR system, employees are still likely to view HRM as being salient throughout their daily work routines, comprehensible, useful and a highly credible activity particularly since the HR role is often taken on by the director in these small organizations. As a result, employees are aware of and have a positive perception of the workings of the basic, rudimentary HR practices being offered. As evidenced in prior research (Atkinson and Lucas, 2013; Piening et al., 2014), nonprofit employees respond favorably to this low level of support when their prior exposure to and experience with HR practices has remained low. Piening et al. (2014) interpret these positive employee perceptions as a reflection of the low level of employee expectations towards their employer.

In contrast to these previous studies, however, the current findings point to a more negative view of HRM in terms of both its consistency and consensus. The low instrumentality, validity and the contradictory HRM signals sent by the HR practices shed light on the extent to which employees within an organization are subject to different experiences with the HR practices. In addition, as the HR system is not fostering consensus amongst its employees regarding the low perceived fairness of HR practices, it is unlikely for employees to accept, contribute to and utilize HRM. In these situations, employees are not expected to form a shared sense about the kinds of behaviors and responses that lead to certain consequences (Bowen and Ostroff, 2004).

Taking these findings together, the analysis suggests that the combination of these specific HR system features (Bowen and Ostroff, 2004; Delmotte et al., 2012) – rather than increasing precariousness of the employment relationship and the decreasing support provided on behalf of the organization – are dominant in shaping workers’ perceptions of HRM. Notwithstanding the perceived external equity of compensation, the legitimacy and agreement among the HR decision makers, and the high visibility and understandability of HR practices (e.g., monthly feedback), employees neither experience consistency in HR practices nor is consensus enabled by the HR system. Building on conceptual work by Bowen and Ostroff (2004), this study empirically specifies the processes through which this undesirable combination creates the most ambiguous situation when employees are aware of HR practices, yet messages are inconsistent and conflicting. As expected, confusion and disillusionment amongst other negative reactions ensues, “as different individuals are subjected to different experiences with the HRM practices” (Bowen and Ostroff, 2014, p.214).

Second, and pertaining to this point, this study offers further insight into why HR practices may fail to bring about their intended effects (Woodrow and Guest, 2014). Regarding the wellbeing impacts that stem from the design and implementation of HRM in organizations (Grant, Christianson and Price, 2007), the analysis suggests that the negative impact on psychological and physical wellbeing can, in part, be accounted for through the re-interpretation of HR practices by both managers and lower level employees. The findings highlight the various wellbeing outcomes that were identified in the data that shed light on how the best intentions in HRM are kept from achieving their objectives. Negative impacts on psychological and physical wellbeing arose from contradictory signals about HRM (e.g. availability and usage of HR practices) when practices that are intended to enhance employee wellbeing (e.g., autonomy, workplace flexibility, counseling support) are implemented in

ways that are inflexible or undermine and even subvert their very purpose. In this respect, this study builds on the valuable insights in Putnam et al.'s (2013) review of the contradictions surrounding flexible workplace initiatives that arise from competing structural arrangements, mixed messages about using these policies and their inconsistent implementation. In particular, the observed detriments to wellbeing highlight the need for further inquiry to view employee outcomes in conjunction with the ways in which an HR system signals to its organizational members what is expected of them and what they can expect of the organization. This would entail additional qualitative studies that draw on a wide range of sources of evidence beyond interview data (e.g. ethnographic, practice-based studies) to study the interaction between how organizations communicate and employees receive the offered HR practices. Such research would further enhance our understanding of how and why unintended employee attitudes and behaviors arise.

Third, this study provides a more nuanced picture of the employment relationship and its impact on employees that builds on prior observations of the absolute levels of terms and conditions in the nonprofit sector. Adding to the sparse evidence on the purported impact of public sector austerity on employment conditions in NPOs (Cunningham et al., 2013; Cunningham and Nickson, 2011), in all of the cases increasing job insecurity, short-term contracts, growing job demands and work intensification were observed alongside freezing or reducing pay, terms and conditions. Currently, employees are responding to the expectation to increase their contributions (e.g. work effort and job demands), while employers are cutting the inducements used to bring about these contributions (e.g. low employment security, decreased benefits). In several of the cases the findings also pointed to a lack of career progression, cuts to training budgets and even redundancies. As such, these organizations reciprocate the aforementioned open-ended employee obligations with little commitment to their employees' wellbeing, training or career, thus pursuing a so-called

underinvestment approach to the employee-organization relationship (Tsui, Pearce, Porter and Tripoli, 1997). This imbalance in the reciprocal exchange relationship between an organization and its employees is likely to lead to negative employee attitudes and responses. Indeed, Tsui et al. (1997) found that the underinvestment type of relationship resulted in higher absence rates and lower levels of organizational citizenship behavior as well as lower performance on core tasks. Similarly, Shaw et al., (2009) provide evidence that in the opposite form of exchange relationships, HRM inducements and investments are associated with lower quit rates amongst both good and poor performing employees. Research in the nonprofit sector has thus far suggested that worsening employment conditions in the nonprofit sector negatively impact upon salient employee attitudes, such as morale and commitment, as well as their physical health (e.g. Baines and Cunningham, 2011; Cunningham and Nickson, 2011). Adding to these findings on employee outcomes, the current study provides evidence of a negative impact on psychological and physical wellbeing. As such, this study adds to a growing body of nonprofit research on the under-reported employees' perspective in HRM that is seen as crucial to understanding the HRM-performance chain (Atkinson and Lucas, 2013; Eaton, 2000).

Furthermore, this study bears practical implications for under-resourced NPOs looking to enhance their employee wellbeing. In contrast to evidence of social norms such as altruism mitigating negative responses to the downward pressures (Atkinson and Lucas, 2013), the analysis reveals that HR practices valued by employees play a buffering role. Although wellbeing initiatives (e.g. health checks, mental health awareness training, occupational therapist support, financial counseling) are viewed as useful to reducing work stress, employee wellbeing appears to be best supported through ensuring consistency and consensus-enabling HR practices. Thus, providing additional wellbeing initiatives seems less effective for supporting positive health and functioning at work given their diminishing

utility in comparison to the absence of ambiguous messages around the HR practices that employees value (e.g. workplace flexibility, autonomy, counseling support services, monthly feedback, and training). In addition, adverse effects were only observed on employees' psychological and physical wellbeing in this study. Social wellbeing, which centers on the quality of relationships with other employees in terms of trust, social support and reciprocity (Grant et al., 2007), might be more likely to remain intact in the nonprofit sector given the voluntary sector ethos (Cunningham, 2010). Yet even nonprofit employees are expected to have limits to the seemingly natural capacity to provide endless services and remain committed to the mission; thus, organizations should take care to nurture these interpersonal relationships to counteract the observed negative effects on psychological and physical wellbeing.

Notwithstanding the limitation that this retrospective study cannot trace changes in working conditions and employee responses over time, it serves as a useful starting point for understanding variations in the application of HRM and their effect on wellbeing in the current climate of austerity. As the case study design relied on a snowball sampling strategy for gaining further interview participants in each case, there is the risk of a self-selection bias in some of the respondents. However, the threat this bias poses is deemed minimal since the aim of the study's interpretivist approach is to capture individuals' experiences with and interpretations of HRM. Future research would nevertheless stand to benefit from more single in-depth case studies that provide the opportunity to examine the processes through which meaning is constructed, the degree to which perceptions of HRM are shared across all hierarchal levels amongst respondents, and the extent to which these findings are transferrable to other similar organizations in the nonprofit setting.

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Tables

Table 1. Case descriptions and informants

Cases	Services provided	Size (no. of employees)	Key informants
Case A	Employability training (reentry into the labor market) for unemployed with mental health needs; employment skills training patients with mental illnesses; mindfulness training	15	Director Line manager 2 Front-line employees
Case B	Employability options for socially deprived youth and long-term unemployed through work and skills-based placements while providing low cost goods and furnishings to low income households	28	Director 2 Senior managers
Case C	Day care services for the elderly (active ageing, mindfulness and dementia services)	10	Director 3 Front-line employees
Case D	Mental and emotional health and wellbeing services to young people and adults	42	HR manager 1 Senior manager 1 Line manager
Case E	Part of a larger umbrella organization; Support services for children and families facing social exclusion and poverty	30	Director 1 Senior manager 1 Line manager
Case F	Support services for those with mental health needs and the unemployed	7	Director 1 Front-line employee
Case G	Part of a larger umbrella organization; In-home day care support services for the elderly	200	Director 1 Senior manager 1 Line manager
Case H	Training and support services for nonprofit and public organizations and volunteers	20	Director 1 Senior manager

Table 2. Precariousness of the nonprofit employment relationship

Cross-case Patterns (Cases A-H)	Exemplary Quotes	Deviant case Patterns	Exemplary Quotes
<i>Job insecurity</i> (Cases A-H)	‘And I think with the funding situation constantly changing, [...] And the girls seemed fairly relaxed about it, and I was like ‘why are you so relaxed? Shouldn’t you be worried, be looking for other jobs?’ And they were like this is normal for this sector [...]’ (Case A, employee 2, p.6).	<i>Lack of career progression</i> (Cases A-C, F, H)	‘...because there’s no promotion prospects, you’re very unlikely to get a pay rise because obviously we’re all struggling. [...] If I was into pay and promotion I wouldn’t be working here put it that way’ (Case C, employee 3, p.6).
<i>Work intensification</i> (Cases A-H)	‘It used to be we were allocated the less extreme cases or the less difficult cases. Whereas now I’m not seeing any difference between the work I’m doing as to what somebody who gets quite a few thousand pounds more than me. So that kind of grates on you a wee bit. And we’ve heard there’s nothing that will get done about that’ (Case E, line manager 1, p.6).	<i>Reducing the number of posts and staff redundancies</i> (Case B, D, G)	‘[...] our income levels weren’t as high as they should’ve been in the last year. So the impact was we lost five staff at the end of March who were on fixed term contracts. So, a very negative impact. And then you are left with a smaller team who have to do the same work’ (Case B, director, p. 2).
<i>Increasing use of short-term contracts</i> (Cases A-H)	‘We make it very clear this is a fixed term contract, we will extend it if we can, but that is what they should be working to. So just be as open as possible’ (Case B, senior manager 1, p. 6).	<i>Need for financial and debt counseling services</i> (Case B, G)	‘We have also got a counseling service which the staff could access because we are aware that there are a lot more staff, [...] that there was a lot of sickness and we have come to the conclusion that it is because staff get paid just before Christmas and then they don’t get paid until the end of January and it is such a long period of time I think that they struggle to pay for petrol to come to work [...]’ (Case G, director, p. 8).
<i>Freezing or reducing pay, terms and conditions</i> (Cases A-H)	‘[...] they were all kinda long term absences. Full of stress and stuff like that. So I had a look at obviously the terms and conditions, historically our terms and conditions we in part taking from old City Council contract terms and conditions. [...] So we took the decision to change the terms and conditions, we done a consultation with staff, and successfully negotiated staff and we halved it’ (Case D, HR manager 1, pp. 7-8).	<i>Cuts in training budgets</i> (Cases A-C, F, H)	‘Again this triple dip recession obviously there are knock-on effects to funders and funding then and a lot of things are cut and the training budget I think is just slashed. That’s one of the things people have said’ (Case H, senior manager 1, p. 10).

Table 3. Perceived distinctiveness, consistency and consensus of HRM

HR System Categories		Cross-Case Patterns	Exemplary Quotes
Distinctiveness	Visibility (the degree to which employees have a clear idea of which HR practices are offered)	<i>Increasing visibility</i> through formalizing standard HR policies (e.g., staff induction, health and safety, employment law, leave policy, monthly feedback)	‘Particular ones we were looking at, quite a lot were absence management, also kind of HR policies, so that staff are aware if they want maternity leave or compassionate leave or things like that we would refer staff to that so that they know what they are entitled to’ (Case G, line manager 1, p. 9).
	Understandability (degree to which the content and functioning of HR practices is clear)	<i>Comprehensible new and updated HR practices</i> , as supported by additional training	‘[A]nd as policies are updated and renewed then training usually comes out following that to update the managers if there have been changes in legislation or organisational changes that we have to comply to meet legislation and best practice, just workshops’ (Case G, senior manager 1, p. 1).
	Legitimacy of authority of HR function (degree to which the HR function is perceived as being highly accepted and credible)	<i>Highly perceived legitimacy</i> as the role of director is often synonymous with the HR function given the lack of an HR manager or department in the small organizations	‘I think because of that flexibility and because of the size we are able to cut our cloth differently, more quickly, we are able to flex more quickly, we don’t have large IT departments, HR departments’ (Case H, director, pp. 6-7).
	Relevance (degree to which HR practices are perceived as useful, supportive, and relevant)	<i>Perceived usefulness and supportiveness of HR practices</i> , such as training, supervision feedback and workplace flexibility	‘I’ve done a lot of training in dementia and that has been so beneficial. And I’ve done training in working with difficult behaviors from volunteers and things like that cause initially when I started here I found it quite hard working with volunteers’ (Case C, employee 1, p.4).
Consistency	Instrumentality (degree to which the cause-effect relationship in reference to the HR system’s desired employee behaviors and associated employee consequences is unambiguous)	<i>Low instrumentality</i> regarding employees’ performance and rewards (e.g., behaviors desired and rewarded through performance appraisal)	‘And I don’t expect to get paid a massive amount for or anything like that but at the same time I don’t expect to get appraised. [...] But a yearly appraisal, no I think it’s almost like an insult actually’ (Case C, employee 2, p.6).
	Validity (degree of consistency between what HR practices purport to do and what they actually do)	<i>Low validity</i> of HR practices, such as flexible working arrangements that undermine workplace flexibility	‘I would like it to be exactly what flexi-time is meant to be. I think it’s, sometimes I think it’s there in a policy to look good rather than for it actually to be implemented’ (Case A, line manager 1, p. 14).

	Consistency of HR messages (congruency between espoused and inferred values; degree of internal consistency of HR practices; stability of HR practices over time)	<i>Contradictory HR messages</i> , e.g. around the values of the organization and the usage of flexible working arrangements	'I see that as quite, don't know what the word is, a little bit of contradiction, because we're a mental health charity. And to me we should be encouraging, sort of, to me that's my wellbeing and getting me back on form' (Case A, employee 1, p. 12).
Consensus	Agreement among principal HRM decision makers (e.g., regarding how to design and implement the HR practices)	<i>No disagreement</i> as there is rarely a designated HR function; either the director is responsible for HR decisions or HR is outsourced via consultants who advise periodically	'Our HR is based in our headquarters [...], however, we have a business partner who comes here once a week and bases himself here and that is so that I can catch up with him about any outstanding issues' (Case G, director, p.14).
	Fairness of the HR system (degree to which HR practices adhere to the principles of distributive, procedural, and interactional justice)	Employees overwhelmingly view pay as <i>fair</i> compared to other nonprofit and private social services organizations (<i>external equity</i>)	'[...] looking at the marketplace and the wages that they pay, it's higher than it should be for the jobs that we do' (Case A, employee 2, p. 5).
		Some evidence of <i>internal pay inequity</i> as differences in rewards are not based on perceived relevant differences in relation to the level of job responsibilities in the medium-sized organizations (Cases D, E)	'And they sit, a number of them sit one point below us the senior management team on the pay scale. [...] But if I mess up and don't get a tender in on time that's really quite an impact on the organization. And that sometimes doesn't seem equitable' (Case D, senior manager 1, p. 6).
		Some evidence that employees fail to understand the distribution rules by which HR practices are implemented (e.g. flexible working arrangements not based on individual need) (Cases A-C, F-H)	'[...] there's no, almost like a just a distrust to me. And I know it's part of their policy but, whereas other organizations I've worked for if you have a hospital appointment then you go to it, and that's it [...]' (Case A, employee 1, p. 13).

Table 4. Impact on employee wellbeing

Categories	Cross-Case Patterns	Exemplary Quotes	Deviant case patterns	Exemplary Quotes
Psychological wellbeing (subjective experiences of individuals at work)	Prior experience in the sector provides <i>employee coping mechanisms</i> for increasing job insecurity and fixed-term contracts (Cases A-H)	‘I think that’s just the way that charities work, people come in for a year on a funded job, 2 years in a funded job and it’s very transient’ (Case C, employee 2, p.8).	<i>Satisfaction with the tradeoff between job flexibility and limited career opportunities</i> in the organization (Cases A-C, F, H)	‘I think most people are here because it suits their circumstances, the hours, the type of work we have here. But there has been an example of progression and but there isn’t generally’ (Case C, employee 3, p. 17).
	<i>Employee confusion, distress and resistance</i> given mixed messages that emerge when wellbeing initiatives (e.g. counseling support services) are implemented in ways that undermine the organization’s values (Cases A-H)	‘I don’t know cause I just stuck to my guns and kept putting in CPN appointment. I wouldn’t make it up as something else. [...] I suppose there might be a stigma [...]’ (Case A, employee 1, p. 14).	<i>Frustration</i> with increasing expectations and little recognition; <i>intent to leave</i> (Cases A-C, D-E)	‘My job is so, I’ve got to be flexible but I feel sometimes... it’s what they expect too much. It pushes you sometimes, it’s frustrating, very frustrating at times. And when I started here, I would do anything, I mean this job was like ‘oh I loved my job’ and I still really, I do enjoy it. I’m just very frustrated and time has come as I say. I think I realize after all this time nothing is going to change it’s like going around in a great big circle y’know.’ (Case C, employee 2, p. 6).
			<i>Dissatisfaction with lack of autonomy</i> , e.g. daily tasks are monitored by supervisors (Cases B, C)	‘I think it’s the manager’s way of monitoring what you are doing with your time. [...] I need to feel I’m in charge of my workload and not being dictated to’ (Case C, employee 3, pp. 11-12).

<p>Social wellbeing (quality of one's relationships with other employees)</p>	<p>Satisfaction with <i>trusting, supportive relationships</i> amongst coworkers (Cases A-H)</p>	<p>“And I’ve got colleagues in here that I can chat over and they know how I feel and so. Y’know we are able to get support from each other which is good because we’ve all been in those sort of boats before. And sometimes a case of phoning them up at home and say ‘oh god you’d never believe what happened today’ or whatever so we’re all really supportive” (Case E, line manager 1, p. 10).</p>		
<p>Physical wellbeing (objective physiological measures and subjective experiences of bodily health at work)</p>	<p><i>Physical exhaustion, fear and stress</i> associated with work intensification (Cases A-H)</p>	<p>‘And that can actually make you feel actually really quite exhausted. And for me that is a situation I really need to keep a close eye on, because I have a full time caseload and I’m only part time. There was a time, probably 2 weeks ago, a few of the girls were off sick, we don’t have a huge team, so there was me and another person in. [...] And I really really felt whacked’ (Case A, employee 2, p. 6).</p>	<p><i>Fear and stress</i> given the lack of task autonomy (Cases B, C)</p>	<p>‘It makes you nervous about your job. It makes you scared in a way. That if you do something wrong then you’re going to get sacked for it’ (Case B, senior manager 2, p. 13).</p>