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# The effects of the organizational culture on diversity management perceptions in hotel industry

Hakan Sezerel • Hatice Zumrut Tonus

### ABSTRACT

The success of diversity management practices relies on the combination of a series of variables properly. The relevant literature suggests that diversity management is highly depended on an adequate organizational culture. Thus, a research model that proposes that organizational culture has impact on diversity management perceptions of employees. There are two data sets in this research. The independent variable of the research is organizational culture and the dependent variable of the research is the level of diversity management perceptions. The research is adopted in quantitative method and the data collected via questionnaires. This research which is conducted in a hotel chain finds that the mission dimension of organizational culture impacts all three levels of diversity management.

### KEY WORDS

organizational culture, diversity management, hotel industry, cross-cultural management

JEL Code: O15

### 1 INTRODUCTION

The perception of discrimination and lack of justice may lead to inefficiency, conflicts and unmanageable situations. Particularly in countries like Turkey that contain geographical, ethnic, religious and sectorial differences throughout its history, where the employment of women in business life is inadequate, and where the sensibilities concerning the employment and the work conditions of the disabled individuals is recently becoming widespread, the issue of how the differences in business life is treated, and at what stage these differences are in management, emerges as a subject matter of a substantial research. Moreover, demographic differences increasingly emerge in the labor market, particularly the services sector (Diriöz, 2013) and emphasize the performance of a study on the subject matter of demographical change that is noted in the work life. It is also noted that the limited number of empirical reviews that were performed, were rather in the nature of descriptive studies (Sürgevil, 2010). In the present age that increasingly underline the differences between the individuals and groups, based on reasons such as migrations, population increase, and the rise of the identity policies, the issues of differences in social life, and how such differences will be managed, are increasingly gaining significance. Parallel to these issues, the management of diversity that occur in business life, has emerged as a significant problem, particularly during the last twenty years. The increase in the attention on the management of differences is both public sector and private sector, highlights the management of the diversity on both ethical and commercial justifications. In the literature concerning management and organizational area, the major factors that affect the management of diversity, are currently investigated. In the present study, the issue of organizational culture has been investigated as a variable affecting the management of diversity, and based on an empirical research, the effects of the organizational culture on the management of diversity, has been examined.

In the literature concerning management and culture, responses to the question, is it possible to treat an idea or a research as a fully valid issue in a different context? Are being sought for a long time (Hofstede,1983; Trompenaars, 1996; Özbilgin, 2007; Sargut, 2010). According to Özbilgin (2007: 25), in most of the researches

conducted on the researches applied in the USA and Western Europe, the claim of global applicability is presented without mentioning the originality of the national conditions, and the consideration of particularly the western applications as universal truth in every society, causes a cultural color blindness (Demir,2008). Similarly, while we are dealing with this problem, the use of exclusively certain assumptions and the disregard of others, result in the emergence of a narrow mindedness (Sargut, 2010).

To recapitulate, the issue as to on what grounds should cultural relativity be placed in the acquisition of theoretical knowledge, is a significant issue. Therefore, the effect of organizational issues such as culture, structure, leadership on the perceptions and applications of diversity management, is an issue worth investigating (Sürgevil, 2010). Therefore, having knowledge on the organizational culture that is needed, is rather important.

Although the organizations are a product of the cultural paradigm of the societies in which they exist, based on their environment, various input and processes, they produce a specific culture (Fey and Denison, 2003; Terzi, 2004). In this sense, as sub systems, the organizations own their specific cultural characteristics. Thomas (1991: 15), who has been one of the first researchers on the management of differences, has presented a theoretical suggestion regarding the effect of the organizational culture on the management of differences. Similarly, Allard (2002) emphasizes that since certain definitions and models regarding the management of differences have been fully settled in the full organization, a new understanding is needed regarding the cultural foundations of the organization, and within the same context, Thomas and Ely (1996), emphasizes the significance of the organization culture in the management of diversity. According to these authors, the organization culture should create performance expectations for each personnel, should encourage individual development, and should ensure the acceptance of the differences. In other words, the management of diversity, requires an organizational culture that avoids the obstruction of the reaching of career targets of the employees due to factors such as gender, race, citizenship, creed and other elements (Kundu, 2003). Additionally, it is emphasized that the organization culture demands homogeneity, that such homogeneity can be provided through the wide spreading of the values and the norms of the strong groups, and that the organization culture plays an active role in all human resources applications of the organization. Therefore, it is generally accepted that the organization culture plays a determinant role in the formation of the policies concerning the management of diversity (Kirton 2003; 7).

As could be noted, the organizational culture plays a central role in the management and application of cultural differences. Therefore, it is assumed that the initiatives concerning the management of diversity will prove unsuccessful if the employees or an enterprise do not aim to unify the different characteristics and values, or if the concerned enterprise do not own unified values (Bernardi and Toni, 2009). According to Spataro (2005), the organization culture is directly related to many organizational activities that will provide guidance to the definition of differences. Therefore, similar to nearly all managerial applications, it is assumed that culture has a determinant factor in the determination of the conformity of the "different" attitudes with the group norms, and what attitudes are different from the standpoint of the individuals. Acting on this assumption, it is possible to reach a conclusion on the general effects of the different organizational cultures on the applications concerning the diversity management.

For ensuring an active management of differences, we should know the perceptions of difference among the employees, and the situations that create such perceptions. The literature concerning this subject matter, emphasizes that for ensuring an effective management on differences, the perceptions of the employees on differences, and the situations that create such perceptions should be known. The literature concerning this subject matter, emphasis that in explaining the perception of the management of differences, the organizational culture should be taken into consideration as a variable (Hofstede, 1983; Cox ve Blake, 1991; Schein, 1992; Thomas and Ely, 1996; Trompenaars, 1996; Chatman et al., 1998; Deal and Kennedy, 2000: 78, Bean, et al., 2001; Kundu, 2001; EIMD, 2001; Allard, 2002; Spataro, 2005; Guidroz et al., 2009; Bernardi ve Toni, 2009; Australian Multicultural Foundation, 2010).

In the literature concerning this subject matter, it is noted the subject matter consists of limited number of researches performed in accommodation sector generally, and in particular, the hotel enterprises operating on global basis, and that most of these researches were focused on positive discrimination (Gröschl, 2011; Gröschl and Doherty, 1999). The researchers are focused on the management of diversity and organizational structure (Gröschl, 2004: 30), and the training programs concerning the management of the specific differences (Hearns et al., 2007) and particularly emphasize that in multi-cultural societies, the management of diversity is a basic management activity. Taking into consideration that hotel management is a sector that is characterized by personnel working on temporary contracts, with low education levels, subject to lower wages, that contains a high level of gender discrimination (Deery and Shaw, 1999), it is concluded that the issue of hotel management needs researches to be applied on a comprehensive basis.

The theoretical contribution of this review was specified in a covert manner; but it is assumed that it presents a model that has not become subject to a comprehensive empirical testing, and that it will test this model. In such reviews, the theoretical contribution is based on theoretical findings, presenting the research query mentioned below, and the basic purpose of the review was determined as "the presentation of the effects of the organizational

culture on the perceptions of the employees on the management of the diversity." The initial question of this study, could be expressed as follows:

Do the differences of organizational culture have an effect on the diversity management?

### 2 THEORETICAL INSIGHTS AND HYPOTHESIS DEVELOPMENT

The workforce diversity generally refers to the demographical, psychological and organizational differences of all employees working in an organization, or in any section or unit of the organization. The concept of diversity is used in defining all the differences that the employees working in a place of business, including the roles, functions and personality (Hicks-Clarke ve Iles, 2000: 324). In organizational life, the dimensions relating to performance and strategy, are taken as the structural or functional differences based on organizational structure and operation, the market, commercial differences in products or services, and the labor difference of the employees working in different categories (Ospina, 2001). The management of diversity, states to the concept to increase the performance of the organization by raising the personal characteristics and talents of each employee to the top level. Therefore, it is assumed that the merging of the principles of management of diversity with the basic human resources functions will make it possible to ensure the management of the labor differences in an effective manner (D'Netto ve Sohal, 1999). Within this framework, the management of diversity is focused on what and how an organization performs, its functions, in particular the issues of employment, training and pricing in the relevant sector. (Hollowell, 2007).

The history of the researches on how the cultural and demographic differences should be taken up, has begun in 1960's. Since the 1960's, it is assumed that the most striking development in the reviews concerning the management of workforce diversity, was achieved in the researches performed in USA on the structure of workforce (Joshi ve Roh, 2009).

The fact that the workforce diversity was included within the legislation have appeared in the agenda on legal basis in 1960's. Accordingly, the employers were prohibited to apply discrimination among the employees based on their differences of ethnicity, race, creed, age, disability, etc. and in 1965, certain legal responsibilities were introduced on the enterprises regarding positive action (Jackson and Joshi, 2001: 242; Kochan et al., 2003: 4). With the effect of such legal regulations, the corporations have primarily fulfilled their quota obligations until the 1990's (Gilbert vd., 1999). During this period, it is noted that certain different groups (women, minorities, etc.) were protected in organizations from legal and ethical viewpoints and that the organization complied with the applications emerging from legal obligations.

The management of diversity is a management approach that was developed following the publication of the work titled Workforce 2000 which emphasized the demographical changes in the labor market in late 1980's. In the review report for Workforce 2000, it was envisaged that the world economy will accomplish a greater integrity, that production will move towards services from production, that the use of advanced technologies will increase, that innovations will increase in products and especially services, that the rate of inflation will be reduced, that competition will increase the sectors of production, services and labor, that the average age in the population will rise, and that the participation of the women, disabled citizens and migrants in workforce shall increase (Johnston ve Packer, 1987). In the estimations offered by the same institution for the year 2020, it is expected that the differences in labor power shall increase (Judy & D'Amico, 1997).

This concept was developed and gained popularity in UK in 1990's, and was accepted as a new management approach. Due to the changes in the expectations and demands of the society, for the continuity of the corporations, the concept has emerged as an obligation rather than an alternative. In this sense, the concerned competition pressure has laid emphasis on the facts that were initially forgotten or disregarded. Conclusively, the assumptions concerning the labor market that was imagined to consist of white, non-disabled heterosexual males, have begun to lose their validity (CIPT, 2006: 2). The international competition which has emerged is the result of the demographical change in the composition of workforce and clients, has recently carried the subject matter of the management of differences, into the agenda of management and organization discipline. The managerial approach takes the field human resources as an area that will possibly create competitive advantage, and focuses the differences on creating organizational profits by guiding these differences. Through this approach, in the pertinent literature, a transition has been created from the opportunity to create equal employment opportunity, towards the approach concerning management differences focused on business administration (Özbilgin, 2009: 5; Kochan vd., 2003: 4).

In light of these changes due to the changes that occur in the structure of the world's economic structure in both the structure and operation of the organizations, and the expectations for changes, the review and the management of the diversity have become a significant issue. In order to provide appropriate responses to the daily demands of the organizations and their employees, the issue of the management of differences is becoming the subject matter of an increasing interest. A Management philosophy which asserts that that the management of diversity, the acknowledgement and the valuation of heterogeneity, will contribute to both the performance of the

organization, and to that organization's financial profits (Özbilgin, 2007: 1) is a subject matter that has occurred in the USA, and that has become a subject matter of debate since the 1960's. In the 21st century that is focused on the attainment of competitive advantage, the management of differences has become a milestone from the standpoint of the human resources programs (Barak, 2000: 48). It is assumed that as of the early 1990's, the "melting pot" approach has ended, which was replaced by an understanding that accepts and that manages diversity. In this sense, diversity is a factor that affects thinking and actions of the individuals through social, cultural, physical, and environmental factors. In this sense, the studies performed in 1990's failed to introduce clarity on the relationship between commercial performance and the workforce differences or the cultural differences. For this reason, the interests of the researchers on the management of differences, were not adequately organized (Özbilgin, 2005).

In Turkey, the literature concerning management of diversity has appeared in parallel with the literature concerning the management of human resource. Therefore, the literature concerning the management of diversity in Turkey, has emerged in parallel with the literature concerning human resources management. Therefore, in the literature concerning the management of differences, an emphasis is laid on the probable contributions of the human factor, as a strategic resource. It is noted that most of the reviews could be assessed within a tradition that could be defined as traditionalist-functionalist, and are mostly designed for the functioning of the management of the differences between the managers of the enterprises/establishments. However, it is also noted that most of such reviews consist of descriptive studies that measure the perceptions of the organizations on the management of the diversity (Sezerel ve Tonus, 2014).

Although the management of diversity particularly appear in the agendas of intercultural management reviews, they are discussed within the framework of cultural differences. In the present review, the phenomenon of diversity, is focused on a wider perspective concerning labor power differences, and is taken up within the scope of the cultural characteristics of an organization. Within this scope, in order to determine the effects of the organization culture on the perceptions of the personnel recruited in an organization, we have taken as reference the literature of the organizational culture.

As different from the literature for inter-cultural management, the literature for organization culture examines the cultural values on the organizational level. Particularly, starting as of the 1990's, the issue of culture, that has begun to be defined frequently in the literature for management and organization, has gained significance in the research conducted by researchers on various levels (nation, organization, group and individual). It is generally accepted that all the organizations from multi-national enterprises to civil society organizations that operate in domestic level, are effected by the national culture in the main country, and create a certain cultural atmosphere. Therefore, in all reviews and in all management applications that are focused on organizational change, the organization culture is taken into attention as a significant variable. In organizations the employment of the different individuals and groups during the period between their recruitment until their retirement, the organization culture plays an important role in the continuation of the business life, without becoming subject to discrimination and psychological violence.

When we examine the literature on the management of diversity in Turkey, we note an incompleteness regarding the issue as to whether the organizational culture has an effect on the management of differences, and if any, what sort of relationship exists. Besides the problems relating to the measurement of the organization culture with a quantitative approach, the fact that the interest on the management of differences is not adequately organized, may be construed as a reason underlying the incompleteness in this area. In summary, when we examine the organization culture models developed by researchers, we note that the organization culture provides significant clues on the management of the differences in the organizational culture (Hofstede, 1983; Cox ve Blake, 1991; Schein, 1992; Thomas ve Ely, 1996; Trompenaars, 1996; Chatman vd., 1998; Deal ve Kennedy, 2000: 78, Bean, et al., 2001; Kundu, 2001; EIMD, 2001; Allard, 2002; Spataro, 2005; Guidroz vd., 2009; Bernardi ve Toni, 2009; Australian Multicultural Foundation, 2010). Therefore the determination of which dimensions of the organization culture are convenient for the management of differences, plays an important role for this issue.

In research process, the models explaining the relations and effects between the management of differences and organization culture have been reviewed. During our reviews on the literature of the subject matter, we have noted a few empirical researches that tests the effectual relationship between the organization culture and the management of diversity. In the research conducted by Guidroz and others (2008) the empirical review that is applied by taking the Denison organizational culture model as starting point, indicates a parallelism with the problem taken up in the present review. Therefore, in our review, we have preferred the organization culture model developed by Denison and Mishra (1995). Denison ve Mishra (1995) has performed two empirical researches in order to investigate on the relationship between the organization culture and the performance of the organization, and have concluded that the four dimensions of the organization culture is effective on the performance of the organization. The first review is the sample incident analysis that uses qualitative method. Here, at the first stage, the publicly accessible documents of the investigated enterprises, such as annual reports, operation dates were assessed, and at the second stage, meetings were arranged with the people who have conducted relations with the organization, primarily the

employees, retired employees, clients, journalists, these meetings became subject to contents analyses and through this way, the data were achieved. At the end of the review, 4 basic hypotheses were suggested.

- The dimension of involvement has a positive relation in organizational activities.
- Consistency has a positive relationship in organizational activities.
- As a response to adaptation or the external conditions, the capacity for internal change, has a positive relationship in organizational activities.
- Mission, or long term vision, has a positive relationship in organizational activities.

A second research was applied for the testing of the suggested hypothesis. In the research applied it was noted that the organization culture model, leads the way for organizational performance. The model developed by Dennison regarding the organization culture, as applied on 3000 organizations and on more than 100,000 individuals throughout a period of 15 years (Denison vd., 2004).

	Axes	Change and Flexibility	Stability and Guidance							
	External Adaptation	Adaptation	Mission							
İnternal integrity		Involvement	Consistency							

Table 1: Denison's organizational culture model

Denison's organizational culture model is summarized in Table 1. In this model, we see four dimensions, and two axes that cut these dimensions vertically and horizontally. The horizontal dimension contains the element for harmonization for external conditions, which implies the degree of harmonization of the organization to the environmental (external) conditions that remain outside the direct control of the organization.

The vertical axis consists of the components of the change and flexibility, and guidance. The concerned two axes contains 4 basic conceptual dimensions regarding organizational culture (Denison ve Mishra,1995: 216; Yahyagil, 2004:10; Akdoğan ve Mirap, 2008:7). According to the model, an opposition exists between the harmonization with the external conditions and the internal integration axes. While the dimensions of involvement and consistency are included in internal integration, the dimensions of mission emerge as the dynamics of external harmony. Accordingly, while involvement and adaptation, emerge as the components of the capacity or change of the organization, consistency and mission emphasizes on the long term stagnation and the predictability of the organization.

Denison, lists the cultural dimensions as involvement, consistence, adaptation, and mission. It is assumed that participation in decisions increases organizational solidarity. The dimension of consistency, emphasizes whether or not the organization owns certain purposes and vision. The adaptation dimension assumes that the organization interprets the information derived from outside sources, and enables internal growth. Additionally, it is assumed that the shared purposes and strategies are effective in guiding the members of the organization towards aggregate purposes Denison, 1990: 6-14; Denison vd., 2004: 65; Baker, 2002; Schein, 1989: 558).

The involvement dimension asserts the requirement for a reinforcement and team work in order to provide responses to the needs of a competitive society. In organizations where the involvement dimension is high, the ownership solidarity is expected to increase, and consequently, the external control is expected to decrease, and the attitudes are expected to be managed in a more appropriate manner. It maybe anticipated that the differences of others will not be considered as the negative element by the others. Similarly, it is assumed that in the culture of participating organization, the personnel may better develop their own personnel talents and will provide more contribution to the organization with their personal differences (Smith, 2013). Similarly, the empirical researchers (Guidroz vd., 2009) indicate that the involvement dimension in an organization the differences in participation differences, effect the administration at an individual level. In this insight, the following hypotheses have been developed.

H1: The involvement dimension of an organization culture has a positive effect on the perceptions of diversity management.

The dimension of consistency is a holistic approach owned by the organization in the accomplishment of its purposes and in the solution of its problems. This dimension shows the partnership in the internal structure in the emergence of hard situation and unexpected conditions that occur in external environmental that concern the organization. In strong organizational cultures with high consistency, as the outcome of a better coordination and control, the activeness is expected to increase. Meanwhile, if the organizational environment is not treated in a realistic fashion, it is assumed that consistency will remain without function.

The dimension of consistency explains whether or not an organization owns specific purposes and a vision in the long run. The scope of this dimension includes the basic value structures determined by the founders, the fact that the employers have a unity in thought and action in orienting themselves towards organizational purposes, and the harmony that exists between him working principles and methods of all the departments of the organization. Thus, the perception that the research findings have been presented and that the differences of the individuals have been covered and accepted, is effected by the principles and applications adapted in the entire organization. In this sense, as in all other management applications, the perception of the management of diversity, appears to depend on the overt support of the upper management (Hofstede ve Hofstede, 2005). In summary, in the organizational level, a consistent and open approach regarding the issue of the management of differences by the upper management gains significance (Ollapally ve Bhatnagar, 2009). This situation is parallel to the reviews performed in the literature of the pertinent subject matter (Özkaya vd., 2008; Hicks-Clarke ve Iles, 2000). Based on this, the following hypotheses were developed.

H2: The consistency dimension of the organizational culture, has a positive effect on the perceptions of the diversity management.

The adaptation dimension corresponds to the opinion presented by Schein (1992), concerning "the role played by the "balance and openness in the change established by the organization regarding the protection and continuation of the inner integrity." In this sense, it focuses on the relations established by the organization, the clients and he rivals. During the management of diversity, it is noted that as much as the differences emerging from the workforce of the organization, significance should also be assigned to the differences created by the differences in clients. The second component of the organization culture model analyzed in the research, is the change category presented as the opposite assumption to the stability assumption. In the Denison model (Denison ve Mishra, 1995), this component is expressed as change and flexibility, and its scope contains the dimensions of involvement and adaptation. In the adaption dimension, it is assumed that the norms and beliefs will enable internet growth by interpreting the information obtained from the external atmosphere. This view corresponds to the approach of Schein (1992) concerning the openness to the balance and change established by the external environment through the protection and continuation of the internal integrity by the organization. In this sense, it focuses on the relations established by the organization with the external conditions, clients and rivals. This dimension explains the change capacity of the organization in harmonizing itself with the external environment, its capability to meet the needs and expectations of the existing and potential clients and the learning capacity that it has acquired through creating innovations (Deal and Kennedy, 2000: 177-182). The adaptation dimension in organizations, is characterized by factors such as resistance to change (Hofstede ve Hofstede, 2005), the value of being a community (Handy:1993). In organizations focused on external environment and in heterogeneous groups, focus on change demanded by workforce diversity (Boisnier ve Chatman, 2003; Johnston ve Packer, 1987) contains ideas, viewpoints and approaches that are different from the homogenous groups. Similar to the adaptation of organization culture, it shows that the openness to differences, has a positive relation with the learning and information diffusion of the group (Lauring ve Selmer, 2013). Based on this fact, the following hypotheses has been formulated.

H3: The adaptation dimension of the organization culture has an effect on the perception of diversity management.

The mission dimension serves the employers of an organization in providing a sense of purpose and meaning besides economic motives, in this sense, the mission dimension implies the proactive target and vision of the organization. If the organization culture does not have the aim of integrating the different characteristics and values that it owns, it is assumed that each attempt within the framework of the management of diversity will end in failure (Bernardi ve Toni, 2009). Therefore, it is asserted that the differences of the organization culture, plays a determinant role in the determination of the management policies (Kirton, 2003: 7). Parallel to this finding noted in the literature of the pertinent subject, it is also noted that the mission changes in an organization, is a determinant factor in the development of the management of the diversity of organization culture (Kirton, 2003: 7). Parallel to this finding derived in the literature of the pertinent area, it is also asserted that the changes in mission in an organization can change the strategies, culture and organizational behavior Denison, 1990: 6-14; Denison vd., 2004: 65; Yahyagil, 2004:11-12; Baker, 2002; Schein, 1989: 558). Besides the economic motives, the mission dimension also serves in providing a purpose and meaning, and providing an open road map for the organization and its employees (Denison ve Mishra 1995; Peters and Waterman, 2004: 314). In the literature of the field, it is also asserted that during the process of the management of differences, it is recommended that the upper level managers are included in the process, the creation of a belief that in organizations the management of changes is an ethical necessity, and that the management of differences should be included in the concept of mission and the strategic plan Gilbert et al., 1999; Ivancevich and Gilbert, 2000). The reviews applied, underlines the fact that a unity in purposes regarding differences

and the shared common values shall increase the effectiveness of the management, particularly in the dimension of sections (Knippenberg et al., 2013). It is stated that the organization culture demands homogeneity, and that homogeneity is ensured through the wide spreading of the values and norms of the strong organizations, and that the organization culture is especially effective in all the human resources applications of the organization. Based on this idea, the following hypothesis were developed.

H4: The mission dimension has an effect on the perceptions of the diversity management.

### 3 METHOD

In the research, a research model has been developed, which examines the effects of the management diversity of the independent variable (organization culture) on the dependent variable. Through the conceptual model of the research, a response is sought to the basic question of the report, formulized as "Does the organization culture effect the management of differences?" The theoretical model of the review is presented in Figure 1.

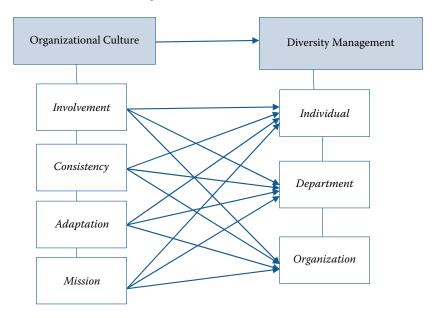


Figure 1: The theoretical model

As could be seen in Figure 1, in the research model, a conceptual model has been formed on the organization culture variable dimensions (involvement, consistency, adaptation, and mission) regarding the management levels, through this model, the effects of the organization culture on the management of the defenses in organization culture. Through this model, the effects of the organizational culture on the management of diversity have been reviewed.

The scope of the research consist of the chain hotels operating in Turkey. The primary reason for the selection of the chain hotels for the research, is the fact that the management of diversity plays an important role in the tourism-hospitality sector which is a labor intensive sector (Nicolaides, 2010). In the relevant literature, it is noted that a limited number of researches are noted in the hospitality sector in general, and in the global hotel establishments in particular, and that most of the researches applied are focused on positive discrimination (Gröschl, 2011; Gröschl ve Doherty, 1999). The researches that are applied, are focused on the management of differences, the organizational structure (Gröschl, 2004: 30) and the training programs on the management of the specific differences (Hearns, Devine and Baum, 2007) and particularly assert that in multi-cultural societies, the management of differences is a basic management activity. Taking into consideration that the hotel business is a sector characterized by personnel hired through temporary contracts, which are paid low salaries, and subjected to high level sexual discrimination(Deery and Shaw, 1999), it is concluded that the hotel sector needs holistic reviews, and that the significance of the organization culture should be included in the hotel management literature (Mkono, 2010). In the literature, it is noted that the researches on the management of differences is growing in the area of hotel management, but the organizational factors play a minor role. The fact that the number of the researches in hotel management is limited, is another factor in the decision concerning the application of reviews in chain hotels. As of 2012, there are 165 hotel chains in Turkey. The chain hotels provide their services through 824 facilities and 400 thousand rooms.

According to the results of the Ekin Group (Resort Magazine, 2012:10), the chain and group hotels constitute 37% of the total hotels with operation certificate, the number of rooms available in such hotels constitute 58% of the total hotel rooms, and regarding bed capacity, they constitute 67% of the total bed capacity. Of the said hotels, 82% are owned by domestic partners, 15% are owned by foreign partners, and 3% are owned by cooperations consisting of Turkish and foreign partners. In the relevant literature, it is asserted that the magnitude of the hotels are measured by the number of rooms (Resort Magazine, 2012). During the stage of data collection, sampling method with purpose has been selected. The reason for this selection is related to the basic problem taken up in the review. In the studies concerning organization culture, one of the major problems marked is related to the level of analysis Hofstede, 1980; 1990). Accordingly, particularly in qualitative researches, one of the errors committed by researchers is to apply the scale of a specific organization culture on more than one organization in reaching conclusions. Therefore, in order to determine the effects of the organization culture on the management of differences, a decision was passed regarding the application of the review on a single organization. In a similar review applied by Guidroz and others (2009), the relationship between organization culture and the management of diversity was observed by taking as basis a production enterprise. In the reviews held on the issue of tourism, it is noted that a hotel chain was selected in order to control the ownership variable (Deery ve Shaw, 1999). The sample that is taken in the review from the standpoint of the facilities and the number of beds in Turkey, consists of the personnel employed in one of the biggest chain hotels in Turkey. The hotels belonging to hotel chains, are located in Antalya Town Center, Side and Kemer. Interviews were conducted on the facilities of the hotel chain located in Side, Kemer ve Antalya Town Center. For the reviews, the required permissions were obtained from the human resources director or the organization and the human resources director of the Side region, and the design of the research has been completed.

The data of the research were achieved between the dates May-October 2013. During this process, semi structured meetings were held with the group human resources of the enterprise and the human resources director of the Side region on the management of differences, and a visit to each of the 4 hotels included within the scope of the review in order to increase the rate of return to the interviews (22 November 2012 Antalya; 23-25 July 2013, Kemer; 28 June 2013; 27 July 2013, Side), the completed interviews were received on hand, while a part of the interviews were sent through mail. The opinions of the human resources director and the human resources department were obtained regarding the samples. And (considering the entries and exits during the season), the total number of personnel working in the enterprise approached 2500, and the number of personnel that has been working in the enterprise for at least 3 years reached 1200. The total number of employees participating in the review is 293. Since 8 interviews were not complete, they were excluded from the research, and the final number was determined as 285. The data collection stage of the review was designed in accordance with the type of analysis. Since the linear factor analysis is an analysis applied on major samples, it should fulfill certain criteria. When we survey the relevant literature, we note that in researches that use structural equality model, two basic criteria should be fulfilled, which are the size of the sample and the number of variables. The different resources regarding the number of samples, introduce two basic criteria stating that the number of questions should be at least 5 fold or 10 fold of the number of questions raised in the scales of at least 150-200 (Brown, 2006: 412-413; Chen vd., 2008; Dursun ve Kocagöz, 2010). It is noted that the samples presented in the review (n=285) meets both situations. Furthermore, the research data fulfills the condition stating that they possess the size of adequate samples to perform a regression analysis (Demir ve Okan, 2009).

In the research, data were collected through questionnaire technique. The surveys used in the research were "Organization Culture Scale and the "Management of Diversity" scale. The research consists of 12 questions that contain information regarding the participants, and 15 questions regarding the management of differences (total 63 questions).

The Scale of Organization Culture: The scale of organization culture developed by Denison and Mishra (1995) (Denison Organizational Culture Survey), was adapted on Turkey by Yahyagil (2004). (The sample question: There exists a full harmony among the employees regarding the purposes of operation of the enterprise. The survey measures four cultural dimensions defined by Dennison within the organization culture model. The survey contains 36 questions this scale was previously used in Turkey by Eren vd. (2003), Akdoğan ve Mirap (2008) and Şahin (2010).

The Scale of the Management of Diversity: The scale of the Management of Diversity developed by Robert Bean and others, defines the three dimensions of the management of differences (organization, division, individual). The scale consists of 15 questions. A pilot study has been performed regarding the scales of the management of differences. During the preparation of samples, the opinion of persons who are authorities in the areas of management, organization and tourism were obtained. The opinions of persons who were employed in one facility of the three chain hotels and who have provided positive responses during our preliminary meetings. Participation was assessed in accordance with voluntary participation, and valid interviews were provided from 91 participants. At the end of this application, it was noted that all the variables of the research were above the acceptable reliability level specified in the literature of the pertinent issue and that the level of reliability (85.4%) and above the limit of 70%, and was adequate for the performance of a field review.

In order to analyze the validity and reliability of the data achieved, and the relations of the variables with each other, Lisrel 8,7 and SPSS 15,0 statistical programs were used, and we have also applied confirmatory factor analysis,

reliability analysis, correlation analysis and multiple regression analysis. The analyses were performed in two stages. At the first stage, the data transferred to computers were examined from the standpoint of the determination of the fact as to they contained incomplete or false values, contrary values, from the standpoint of multiple changes: and in the second stage, the sub-problems of the research have been resolved.

Accordingly, 4 different factor models were tested and it was noted that the confirmatory factor analysis has confirmed the structure containing 7 factors. In other words, the index for best harmony index was provided in this model. During the confirmatory factor analysis, 7 questions have remained below the level of meaningfulness on the level with 7 questions have remained below the level of meaningfulness. In other words, the best harmonization index has been achieved in this model. Therefore, it has been excluded from the scope of the research. In order to ensure that the data present a reliable information, the multicollinearity variance inflation (VIF) and tolerance values have been examined. Accordingly, it was noted that the tolerance approaching zero was accompanied by two variances that are greater than VIF, and conditional index bigger than 30 was not noted. During the interpretation of regression analyses, standardized Beta coefficients ( $\beta$ ) and the t-test results relating to the meaningfulness of these coefficients were taken into consideration. In the analyses of the data, the meaningfulness levels of 01 and 05 were taken as basis. The results achieved from the analysis, are presented under the section "Findings".

### 4 FINDINGS

This section contains the results of the analyses of the data achieved in the research and their evaluations. This section also contains information regarding the participants of the review, analyses concerning the reliability and validity of the methods used in researches, the correlation analyses of the relations between the variables, regression analyses that measure the effects of the independent variables on the dependent variables, and the comments relating to the findings achieved.

Access to 285 sample was achieved during the research. It is noted that the participants in the review consisted mostly of male personnel (72,6%) the level of education of the participants was high school and higher (76,7%), that most of the participants were higher than 30 years of age. Moreover, it is noted that most of the participants were married (62,5), and have arrived from other places besides Antalya for work (58,2%). It is also noted that the sector contains workers who have worked between 1-5 years (57,5%), permanent workers (64,6%), in sections that are not functional (60,4%) and in non-management positions (63,2%).

In order to ensure the reliability of the scales used in the research, internal consistency analysis was used. Internal consistency analysis explains whether or not the question articles existing, the scales, may be taken up under one dimension. For Likert type measures frequently used in empirical reviews in the area of social sciences, the alfa coefficient (a) developed by Cronbach is used. In cases when the Cronbach alfa coefficient is above 0.70, it is generally accepted that the review is reliable. Moreover, in sub dimensions that contain less than particularly 10 articles values between 0.20 and 0.40 are also acceptable Pallant, 2011: 97; Büyüköztürk, 2011:170-171). In the review, the coefficient 0.70 was determined for the main dimensions of the scale (organization culture, diversity management). A security analysis was applied for testing the reliability of the methods used in the research.

Variable Name Number of items Stability and reliability **Organizational Culture** 0,89 1 **32** 8 Involvement 0,77 9 Consistency 0,71 Adaptation 8 0,67 7 0,75 Mission 2 12 **Diversity Management** 0.77 5 Individual 0,68 3 0.54 Department Organization 4 0,78 44 **Total** 0,92

Table 2: The reliability of the scales

Table 2 represents the reliability analyses of the measures used in the research. In table 2, it is noted that the dimensions of organization culture and the diversity management and the total values, are within acceptable dimensions from the standpoint of reliability values..

In the present study, the validity analysis that tests the consistency of the conceptual model taken up with the research data has been applied through the application of linear factor analysis. In our present study, structural validity approach has been adopted for validity analysis, and linear factor analysis has been used. The validity of the scales is a method that is applied to test whether the theoretical model has been measured by the scale (Pallant, 2011:7). In the confirming factor analysis, the principal purpose is to determine the confirmation of the theoretical model that were used in the previous studies by the measurement articles. In this analysis, the measurement articles are assessed by the researcher within the model that is developed, and the theoretical model and the factor structures, are assessed through the statistical harmony indexes. If these indexes are between specific values, it is concluded that the theoretical model and the scale used in the research are correct. From the standpoint of the value limits referred to in the review, it is recommended that  $X^2$  / SD (X square/Freedom Degree) is between 5.1 and 2.1, RMSEA (the Average Square Roots of the Approximate Errors) value is 0.08 or below, CFI (Comparative Harmony Index) and NFI (Normed Harmony Index) is 0.90 or above (Akyıldız, 2009: 26,30; Şimşek, 2007: 48-49).

Mo	del No – Adı	$X^2$	SD	RMSEA	CFI	NFI	$X^2$	DF
1	7 factors model	1858.25	881	0,062	0,94	0,88		
2	Null model	2910.95	902	0,089	0,88	0,82	1052,7	20
3	2 factors model	5236.91	1223	0, 108	0,82	0,75	3378, 66	342
4	Single factor model	5883.17	1224	0,116	0,80	0,74	4024,92	343

Table 3: Confirmatory factor analysis

X<sup>2</sup>: Chi-square SD: Degree of Freedom RMSEA: (Root mean Square Error of Approximation), CFI: Comparative Fit Index), NFI (Normed Fit Index).

The results of the Confirming factor analysis, are presented in Table 3. When we refer to the confirming factor analysis results of the research measures, it was noted that the 7 factor model, which confirmed with theoretical model of the research, was assessed from the standpoint of the harmonization indexes. The X square freedom degree (2,10), and the ), RMSEA(0,062) and CFI (0,94) indexes are within the scope of acceptable degrees and NFI (0,88) is within the scope of acceptable limits.

This section contains correlation coefficients between arithmetic average and standard deviation regarding the dependent and independent variables of the research. The dimensions of the organization culture used in the research and the reliability and validity analyses regarding the levels of the management differences are provided above. Furthermore, in order to apply regression analyses, a reference should also be made to the concerned dimension and the correlation values between levels. It is suggested that in order to pass regression analysis, the relation between the variables should be meaningful and positive (Pallant, 2011: 100). The results of the correlation analysis derived from the research data showing the relations between the variables, are presented in Table 4.

						·					
Variables		Ort.	SSP	1	2	3	4	5	6	7	
1	Involvement	3,52	,71	1							
2	Consistency	3,51	,63	,694(**)	1						
3	Adaptation	3,54	,65	,659(**)	,682(**)	1					
4	Mission	3,47	,73	,410(**)	,584(**)	,560(**)	1				
5	Individual	3,53	,86	,357(**)	,507(**)	,439(**)	,707(**)	1			
6	Department	3,34	,65	,296(**)	,427(**)	,411(**)	,516(**)	,478(**)	1		
7	Organization	3,75	,89	,489(**)	,576(**)	,554(**)	,487(**)	,410(**)	.386**	1	

Table 4: Correlation analysis

<sup>\*\*</sup> p < 0.01

The average standard deviation points (SSP) of the 7 different variables and the outcomes of their relations (\*\*) are shown in Table 4. In the research, the averages of the organization culture, the dimension of participation of the employees was determined as (3,52); the consistent dimension was determined as (3,51) the adaptation dimension was determined as (3,54) and the mission dimension was determined as (3,47). The average levels of the management of differences, were determined as (3,53) for the individuals, as (3,34) for the division, and as (3,75) for the organization. Accordingly, while the organization culture dimensions were (3,54) at lowest, and (3,75) at the highest, level, in terms of difference, the highest average is (3,75) at the organizational level.

Correlation analyses are used in determining whether a relation exists among the variables, and if it does, at which direction and which level this relationship is. Accordingly, if the relationship between the variables is positive, it is concluded that a certain increase in the variables will also create an increase in the other variable (Büyüköztürk, 2011:31). It is noted that all variables that are shown in Table 22 are at the meaningfulness level of p < 0.01 and that they have a positive meaningful relationship with one another.

- Accordingly, it is noted that the management of diversity in involvement dimension with individuals have a meaningful relation with individuals at the level of (r=0,35), with the department at the level of (r=0,29), and with the organization at the level of (r=0,48),
- The consistency dimension has a relation of (r = 0.50) with the individual level, of (r = 0.42) with the department level, and (r = 0.57) with the organization level.
- The adaptation dimension has a relation of (r = 0.43) with the individual level, (r = 0.41) with the department level and (r = 0.55) with the organization level.
- The mission dimension has positive a relation of (r = 0.70), with the individual level, (r = 0.51) with the department level, and (r = 0.48) with the organization level.

Although correlation analysis gives us an idea on the relations between the variables, it does not specify which variables affect the others, and which way or level the said effect will take place. According to the correlation analysis results mentioned above, a regression analysis should be applied in order to determine the effects between the variables (Pallant, 2011: 100).

In order to determine the basic problem of this review, that is, to measure the effects of the organization culture on the management of differences, the organization culture dimensions (involvement, consistency, adaptation and mission) on the management of differences, a multiple regression analysis was applied. Basically, the multiple regression analyses, is a type of analysis that is based on correlation analyses. The purpose in using the multiple regression analysis, is to determine the effect of more than one independent variable on a dependent variable and to develop estimations on the direction of this effect. In other words, in research models that could be defined as strong theoretically, it is an analysis that shows the cause and effect relations and the power of the independent variable in guiding the dependent variable. The effects of the independent variables on the dependent variable is examined through the value of R2. This value yields the variance rate hat all the independent variables explain in a dependent variable. The Adj R2 value (regulated R2 value) is value that is suggested in the analyses worked through sampling for explanation purposes. In the analyses, in order to examine the effect of each variable one by one, the B (Beta) value which is the regression coefficient, is used (Pallant, 2011; Büyüköztürk, 2011). The findings relating to the analyses applied, are shown in Table 5.

Table 5: The regression analysis

		Model 1		Model 2			Model 3			
Stability and Guidance	Dependent Variables									
		Individual		Department			Organization			
	В	Т	P	В	Т	P	В	T	P	
Constant	-	1,418	,157	-	6,441	,000	- ,944	,346		
Involvement	,010	,158	,874	-,050	-,670	,503	,094	1,360	,175	
Consistency	,148	2,182	,030*	,156	1,917	,056	,261	3,483	,001**	
Adaptation	-,020	-,318	,751	,128	1,670	,096	,216	3,060	,002**	
Mission	,628	11,722	,000**	,374	5,804	,000**	,176	2,952	,003**	
F	73,964		.000	29,589		.000	46.957		.000	
R2	.514			.297			.401			
Adj. R2	.507			.287			.393			

<sup>\*\*</sup> p <0.01; \* p <0.05

From the review of Table 5, it is marked that the consistency ( $\beta$  = .14, p <0.05) and mission ( $\beta$  = .14, p <0.01 dimensions, have a significant and positive relationship with the individual level of the management of diversity. The increases in both independent variable, also creates increases on the individual level. These variables explain 50% of the total variance of the diversity management on the level of the individual. In spite of these findings, a significant relationship was not marked between the involvement and adaptation dimensions and the individual level. Meanwhile, in Model 2, the effect of the dimensions of organization culture on the department level are examined. In this analysis, it is marked that the mission dimension ( $\beta$  = .37, p <0.01) has a significant and positive effect on the department level. In other words, the increase in mission variable, also causes an increase in the department level and together with the other variables, it explains 50% of the total variance. Conversely, a significant relation was not marked in the other cultural dimensions. Meanwhile, Model 3 shows that of the dimensions of the organizational culture, the dimensions of consistency ( $\beta$  = .26, p <0.01), adaptation ( $\beta$  = .21, p <0.01) and mission ( $\beta$  = .17, p <0.01) have a significant and positive effect on the organization level. The increase in the concerned variables, as create an increase in the level of organization. These variables, explain 39% of the total variance of the management of diversity on the organizational level. From these findings, it was concluded that H1 hypothesis was not supported, that H2 and H3 hypothesis were partially supported, and H4 hypothesis was supported.

### 5 RESULTS AND DISCUSSION

The management of diversity explains that in order to achieve the highest contribution from each personnel, the different talents of these employees are developed, and that for this purpose, various policies and applications have been developed. Through this way, the increase of effectiveness, efficiency and as a conclusion, profitability is intended to be increased. Therefore, it is assumed that through this way, a harmonious organization is created, which will ensure effectiveness and efficiency, and consequently, a competitive advantage will be created. In short, in addition to the ethical and legal reasons, the management of diversity is also supported for economic reasons. It is noted that in order to achieve these objectives, the management of diversity has adopted two basic approaches. Various strategies are developed in order to fulfill the legal obligations and to excel these obligations, to achieve the highest effectiveness and productivity among the personnel. In this respect, in an organization, all human resources activities should be applied on the basis if the management of differences. It is possible to explain this situation on the basis of the management of differences.

The basic purpose of this study has been defined as showing the perceptions of the management of diversity of the organizational culture among the employees. In the present study, we have tried to show how and in what way, the perceptions of the diversity of the dimensions of organizational culture affect the individuals, department and the organization. The results that were achieved regarding the basic questions are summarized below:

In the review, it is noted that in the theoretic model designed (the dimensions of the organization culture define the concept of organization culture, and the levels of difference define the perception of the management of diversity. Based on this assumption, it was noted that the organizational culture has a positive and meaningful effect on the management of differences. This view has been emphasized on many occasions particularly in theoretical reviews. The theoretical models developed on the management of differences, emphasize that the organization culture should be properly applied on the differences, and that the success of the efforts concerning the management of differences depends on the culture in a given organization. Meanwhile, in the empirical reviews, it is not possible to assert that comprehensive reviews have been performed on the organization culture mentioned in theoretical models. The issue of the management of differences is mostly investigated in terms of performance. In the pertinent literature in Turkey, we have not marked a study regarding the effect of the organizational culture on the management of diversity. The pertinent literature, examines the cultural values at the organizational level. Particularly, starting from the 1980's, the issue of culture which became the subject matter of frequent discussions regarding the literature of management and organization, has gained significance in the reviews conducted by the researchers in various areas (nation, organization, group, individual). It is noted that from multi-national organizations operating on a global level, to the civil society organizations that operate on a global level, the organizations are effected by the national culture in the main country, and create a specific cultural atmosphere. Therefore, in all management applications that mention the researches applied and organizational change, the organization culture is taken into consideration as a significant variable. In the representation of different individuals and groups in organizations, the organization culture plays a vital role among the employees, during the period that lapses from their employment until their retirement, regarding their employment, without becoming subject to discrimination and psychological violence.

It is noted that in all levels of the perceptions of management of differences, the mission dimension of the organization culture has a positive and meaningful effect. From the viewpoint of the culture model used in the research, the dimension of mission remains at a stagnant level. In an organization, stagnation refers to the unity of values and purposes, the implementation of all the decisions passed, especially in the upper management, and the

presence of unity and harmony among all departments of the organization. The significance of this unity from the standpoint of the management of differences from the standpoint of the individual, is that it provides a guarantee regarding the individual differences of the employees, and that the said acceptance will continue in the long run. Additionally, the mission dimension is included in the axis of harmonization with the external conditions of the organization. In this sense, regarding the competition conditions, it is like a guide that shows the organization members, which principles shall be considered as indispensable, and which strategies should be adopted. Concurrent with the definition of the management of diversity as the strategic management of human resources, it has been concluded by the participants in the review that the applicability of the management of diversity in the long run, could be possible by ensuring that it is included in the mission of the organization. In summary, from the standpoint of the perceptions of the employees in the organization, the increase in the mission dimension also creates an increase in the management of diversity, from the standpoint of the individuals, department and organization. Based on this it is possible to reach a conclusion that the determination of the management of differences by the hotel enterprises as a mission and their inclusion of this issue in all the policies and applications of the organization and the notification of all the shareholders on this issue, will positively affect the perceptions of the employees. Through this way, access to the individuals that have different types of knowledge and talent will become easier, and a more suitable job atmosphere for the present employees may be created.

It is noted that the consistency dimension of the organization culture and the management of diversity, have a positive and meaningful effect on the individuals and organizations. In other words, from the standpoint of the perceptions of the organization personnel, an increase in the level of consistency of the organization, creates an increase in the perceptions concerning the management of differences at the level of individuals and organizations. From the standpoint of the Dennison organizational culture model, the dimension of consistency is at the point of intersection of the internal integration axis and the category of stability. The dimension of consistency, defines the holistic approach that an organization possesses in the accomplishment of organizational purposes and in the solution of problems. This dimension shows the partnership in internal structure in coping with difficult circumstances that appear in external dimensions that concern the organization. In strong organizations which have a high level of consistency, it is anticipated that effectiveness will increase as the result of a better coordination and inspection. Meanwhile, it is assumed that in cases when the organizational environment is not taken into consideration in a realistic manner, consistent will not be supported with a function. In the management of diversity, particularly starting from top management, a requirement occurs on the creation of a positive job environment in both discourse, and in application. It is therefore concluded that the hotel enterprises should develop a common understanding regarding this issue in all managerial levels.

It is noted that the management adaptation of the organization culture has a meaningful effect on the organization. The result achieved, shows that adaptation dimension is effective on the organization level. While it is not possible to reach a result asserting that the adaptation dimension is effective in the levels of individuals and the department, it has been marked that it has an effect on the organizational level. The organizational level, is a stage where the employees evaluate top management from the standpoint of the management of differences. In this sense, the approaches of the top management regarding the differences in the employees of an organization, are determined by their relations of the external environment of the organization. The adaptation dimension, focuses on the relations established by the organization with the external conditions, and on the clients and the rivals. It means that in order to formulate solutions that comply with the continuously changing and differentiating external conditions, it requires the creation of creative changes, the capability to meet the desires, needs and expectations of the existing and potential clients, and the creation of learning capacity that is achieved through introduction of innovations within the organization. In the business of hotel management, which has a multi-cultural and heterogeneous structure, as in the other areas of service industry, the external environment and the tendencies of the clients, are extremely important. From the standpoint of the organizations, as the market receiving the services become globalized, the need for standardization, organizational design, system and the procedures increase. Moreover, the managers become subject to pressures regarding the legalization of the organization at the local level, in other words, to be adapted to the financial system, socio-political system and the cultural system. In this sense, the balance between stability and adaptation plays a vital significance. This is the reason why the organizational dimension of the management differences has been affected by both adaptation and consistency dimensions.

Meanwhile we have not marked a significant effect of the participation dimension on the perceptions of the management of differences. Conversely, when we look at the correlation analyses mentioned in this study, we may asset that positive and meaningful differences exist between the participation dimension and the levels of diversity management. Such data presents clues regarding the fact that the perceptions of management of differences may affect the organization culture. In other words, the reason for the increase in the participation level might be the increase in the perception of the management of diversity. This situation presents a question to the future researches. The absence of a meaningful relation between the two variables, may be explained by the high strength distance of the national culture that was theoretically explained above. This situation reduces the effect of the dimension

of participation. Another explanation is that, the result depends on the type of analysis applied. Accordingly, while we mention an effect in simple regression, when an assessment is made together with other variables, we note that (in multiple regressions), the effects of the participation dimension are reduced.

### 6 CONCLUSION

When we examine the empirical findings of this research, it is assumed that a clarification may be introduced on certain issues regarding the hotel enterprises. Excluding the employees working in managerial positions the labor structure of the hotel enterprises. In hotel enterprises, it is noted that generally temporary and contractual employment is applied, and unqualified labor is used. The efforts exerted to ensure a continuity particularly noted in chain hotels, is not applied in the entire sector yet. Therefore, the works performed in the hotel enterprises, which basically not defined as a profession, are conducted by employees who lack the required professional knowledge, who are not supported by the trade unions, and who lack job assurance. Moreover, the hotel sector has a structure that densely contain differences in religion and creed. Therefore, the management of personnel who own both inborn talents and the acquired differences without becoming the subject matter of a conflict, is an ethical situation, and has a vital significance in the continuation of the existence of an organization. In short, in hotel business who presents a heterogeneous structure in all organizations from the standpoint of all shareholders, the management of differences depend on a series of factors. Factors such as the structure and strategies of the hotel and the location of the hotel, do not affect the management of differences. In the present study, the reasons for the perceptions of the management differences other employees were investigated in the hotel culture. Although a great number of researches were made in hotel enterprises regarding the organization culture, we have not marked any studies that assess the organization culture as an independent variable, and that measure its effect on the management of diversity. It is envisaged that the present report will eliminate a missing subject matter in the reviews to be made regarding the hotel enterprises.

By taking as starting point the results of this review, it is assumed that suggestions may be presented for the reviews to be made in the future, fewer than two headings. It is assumed that the issue of management could be edited and the designing of reviews in such subjects as the difference policies and training programs, will provide practical benefits in both public sector and private sector. Moreover, the research of the issue as to whether the models developed regarding the man agent of differences and which claim to have universal value, can work in Turkey, also seems important. This way, it will be possible to formulate models for the differences regarding Turkey. The management of diversity is a management approach that is especially significant in the services sector. For this reason, a need occurs for the performance of holistic reviews that will include the employees, clients and suppliers. Another contribution to the theoretical information, might be the assessment of the management of diversity from the standpoint of politics and economy. Regarding this issue, it is assumed that the discussion of the management of diversity from the standpoint of critical theory, and the review of the approach concerning the management of diversity within the development of historical capitalism, will contribute to the literature of the pertinent subject matter.

In the empirical studies applied in hotel enterprises, the process of data collection is especially hard. The reason for this difficulty is that the hotel industry densely includes seasonal work, that especially in hotels by the seashore the managers become subject to time pressure (in summer) and that due to the continuation of the business activities with incomplete personnel, the managers are unwilling to grant permission to the researchers. Therefore, in the reviews performed in hotel business, the designing of the research should be performed meticulously, and the process that has lapsed from the receipt of permissions until the performance of the meetings, should be designed very carefully. Otherwise, it is assumed that the receipt of comprehensive and consistent data will be difficult. It is also assumed that through the increase of the number of organizations, the testing of the organizations at such levels of national culture and professional culture through the application of the appropriate control variables, the acquisition of in-depth knowledge through qualitative and quantitative data in the designing of the research, and the inclusion of the management of diversity as regulatory and/or intermediary variables will enrich the literature involving management of diversity, both qualitatively, and quantitatively.

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# Analysing applicant's attraction with social networks on both sides of the table: those who recruit and those who are recruited have a compatible performance?

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### ABSTRACT

Applicant's attraction in recruitment is perhaps one of the best known areas that integrate knowledge from different fields of research, such as the HRM, Communication and Work and Organizational Psychology. Under this thematic, the social networks (SN) began to be understood as useful for recruitment purposes. The main objective of this research is to describe and understand the compatibility between the practices of recruiters regarding applicant's attraction using SN and the expectations of the latter ones when looking for jobs via SN. This work has allowed us to generate a set of considerations regarding the theoretical, empirical and practical levels.

### KEY WORDS

applicants' attraction; social networks; recruitment

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### 1 INTRODUCTION

In the economically globalized scenario where we currently find ourselves, it is advisable that organizations are prepared to constantly adapt to change in complex environments in order to achieve competitiveness levels higher than the competitors (Boxall & Purcell, 2003; Raisch & Birkinshaw, 2008; Gomes et al., 2013). In this sense, acting in the human resources (HR) field has shown to be a dynamic and complex process, particularly to those who have to deal with the important areas of talent attraction or retention, in which they must be able to combine the ability to understand and act at the level of individuals, but also using strategic organizational guidance. It is in this context that employers have been learning to deal with the complexity that managing employees requires, and in this sense, to foster effective HR management practices facing the specific situations of their activity in the search for positive differentiation (Paauwe, 2004; Parry, Stravrou & Lazarova, 2013).

It is under this demand of positive organizational differentiation through the human aspect that we can find meaning in the expression *war for talent*, which contains within it the idea of the relevance of organizations to devote themselves to the attraction and retention of human capital. In this context, organizations should develop efforts regarding good HR practices to get the most talented candidates, abilities and skills within the organization in order to facilitate the attainment of organizational goals (Gomes et al, 2013; Duarte, Gomes & Neves, 2014).

One of the most fundamental HR practices searching for value through the human factor is recruitment, which is positively associated with developers of success and business growth (Duarte et al, 2014). It is defined as a sequence of steps in which companies gather efforts to attract candidates with the profile and desired characteristics (Barber, 1998; Orlitzky, 2007). Finding the candidate that best suits the functions and needs of a business project in a sea of candidates can be challenging, and therefore, to develop the best strategies for applicant's attraction can be crucial for companies to differentiate themselves in a highly competitive business context (Wilden, Gudergan & Lings, 2010). As such, attracting the most talented candidates and the appropriate improvement of their skills is surely a valid path for fostering the success and survival of a company (Van Hoye, Bas & Lievens, 2013; Gomes et al, 2013).

The spread of new technologies and the increasing use of new media in supporting management processes is nowadays a reality into the way people are managed in work contexts. This assumption is applicable in recruitment, putting into perspective how social networks (SN) can be used as a solid tool acting in applicant's attraction purposes, a fact that clearly motivates research interest (ex.: Gomes et al., 2013).

This study has the general objective of understanding the compatibility between organizations using SN for applicants' attraction purposes and the prospective applicants' expectations of job search activity via SN. In order to achieve this overall objective, two qualitative studies were developed with own and complementary objectives, allowing to realize (1) how organizations make use of the SN in the recruiting process and (2) to understand potential candidates' expectations of job search using SN.

# 2 HUMAN VALUE IN ORGANIZATIONS AND ORGANIZATIONAL ATTRACTION: THE CHALLENGES LAUNCHED BY SN VALUING THE HUMAN SIDE OF ORGANIZATIONS

One of the challenges that impose on companies nowadays is to know how to act among its human resources as an asset and not as a cost, lending them a transformative and strategic vision (Mathis & Jackson, 2002; Hatch & Dyer, 2004; Wilden, Gudergan & Lings, 2010). This state of current thinking is the result of a long term process with clear landmarks, for which a remarkable diversity of factors has contributed to shape business management paradigms, shifting the way how people are viewed at organizations using an investment vision.

This value vision over the human factor had a higher expression in organizations with a presence in open and competitive markets, typically in countries in Europe and the United States of America (Gomes et al, 2013). With effect, Parry, Stavrou & Lazarova (2013) explain that this value perspective over the human factor was due to (1) political, (2) economic and (3) social factors. The level political, the authors highlight the major developments that have marked this period, as the fall of Communism (1989/90) and the consequent emergence of sovereign states based on capitalism, and also the integration and union of European countries which allowed the free access of goods, capital and people. Economically, globalization, the reorganization of economic powers, the big waves of expansion and economic decline, as well as uncertain markets and growing competitive pressures across the economies are also identified as change drivers in the organization's management practices. At the social level, the authors refer to the major European migratory waves that have occurred in the last decade of the twentieth century and the first of the twenty-first century, which took place following the fall of the Berlin Wall. Additionally, Brewster & Hegewisch (1994) stress the centrality of (4) scholars factors to clarify this value perspective over the HR. In this respect, the issue has been widely debated, giving the appearance of multiple theories of Human Resources Management and empirical research models of Work and Organizational Psychology supporting the relevance of valuing people for organizations. It is this context that we can place the emergence of RBV model (Resource-Based View) Barney (1991), establishing conditions for a resource to be considered strategic, which must be valuable, rare, inimitable and irreplaceable, and allowing companies the ability to differentiate themselves (Martin, Gollan & Grigg, 2011; Gomes et al, 2013). The model's assumptions when applied to Human Resources reveal the implementation of the strategic conditions of this feature to be adjusted.

With the arrival of the new millennium, business competitiveness gains stronger reliance on the knowledges of people and how they can apply it in organizations. Intellectual capital becomes an important aspect of the business world (Horibe, 1999; Mayrhofer, Brewster & Morley, 2004), and the idea that human capital provides companies their distinctive character, and contributes to ensure the survival and development of organizations (Harris & Ogbonna, 2001; Baron & Armstrong, 2007). In this strategic way of looking at human capital, there are requirements and crosscutting challenges that are needed to attend in the management of companies. It is in this context that Horibe (1999) believes that managers should strive for their human capital to be in constant learning, showing the need for effectiveness when organizations admit the entry of new people, as it represents new knowledge input. As such, the attraction, retention, and talent development of employees are directly linked to human capital development of a company, and thus, it should be a managers' concern to have a proactive talent attraction policy, making the expression *talent attracts talent* quite easily understandable (Camara, Guerra & Rodrigues, 2007, p. 27).

It is also in this context that remains valid and renewed the premise of the *war for talent*, that is, the importance of organizations to be effective in the search for the most talented candidates to support competitiveness and organizational success. The premise is based on the idea that if the scenario is adverse, companies need to identify, attract, retain, motivate and develop talented individuals to ensure their survival in the market. As such, organizations should find highly knowledgeable employees with relevant skills, providing them in exchange, learning opportunities and continuous development perspectives (Baron & Armstrong, 2007; Gomes et al, 2013; Michaels, Hanfield Jones & Axelrod, 2001). In this sense, it is critical to have accuracy when organizations deal with the applicants' attraction

challenges in recruitment, as well as compensation and incentive systems that allow companies in the sea of candidates, to attract those who will have the greatest competitive advantage, giving practical meaning to the commonly used expression by recruiters that the *attraction of candidates is business*.

### 3 APPLICANTS' ATTRACTION AND SOCIAL NETWORKS

Applicants' attraction is one of the stages of any recruitment process, relying on this stage the efficiency of the entire recruitment process. By definition, recruitment consists of "activities related to searching sources of intervention, able to provide the organization with a sufficient number of people necessary to achieve its objectives" (Chiavenato 1995, p.175). To do so, organizations needs to take a set of communication decisions for recruitment in order to attract those who in the future may become employees of that company (Gomes & Neves, 2011). Applicants' attraction in recruitment is thus defined as the stage of the recruitment process where organizations develop deliberate efforts to attract a suitable candidate profile in quantity and quality to the desired profile (Duarte, Gomes & Neves, 2015).

Following this line of reasoning, the strategic decisions on recruitment imply knowing (1) where to recruit, whether internally or externally; (2) who to recruit, whether temporary or full-time workers matching the global profile; and (3) the job requirements, what are the characteristics necessary for the candidate's profile to meet the requirements that the job requires (Mathis & Jackson, 2002). More currently, SN have emerged as a means of applicants' attraction, allowing the fulfilment of the multiple benefits of action, including gathering more direct information about candidates (Gomes, et al., 2013). Organizational attraction is a remit of systematized study by researchers for nearly three decades, having strong diversity of theoretical approaches and empirical results. Research on organizational attraction tends to follow three main perspectives framework: (1) Cognitivist-informationist; (2) Attitudinal-Behaviourist; (3) Interactionist.

The cognitive-informationist perspective, refers to theoretical frameworks coming from cognitive psychology applied to organizational realities and work contexts. They attempt to explain cognitive processes' activation of individuals in the context of organizational attraction, leading to attitudes and behaviour prediction of potential candidates when they are exposed to different types of persuasive information (Duarte, Neves & Gomes, 2014; Gomes et al, 2013). This perspective is closely related to what Ehrhart & Ziegert (2005) call Environmental Processing, in which individuals organize and process information around them, and from there develop perceptions about the environment, influencing the attraction. Regarding the attitudinal-behaviourist perspective, it is based on theoretical models coming from social psychology and work and organizational psychology, aiming to explain the behaviour of individuals as a result of the prediction of their beliefs, attitudes and behavioural intentions, recognizing the applicant's attitudes as a result of a set of steps leading to behavioural intention and behaviour itself (Duarte Gomes & Neves, 2014). The attitudinal-behaviourist dimension, can be explained by Ajzen and Fishbein's (1980) Theory of Reasoned Action, arguing that the intention of an individual to have a (or not) behaviour is a consequence of action, that is, people act according to its intentions (Ajzen, 1988; Duarte, Gomes & Neves, 2014; Gomes, 2010). Finally, the interactionist perspective is based on theoretical approaches related to social psychology and work and organizational psychology, seeking to explain the applicants' attraction by the adjustment between the characteristics of the work / function and the characteristics of the candidates (Gomes et al, 2013). This perspective explains applicants' attraction based on the compatibility between people and the organization. At this level, Kim & Park (2011) show that the content of recruitment messages, web recruitment sites and the organization's personality can affect the fit between the candidate and the organization, explaining the attraction of candidates.

Having these theoretical perspectives in mind, and given the importance of organizational attraction to the success of a company, it's important to clarify a set of candidate attraction indicators that literature has systematically associated with effectiveness in applicants' attraction: attractiveness of the organization (Highhouse, Lievens & Sinar, 2003; Gomes, 2011); the characteristics of job and organizational attributes (Carless & Imber, 2007); social responsibility (Duarte, Gomes & Neves, 2015) the type of information and the means to use when recruiting (Roberson, Collins & Oreg, 2005); the image, organizational reputation and employer brand (Duarte, Gomes & Neves, 2014; Martin, Gollan & Grigg, 2011). These indicators have been successively associated with good results of applicants' attraction, as they have been linked to preferences of potential candidates by organizations, as well as decisions and application intentions to job offers. More recently, organizations have come to engage in attraction activities through the use of SN. This trend of activity surely shows the influence of technological factors on management, including HR management, materializing new performance practices in how to attract candidates and how does candidates seek the availability of jobs.

It's in this specific context that although the more traditional function of supply and demand of employment based on expertise large circulation newspapers is still valid, the truth is that with SN phenomena, both companies and candidates are still giving their first steps in this era of social networks when it comes to act in organizational

attraction (Guilroy & Hancock, 2012; Gilham, 2012). As the Internet's access democratization started a little over a decade, social networks are a cornerstone of Internet use that rewards the user as a producer and disseminator of content available to a community. Social Networks consists of a powerful tool allowing users to position themselves before a community through exchange and dissemination of very different types of content, ensuring the effectiveness of these networks on very different uses from entertainment, social, professional to business (Wodzicki, Schwämmlein & Moskaliuk, 2010; Parr, 2011). Thus, in addition to Facebook as a SN of wide dispersion, common users can have access to more specialized SN having content related to the labour market, such as LinkedIn, Career Search, Jobvite. These are examples of authentic communities built from the integration of businesses and users, allowing approaches between professional profiles sought by businesses and professional profiles available by users (Green, 2011; Guilroy & Hancock, 2012).

Following the recruiter's perspective, these specialized SN presents strong advantages related to the proximity to a remarkable diversity (either in quantity or in quality) of professional profiles having at their disposal very targeted information, especially in terms of search criteria such as professional experience, references, qualifications, personal and professional interests of potential candidates. As for the potential candidate's perspective, an active presence in these specialized networks allows them to be *within reach of the radar* of companies where maintaining a proactive stance in these SN means to have the ability to accompany business projects, an interest, business organizations of their vested interest. That is, it allows professionals to behave as potential candidates, by having a follower status of the organization, which indicates interest in any employment opportunities (eg.: Gilham 2011 (a)).

The way how SN work on recruitment procedures launch several issues on the remit of applicants' attraction (Stollak, Vandenberg, Felhofer & Sutherland, 2014). In fact, if we compare a more traditional process of attracting candidates in recruitment with a more SN's one, we find many differences, both from the perspective of companies as well as candidates. On the companies' side, there are changes in the way of access to knowledge about the candidates, their preferences, their referrals from co-workers, their record of digital activity, and points of interest. That is, all these elements that have traditionally been temporally slow to access and to verify, with the use of SN not only access is permeable as well as fast. Following the applicants' perspective several things also change. The access to knowledge of the organization, its projects, and its activity becomes more accessible and direct.

Following this framework, in particular, there are several questions that naturally can be raised about the *modus operandi* of both parties involved in attraction activities in recruitment. What is the best strategy to be followed by companies? What is the best strategy to be followed by candidates? Have the traditional methods of recruitment fallen into obsolescence and new attraction instruments will impose?

### 4 METHODOLOGY AND INSTRUMENTS

Recovering that the aim of this study is in the remit of understand the compatibility between the practices of recruiters in terms of applicant's attraction using SN and the expectations of the latter ones when looking for jobs via SN, this empirical study was conducted using a qualitative methodology through two separate studies, both of which are oriented to capture the realities experienced either by recruiters, either by potential applicants in particular of the Information Technology (IT) area. The choice for this IT area in particular relates to the fact that this is a very sought area in labour market, currently standing at full employment, and having the forecasts of severe lack of human resources for the next five years up to 1 million jobs in Europe (CEDEFOP, 2015). For these reasons, this area has varied pressures of demand, meaning that attracting applicants' in this context require strong attraction efforts by organizations.

The first study was designed to understand the recruiter's perspective while an intervening party in attracting candidates in recruitment procedures. To fulfil this purpose, three interviews were developed with recruiters with current functions in HR companies with experience in IT recruitment processes. Three companies have participated in this specific study (Company A; Company X, Company K). Questions asked placed the issues of: channels used when recruiting employees; why using SN channels; how to use SN as an employment dissemination tool; contexts that make the disclosure of employment through SN a better or worse choice; advantages and disadvantages of disclosing of job offers through SN for computer professionals (interview script available in Appendix 1)

In what regards the second study, it was designed to understand prospective applicants' expectations and considerations when using SN to search for job opportunities. To reach this purpose, four focus group sessions were developed (script in Appendix 2), having final year students of Computer Science courses in Portugal and also graduate students of engineering courses in Computer Science of the country's central region, aged 21 to 33 years, in order to get the perspective of these prospective candidates. Each session was attended from 7 to 11 participants. The focus group instrument is a guided interview technique, designed for small groups, with the aim of discussing a particular topic of relevance or interest, being a dynamic technique as a result of group interaction that can form (Berg, 2001).

These two distinct studies allowed a better understanding of the perspectives of recruiters and potential candidates, supporting the central objective of this study to understand the compatibility between the practices of recruiters in terms of applicant's attraction using SN and the expectations of the latter when looking for jobs via SN.

### 5 RESULTS STUDY 1

Regarding the issues related to the channels in the recruitment and selection of employees, Company X promotes the company's databases and social networks, giving as example the sapo jobs, online express or net jobs, explaining that "those are the ones that have lower costs when compared with traditional channel". Company A also uses the company's website, the net jobs and the sapo job, adding that they "use social networks when a client asks us a more qualified profile, but it is rare. We work more with the release of more operational profiles". Company K, in turn, uses the company's website, the presence of universities, Facebook and Linkedin, distinguishing the latter ones as the channels that best meets the demand of candidates they are looking for. It is in this context that the company states that "although there are no studies or data that prove, we begin to see in the kind of candidate who seeks us via Linkedin. Are candidates with a profile of senior management (eg. midle managers and consultants), with an average age of around 30 years". Thus, it appears that the SN have begun to be part of the range of tools used in recruitment processes, leading traditional media tend to fade. However, there are still other methods, as exemplified by their own platforms for online employment disclosure, which in some cases overlap the use of SN.

Regarding the justification for the use of SN channels and not others, the answers vary. In the case of Company X, they point out some flaws in the use of recruitment channels via SN, recognizing their potential, stating, however, that they "don't know for sure if it's good to stay only for social networks" when it deals with the applicant's attraction, preferring the use of other online platforms as well. Company K justifies its options by "what seems to work best for the company", not ruling out the use of other channels such as net employment or newspaper ad, although the latter has a more directed application of the company's advertising, then the disclosure of employment. Company A, in turn, explains the company's options, stating that "for us these means become more effective due to our customers' needs as they seek candidates with a little qualified profile and normally this type of candidates does not use the Internet". One can thus understand that despite the SN are a present reality in the recruitment processes of companies, only the company K stands as an assiduous user of this type of tool.

Regarding the issues related to the way of use of SN as an employment dissemination tool, it was clear that companies use SN in the recruitment process, specifically Facebook and Linkedin. Company K and A support their option due to satisfactory results, although the company K argues that "when you want a more judicious recruitment, it may not arise as a better option", adding that "it is still difficult to measure their effectiveness due to its recent entry to the recruitment methods". In justification of why their uncertainty in the use of social networks, the company K points out the fact that "the ads are made simplistically and reach low-skilled and immediate needs" and the fact that "being a simplistic tool of recruitment, it applies when you want to recruit massively". As the company's A position on this issue, states that "the profile we seek on a daily basis does not necessarily use these roads. When we want a more qualified set of applicants such as IT professionals, we use social networks more often, but not exclusively". Here we find an apparent conflict of opinions with regard to the profile that best suits disclosure of employment through SN. On the one hand, Company X describes as an effective method for low-skilled, as for companies A and K mention that the profile to best suit this type of communication, are individuals with a high qualification. This divergence of opinions can be explained by the recent entry of the RS in the recruitment scenario, as companies are still adapting and consolidating knowledge. Regarding the use of the RS in the recruitment process, the company K mentions that when using social networks in the recruitment process, they usually opts for Linkedin, using Facebook as a secondary search, saying that when they are searching for candidates to recruit, they look first on Linkedin and then search the name of that candidate on Facebook. When asked if a less professional Facebook profile would be an eliminatory factor in the recruitment process, Company K says no, claiming, however, that "it is a good way to know the other side of the person" in a more social way, adding that personally can influence the professional side.

Regarding the contexts that can make the disclosure of employment through social networks a better or worse choice, Company X states that "much depends on what you want, if candidates more or less quantity, or with more experience", making repair the SN are more advantageous for recruitment in quantity. Company K adds saying that SN provides much help in the dissemination of employment opportunities, noting that in the opinion of the interviewee, SN "are more adjusted to qualified workers. The average and more operational profiles come to information by other pathways". This thought seems to meet the Company A's position that assumes that "in our work context, SN are beneficial to the demand for medium or senior profiles". At this point, it seems to be evident that, SN seems adjusted for recruitment when the applicants' searching contexts are pointed towards more qualified profiles (in the case of Linkedin), as well as for the demand in quantity (in the case of Facebook).

With regard to the disclosure of jobs through the RS for candidates with a professional profile in IT, Company X, explains that "professionals in the IT area are oriented to very technical functions and require the disclosure of an ad which detail the respective requirements. In our experience, the use of traditional media (such as newspapers), our website, and also social networks is important. We usually make a nonexclusive disclosure". Company X adds that "it is common to make a search on LinkedIn to find these professionals" Company K seems to share in part of the previous opinion, explaining that "this kind of recruitment is clearly fitting the computer science professionals profile. It is a success factor".

Regarding the advantages / disadvantages of the disclosure of job offers through the SN for computer professionals, Company X states that "these professionals may seek alternative practitioners (via SN) yes, but in a career development perspective and not necessarily about getting a job. As such, they send an application to companies that interests them and that they know that they can provide a professional growth in the future." It adds that "requests that may spread in social networks may have little impact and few reactions, unless it's young graduates and those seeking their integration into the labour market, since they don't have a choice criteria too narrowed". It also adds that "these professionals tend to be present in social networks with very well constructed pages, in view of your personal marketing", so that the companies identify and contact them. In a long-term perspective, Company A has stressed out that "in the future they will continue to use social networks, by recognizing it as an actual phenomenon, and will continue to follow this new trend".

### PRELIMINARY DISCUSSION AND CONCLUSIONS ON STUDY 1

The results of this first study suggest that SN, in general, is a valid tool for recruitment purposes and that despite being a recent tool, it has brought changes in the way how applicants' attraction can be performed. These results are consistent with what has been portrayed in literature, justifying the relevance of researching the problem presented here. However, there are certain aspects that seem to be in disagreement, both in terms of responses gathered in the interviews.

The overall job offer information channels used by companies are similar, with the three companies referring to the company website, the net jobs and the sapo jobs as the most used means. These choices suggest some changes in what regards traditional recruitment practices. However, while the company K advocates the use of social networks as the medium that best suits the company's recruitment needs, company X says that does not make a more assertive use of social networks as they present shortcomings at the level of communication that is done and the kind of public that arrives, preferring other means of online recruitment as well as SN.

Regarding the use of social networks as a recruiting tool, the X and K companies use Linkedin and Facebook. However, Facebook is presented as a means of ancillary research, unlike Linkedin, explaining that Facebook features relate more to the social and personal side of candidates. In this framework, the company A does not seem to have the exact same situation. Company A says it is satisfied with the methods used (company website, net jobs and sapo jobs, SN) and while noting the utility of using social platforms, they only make sense if they are directed to another type of candidates more qualified profiles. Regarding the recruitment of professionals in the IT area via SN, the companies' opinion also seems different. Company X argues, if we are talking about information technology professionals looking for their first job the scenario is relevant, as they may choose to search for offers in these channels for their first experience in the labour market. As for company K, on the other hand, it states that the job offer via SN for IT professionals has all the advantages, with a profile increasingly demanded in the business environment and framing growing applicant's attraction processes in the middle / senior management profiles.

### STUDY 2

According to the focus group script structure, we began by asking participants how they become aware of a job vacancy and how to act when this occurs. Most participants highlight the contact with the teachers, the mail of the institution where they study, job sites and LinkedIn, as can be confirmed by the following statements:

V1: "First we know through the mail. It is the first option. Every day we receive mails with an offer, we are very well supplied"

V2: "I know through Linkedin, net jobs or through ITJobs. These offers come to us"

V4: "We will hear here and there some company names, and research what this company does, what develops. If I'm interested I will directly send an e-mail."

V3: "Yes, we do research directly on the websites of companies. We may or may not be interested in those who come to us, but we will always seek to encourage us more"

Researching for firms seemed to be a means that several participants pointed as being effectiveness, revealing that despite considering the contact and researching for firms to be important, it is not something that arises immediately when seeking for employment opportunities. It should be seen as a strategy when you already have some experience in the area. When asked about what they consider to be the best strategy for job search, participants said they do research on the companies' websites, but not all the offers that come to them are the ones that best fit their skills:

V5: "we are guided more by what comes to us mainly by mail. Many colleagues go to the internship in a company that fits their interests, and this is their goal. Later, they start looking and start seeing other alternative deals".

There was some diversity of responses regarding SN activity profiles at this level, as there are those who use social networks to actively seek work and others do not. These reviews are verified with the statements:

V7: "We have nothing to justify our presence on SN if we are still students. There there is no experience".

V8: "I use LinkedIn and have the profile updated. I think in our area, it is mainly through social networks and the Internet that we should act, if we are searching for a job interview, because I think that in this area no one goes to the job center looking for possible interviews, so I think, especially in SN is where we'll search jobs forever".

Regarding Facebook, although they do not to exclude it as a means of job search, participants tend to think that this type of network does not suit for seeking employment in their professional field. They explain that it is a shared network, but only with friends. The exhibition is also one of the factors that lead not to use this SN, explaining that sometimes Facebook can contain contents that are not appropriate to business environments:

V2: "Facebook is a way to talk to our friends, it's our professional life. Even if it will work for a company I do not want them to have my Facebook. Because, for example, in our profile, we may have old photographs, with 3 or 4 years, at parties or with friends who do not always reflect our current image"

V4: "For me Facebook is not out of the question. We can even give "like" on the page of net jobs, for example, and then just drive us to the site of supply. Instead of going to Google and search for net jobs, go to their Facebook look".

Participants using Linkedin, say that it is an appropriate way, but depend on what is demanded for the job and what companies asks. They point out that in some cases, advertisers only require the curriculum to belong in a database for when a hiring opportunity arrives:

V9: "It depends on what is it that we want and what we are looking for. I think there are many companies looking for people, but not just for that moment. They get the connection and try later when they need to have someone who already know what is available".

V10: "I have already been consulted through Linkedin. The experience was good, but ... I went to an interview and got there and they told me 'this is just to meet you...", not truly offered me a job."

In order to better understand the process of job search for IT professionals, it seems that participants do not use traditional means of job search, as the newspaper, but prefer face contact with companies instead. Participants point direct contact with companies as the medium they prefer, being one of the factors that claim to miss the SN:

V10: "The demand is different, but in person is always more right than go for social networking, because I think we gain more points"

V12: "The first contact with the companies is preferable, as compared to the contact, by Likedin where the first impression is just our profile".

Participants also point out advantages and disadvantages when it comes to job search by SN. It doesn't involve travel costs or ease of being contacted by companies if they have their profile in the SN is clearly a positive aspect. However, this can also be considered to be a disadvantage due to exposure. The reliability problems in the SN also constitute a drawback on the participants' point of view:

V7: "The SN has only advantages due to distance. It's no mandatory to move to the companies to make the first contact by using Linkedin. It also compensates for the time lost and travel costs"

V2: 'I think it may have advantages or disadvantage because the company has access to your profile more easily because you are available on the SN. It may be good or may be bad for us, for our image and the company can have direct access to what we like, and what we see".

V1: "Anyone can put a perfect advertisement and many "likes", and can or cannot be a true offer. I still I find it a bit risky".

Regarding a future perspective of using SN as a valid means of job search, the opinions are divided. On the one hand, there are those who recognize the potential of these platforms and to ensure that they will increase its use. On the other hand, participants were reluctant to use the SN, claiming that their use in the future will be the same, basing their views again by too much exposure. The following statements prove the participants' views:

V9: "The future will bring more usage of SN. Some of us, now are still students, but in two months time, we will be junior professionals. We should always have an updated profile, as they may arise proposals".

V10: "I will use equally. I think it's because we are a bit exposed. No one has to know if you like more of this or that area".

### PRELIMINARY DISCUSSIONS AND CONCLUSIONS ON STUDY 2

The results obtained in the four focus group sessions, enable to understand prospective applicants' usage of SN in job search activity and what their expectations seem to be. In general, SN is not the preferred means of research. Some of the participants have already begun the process of recruitment and job searching, though others have not yet entered this job search phase. Globally, they seem to have a passive attitude towards searching for job vacancies, particularly in the use of SN for this purpose. They seem to have some suspicion regarding this type of channel, and it also hinders a greater adherence to the use of SN in job search context.

Along with the use of SN, and specifically Linkedin, research firms and direct contact appear to be the strategies privileged by participants for job search activities, revealing a preference for complementary job search activities in order to prevent the emergence of inadequate offers regarding their area of expertise. There were also different views over the use of SN for job search activity. On the one hand, there are those who recognize their advantages and immediately try using what these platforms offers (visibility, interest and opportunities), but there are those who still wait for the right moment to take the first step in creating an online profile to get a set of skills that justify their passive presence on social networks.

With regard to Facebook, participants appeared to be quite reticent in their use as the main job search engine. They claim that it is a SN to share only with friends and not to disclose it to companies, stating that there are facts and situations that they share on Facebook that cannot be seen as beneficial for their image with companies. Regarding the positive experiences in the use of SN in job searching activities, participants state that they were meeting their expectations, since the offer led to an interview, stating, however, that there are companies that do not advertise yet properly on these channels because sometimes they only seek professional to place in databases for subsequent use. The reliability of the SN was an issue discussed by the participants. While recognizing the potential of these networks, they say that there are risks when responding to an offer of employment, explaining that due to ease of access (primarily Facebook), anyone can create a business profile and disseminate an offer. This position is again demonstrative of a lack of confidence in those channels.

### 6 RESULTS INTEGRATION

The analysis of the data presented previously, allowed to point commonalities and differences between the opinion of recruiters and IT professionals about the use of the SN in the context of the job searching processes. Regarding the key channels for applicant attraction, recruiters prefer the dissemination of job offers on specialized websites for this purpose, as well as institutional site, database of companies, contact with universities, Linkedin and Facebook. These data are consistent with the preferences of potential candidates, although it seems relevant to a better targeting behaviour by recruiters in higher education institutions. In what concerns the use of the SN for the dissemination of job offers, it seems to be relevant to consider that information disclosure fails when using SN, both by recruiters as by the candidates, despite the trend towards an increasing use of SN in both the parts.

In this aspect in particular, it was found that not all recruiters considered appropriate to use SN (Facebook) to search for qualified professionals. As for potential candidates, they tend to think that the job search alone in SN is insufficient, by considering to be relevant a direct contact with companies, as well as research on specialized sites. Despite this, they recognize that the SN in this area is useful. This seems illustrative of the recent entry of the SN in the context of applicants' attraction. Some uncertainty regarding if SN is the ideal choice to recruit such professionals still remains. Comparing the positions of recruiters and potential candidates, it appears that the opinions seem to meet. Companies looking for this profile in the SN, also look for applicants through complementary channels, such as newspapers or other media for that purpose.

As for the IT professionals, they also look for jobs using Linkedin and also with more traditional means such as direct contact with the companies. Regarding the use of Facebook for these purposes, the opinions seem to be consistent, because despite the growing number of users on his network, the content shared are not of a professional nature, discrediting Facebook for job search activities. However, seen from another standpoint, Facebook it is an opportunity for companies to make themselves known, and creating visibility, proximity and communication with their target audiences.

Regarding the advantages and disadvantages of disclosing job offers through SN, the reduced costs, the cross-platform issue, are some of the advantages mentioned by recruiters. The IT participants on the other hand only pointed as beneficial lower travel costs, as a way of getting direct contact with companies and to know about employment opportunities. However, at this level, recruiters should have the awareness that they have to assure the credibility of the process, or the use of SN for this end will be undervalued. At this level, the recruiters appear to have a long way to go in terms of seriousness of message transmission and eventually, stress out the openness to personal contact, making the recruitment process not to depend exclusively on the use of RS.

Finally, with regard to the future prospects of using SN for the dissemination of job vacancies, recruiters seem to find that the trend is increasing, and that this is the case of a current growing phenomenon. As for IT participants, opinions seem to go in the same direction. These participants seem to consider that the use of SN with recruitment purposes will continue to increase, but they prefer not to exclude the direct contact with the company. When considering the overall data, some doubts about the current use of SN for the purpose of attraction still remains due to the fact that this is a recent method not only recruitment, as well as for job searching in general, showing some uncertainty about the contexts that make it a better or a worse choice in job search activities. Lastly, if we note that the ones who produce these types of platforms are IT professionals, it is curious to see that their trust on SN is limited and still prefer a face contact with companies for recruitment purposes.

### 7 CONCLUSIONS AND LIMITATIONS

In the first part of this work we've started by presenting a set of theoretical considerations about the reasons why the attraction of candidates is a growing strategic concern for organizations, with special focus on the use of social networks for this purpose. At a the theoretical level, we've analysed theoretical perspectives that have addressed the development of HRM over the past decades in order to understand what drove organizations to adopt increasingly, an HR investment policy, and what were some of the reasons that led to this strategic thinking regarding HR management. At that point, it was important to address the issue of applicant's attraction and how the organizations may use the best attraction mechanisms to effectively attract the most talented employees.

The new paradigms brought by the Internet have changed market dynamics both in an economic, as well as in social scenarios (Amaral, Peixoto, & Gomes 2010). Thus, it seems important to realize the impact that SN may bring to the way applicants' attraction can be conducted, and to understand the differences when compared to traditional recruitment procedures (Gomes et al, 2013). It was mostly based on this assumption that we have found the motivation to develop our study. Considering all of these aspects, this work contributes to a number of considerations at a theoretical, empirical and practical level.

At the theoretical level, we were able to put into perspective existing considerations about HRM and applicants' attraction issues, and also added the social networks issue facing the theme of organizational attraction. At the empirical level, with the development of two complementary studies seeking to collect two perspectives (recruiters and candidates) that intervene in the same process through qualitative methodology, which provided interesting information by accessing both recruiters and applicants' perspectives when it comes to recruitment performances. On a practical level, by integrating our two studies, some guidelines may be followed to improve organizational practices, as we were able to have some understanding of both perspectives of the parties involved in this process.

At this point, we would like to outline some main outcomes from our research:

- Studying how applicants and how companies behave in recruitment scenario represents an interesting way of understanding the similarities and the contradictions in the behaviour of both
- Attracting applicants though Social Media represents a new challenge for organizations in competitive markets, in which the way how applicants and organizations behave seems to be not always adjusted
- Recruiters should develop a solid attraction communication strategy when reaching applicants, in order to develop trust and credibility in the information used for recruitment purposes
- Recruiters should be aware that with respect to our results, Social Media forces the use of short, compelling, realistic and direct information, in order to reach applicants with efficacy, minimizing credibility risks on Social Media usage
- Applicants should be aware that investing in an active, updated and proactive profile in Social Media is an effective way of being "in the radar" of recruiters
- Applicants should also be aware that the behaviour in Social Media is traceable for companies, and as such, the use of professionally specialized Social Media should be performed with criteria and with purpose direction

This work should be read in light of some limitations. Regarding the opinion of future candidates of IT professionals, it must be taken into account that some of the participants are in completion of studies stage, a situation that limits the answers regarding the use of RS in context search employment, as they seem more inclined towards the behaviour of a junior applicants' profile. That being said, the collected responses cannot be completely generalized to all IT professionals. In addition, not all participants have experience in the labour market, which has conditioned in some way the perception that these participants have about what recruiters may do to capture IT talents in this area. It is also advisable to expand the number of interviews to the consultants, as having more enterprises involved in the recruitment of these professionals in particular will surely bring renewed insights, and this may provide a solid contribution of opinions and better understand which practices these companies lead in their activity.

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### Appendix 1 – Interview Script

[Presentation] [Presentation of the study's purposes]

### Brief history and general information regarding the company

Number of years of activity in the business area of HR Number of workers in the organization

### II. Applicants' attraction through SN

In what regards the applicants' attraction policy, when you need to start a recruitment process, what are the channels you usually select?

What are the reasons why you choose these channels and not others? What type of information you usually place in a job advertise?

How do you describe the recruitment process when using SN? Is it different when compared with a more traditional one?

In your opinion, which contexts make the disclosure of employment through SN a better or a worse choice What are the advantages and limitations when it comes to posting a job vacancy in SN when compared with more traditional methods of applicants' attraction as employment ads is newspapers?

### Appendix 2 - Focus Group Script

[Presentation]
[Presentation of the study's purposes]

Using a sheet of session where participants fill up their own data (age; gender; geographical origin; specific area of study; part-time or full-time job...)

- Study contextualization
- Explaining how a Focus Group Session works

### **Questions placed:**

### 1. Job searching activity

- How do you usually know that a job vacancy is available? What are your previous experiences? What has resulted in the best way for you?
- (If they do not have previous experience) How do you think it is more likely to find a job?
- What type of strategies or tools have you tried when you had job search activities? What were the best ones?

### 2. Using social Media: Instruments

- Have you ever used SN to find a job? What were the ones you have used? How did you use? What results have you obtained?
- -Usually, how do you proceed when you search for job opportunities? What has changed with SN?
- How do you describe the job searching activity with SN?
- What are the contexts that can make job searching through SN the best or the worst choice?
- What are the main perspectives brought by SN when it comes to job searching?
- What are the advantages and limitations of job searching through Sn when compared with traditional methods?
- What will be the future of job searching?



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# Sources and effects of work-related stress among employees in foreign-owned manufacturing companies in Ogun state, Nigeria

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### ABSTRACT

This study investigates the sources and effects of work-related stress among employees in foreign-owned manufacturing companies in Ogun State, Nigeria. The study used cross sectional descriptive design and a total of three hundred and two (302) respondents were selected using stratified random sampling technique from five randomly selected foreign-owned manufacturing companies. Data were collected using questionnaire and statistically analysed using frequencies, percentages and weighted means. The study reveals factors such as unfavourable physical working conditions, job insecurity, poor career development, and long working hours fostering stress on employees in the sampled companies. The study further reveals that respondents suffered consequences such as restlessness, anxiety and nervous indigestion, headache, neck ache, and inability to concentrate. This study however has implication for management of foreign-owned manufacturing organization. Based on this, appropriate recommendations were made application of which will help to ensure enabling workplace environment and thus reduce the effects of stress on employees.

### KEY WORDS

work-related stress, employees, foreign-owned manufacturing companies, Ogun state, Nigeria

JEL Code: I30, J81, M10

### 1 INTRODUCTION

In the global workplace, manufacturing companies have witnessed tremendous organizational transformation characterized by continuous modification of pace and complexity of work in which hardly any country is spared. These are in response to globalization of economy and market, technological advancement, and changing consumer preferences (World Health Organization, WHO, 2007; Manzoor, Awan, and Mariam, 2012; International Labour Organization, ILO, 2012). These have combined to make industrial work not only mentally and emotionally demanding but stressful.

Work-related stress can therefore be defined as an unpleasant emotional situation which an individual experiences when the requirements of job are not counter-balanced with his/her ability to cope with the situation (Naqvi, Khan, Kant and Khun, 2013). Work-related stress has been associated with varying health problems such as circulatory and gastro intestinal diseases as well as physical psychosomatic and psycho-social problems (Heider and Supriya, 2007; WHO, 2007; Naqivi, Khan, Kant, and Khan, 2013). The declining physical and mental health of workers invariably leads to deterioration in the performance of the entire organization (WHO, 2007; ILO, 2012). The negative impact of work-related stress is also likely to spill over into the home domain and limit opportunities for relaxation and recovery, leading to impaired health and job performance (Allen, Herst, Bruck, and Sutton, 2000 cited in Kinman and Wray, 2013).

Statistically, between 2014 and 2015, the total number of cases of work related stress in the United Kingdom was 440,000 (a prevalence rate of 1380 per 100,000 workers) with a total of 9.9 million working days lost (Health and Safety Executive, HSE 2015). In the United States of America, the cost of workplace stress on employers is estimated at over \$300 billion annually; evidenced in high absenteeism, lower productivity, staff turnover, workers' compensation, medical insurance and other stress-related expenses (European Agency for Safety and Health at Work, 2014), and \$232 billion in Japan (International Council of Nurses, 2015).

The above suggest that work stress is a major threat to the attainment of sustainable growth in the industrial sector in particular and economic development of any nation in general. Although, studies (University of Cambridge,

2014; Health and Safety Executive, 2015; Oyungerel, Wang, Ehsan, and Bayanda, 2015) have been conducted on the sources and effects of work stress on employees, however, the urgency of attaining substantial growth and national development call for more studies in developing countries, including Nigeria. This study is thus conceived to make contribution on this important subject.

### 2 STATEMENT OF THE RESEARCH PROBLEM

Studies (University of Cambridge, 2014; Health and Safety Executive, 2015; Oyungerel, 2015) have been conducted in Europe to examine the sources and effects of work-related stress in organisation. Findings from these studies reveal work load pressures, including tight deadlines and too much responsibility, and a lack of managerial support, financial and family issues, as the major causes of work-related stress. While the effects of work related stress on employees as revealed by the studies include physical (sleep disorder, dizziness, headaches, and high blood pressure); emotional (anxiety, irritability, and depression); intellectual (loss of concentration, lack of motivation, difficulty with thought process, loss of memory, and poor decision making); behavioural (substance abuse, including alcohol misuse, isolation and unpunctuality). However, these findings may not be adequate to explain in totality the situation in Nigeria given the differences in socio-cultural environment of countries.

In Nigeria, studies (Ekundayo and Kolawole, 2013; Ihuoma, 2013; Ogini, Afolabi, and Erigbe, 2013; Adetayo, Ajani and Olabisi 2014; Essien, 2014) have also been conducted on sources and effects of work-related stress in organisation. Outcome of the studies reveals factors such as work overload, work/family conflict, pressure from management/boss, poor work environment, challenge in coping with new technology, late payment of salary; as the major causes of work-related stress. While the effects of work stress on employees, according to the studies, include tiredness, worry, unhappiness, weakness, headache, anger/frustration, depression, and job dissatisfaction.

Notwithstanding the efforts from previous studies in Nigeria, none of the studies examined the sources and effects of work-related stress in foreign-owned organization in the country. A plausible implication of this neglect is that it makes it difficult to know how work-related stress affects employees in such organisation and what factors in their working environment cause the greatest burden. This current study thus seeks to investigate into this phenomenon.

### **Research Questions**

This research is guided by the following questions:

- (i) What are the sources of work-related stress in foreign-owned manufacturing companies in Ogun State?
- (ii) What are the consequences of work-related stress among employees in foreign-owned manufacturing companies in Ogun State?

### **Objectives of the Study**

Based on the stated problem and research questions, the general objective of this study is to examine the sources and effects of work-related stress among employees in foreign-owned manufacturing companies in Ogun State. To achieve this, the study specifically seeks:

- (i) To investigate the sources of work-related stress in foreign-owned manufacturing companies in Ogun State
- (ii) To find out the consequences of work-related stress among employees in foreign-owned manufacturing companies in Ogun State

### Methodology:

### (i). Brief Description of the Study Area

This study was carried out in Ogun State between November and December, 2015. The state was originally part of the Western Region in the three-region structure of Nigeria in 1954. With the creation of twelve federal states by General Yakubu Gowon's military government in 1967, it became part of the Western State. In 1976, Ogun state was carved out of Western State by the military administration of General Murtala Muhammed. The state is located between latitude 60N and 80N and longitude 2½ E and 50E and bordered by Oyo and Osun States to the North, Lagos State to the South, Ondo State to the East and the Republic of Benin to the West (Ogun State Bureau of Land and Survey, 2011). Ogun state is selected for this study because it is one of the states with the highest numbers of foreignowned manufacturing companies in Nigeria.

### (ii). Research design, Study population, Sample size and Sampling technique

This study used cross sectional descriptive design. This design is considered apt since the aim of the study is to describe the sources and effects of work-related stress among employees across foreign-owned manufacturing companies in Ogun State.

The study population includes all employees of foreign-owned manufacturing companies in Ogun State; and the study utilizes multi-stage sampling technique. The first stage involves the purposive selection of all the five (5) categories of foreign-owned manufacturing companies present in the state. These are: food, beverage and technology; chemical and pharmaceuticals; domestic and industrial plastic, rubber and form; basic metal, iron and steel and fabrication metal products; and pulp, paper and paper products, printing and publishing categories. All the categories were chosen in order to provide wider spread or coverage for the study.

The second stage involves selection of one (1) company each from each of the five (5) categories of foreign owned manufacturing companies. This was done using simple random sampling technique via balloting. The selected companies are De-united Foods Industries Limited, Ota, Ogun State (representing food, beverages and technology category); Watson Global Pharmaceutical Industries Limited, Ijebu Ode, Ogun State (representing chemical and pharmaceuticals category); Shongai Packaging Industries Limited, Sango-Ota, Ogun State (representing domestic and industrial plastic, rubber and form category); Midland Galvanizing Products Limited, Abeokuta, Ogun State (representing basic metal, iron and steel and fabrication metal products category); and Alucan Packaging Limited, Agbara, Ogun State(representing pulp, paper and paper products, printing and publishing category).

The third stage in the sampling process involves selection of sample of respondents. Each of the companies selected has the following staff population (as at the time of carrying out this study): De-united Foods Industries Limited, Ota = 501; Watson Global Pharmaceutical Industries Limited, Ijebu Ode = 200; Shongai Packaging Industries Limited, Sango-Ota, =183; Midland Galvanizing Products Limited, Abeokuta, =150; and Alucan Packaging Limited, Agbara = 192. The total population of workers in the five selected companies is one thousand two hundred and twenty six (1226). From this, using Yamane (1967) sample size determination formular of n = N/1+N (e2) where n = required sample size, N= total population, e2 = sampling error (0.05), and 1 = constant, a total of three hundred and two (302) respondents were chosen from the total population of workers in the five selected companies. Sample size in each of the five selected companies was thereafter, determined proportionally. In specific, 124 respondents were selected in De-united Foods Industries Limited; 49 in Watson Global Pharmaceutical Industries; 45 in Shongai Packaging Industries Limited; 37 in Midland Galvanizing Products Limited; and 47 in Alucan Packaging Limited. In selecting the respondents for the study at the companies level, stratified random sampling techniques was used; that is, each of the companies was first of all stratified into department and within each department the workers were stratified into two (2) non-overlapping cadres of junior and senior staff, thereafter simple random sampling technique (through the means of random numbers) was used to select respondents from each cadre. The choice to use random technique is hinged on the fact that it allows the respondents an equal opportunity to be selected.

### (iii). Research instrument

Data were collected by means of structured questionnaire. The questionnaire was divided into three (3) sections. Section A consists of questions on demographic characteristics of the respondents. It aims to get information from the respondents regarding their gender, age, marital status, educational level, years of working experience, and income. Section B concentrates on work-related stressors in work place namely work stressors, work-home interface, and personal stressors. Work stressors include high work pace, unclear work tasks, lack of control over work pace/method, etc. There are 22 items in this section and all were adapted from the WHO (2007) Stress Survey Questionnaire and used with modifications made to suit the current study. Work-home interface is also categorized into five and these include conflict of responsibilities and role, home as the work place, family exposed to work related hazard, etc. This part consists of 7 items, of these items, 4 were adapted from Kinman and Wray (2013) Stress Survey Questionnaire while the remaining 3 were adapted from the WHO (2007) Stress Survey Questionnaire. Personal stressors were categorized into 6 namely over committed to work, lack of self confidence, family crisis, financial problem, sleep deprivation, health challenge/crisis. There are six items under these stressors. Of these items, 3 were adapted from the WHO (2007) Stress Survey Questionnaire and the remaining three were provided by the researcher. The main purpose of section B is to know how often the condition described in literature is a source of stress for the foreign-owned manufacturing companies' employees. Participants were asked to rate items under each stressor using a five point rating scale (where 1 means "never a source of stress"; 2 means "rarely a source of stress"; 3 means "sometimes a source of stress"; 4 means "often a source of stress"; and 5 means "always a source of stress").

Section C elicits information on effects of work related stress among employees. There are ten items in this section and all were adapted from the Canadian Mental Health Association Stress in the Workplace (2005) Questionnaire and used with modifications to suit the current study. Participants were asked to rate items in this section using a three point rating scale (where 1 means "never"; 2 means "sometimes"; and 3 means "always". All in all, all the instruments adapted in this study had cronbach alpha reliability coefficient of between 0.62 to 0.73

### (iv). Pilot Study

Pilot study was conducted to test for the reliability of the questionnaire on thirty employees in foreign-owned manufacturing companies (different from the sampled companies) in Ogun State. The resulting data yielded a cronbach alpha reliability coefficient of 0.82.

### (v). Procedure of Data Collection

Copies of questionnaire were personally handed to respondents at their offices and the contents explained to some respondents who requested to be guided. The reason for guiding such respondents was to help them understand the relevance of the research and provide their independent views on the questionnaire items given them. After three days the researcher went back and collected the answered questionnaires because the respondents may forget to fill in the questionnaire or misplace them entirely. All in all, the response rate was 99.67% of the total questionnaire administered.

### (vi). Data Analysis

The data collected were processed using Statistical Package for Social Sciences (SPSS) version 20, and statistically analysed using frequencies and percentages, to describe respondents' socio-demographic characteristics, and sources and effects of work stress. In addition, weighted mean was used to rank sources and effects of work-related stress according to their degree of burden on respondents.

### 3 RESULTS AND DISCUSSION

### Socio-demographic Characteristics of the Respondents

Table 1 below show the socio-demographic characteristics of the respondents used in this study

Table 1: Respondents' socio-demographic characteristics

Variables	Characteristics	Frequency	Percentage
Gender	Male	198	65.8
	Female	103	34.2
	Total	301	100.0
Age	Less than 20	06	2.0
	20-29	29	9.6
	30-39	51	16.9
	40-49	178	59.1
	50 and over	37	12.3
	Total	301	100.0
Marital status	Married	179	59.5
	Never married	43	14.2
	Divorced	27	9.0
	Separated	31	10.3
	Widowed	21	7.0
	Total	301	100.0
Years of working experience	Less than 5years	42	14.0
0 1	5-10years	48	15.9
	11-15years	157	52.2
	16-20years	31	10.3
	>20 years	23	7.6
	Total	301	100.0
Educational level	No formal education	00	0.00
	Primary school cert.	05	1.7
	Secondary sch. Cert.	107	35.5
	Tertiary education cert.	178	59.1
	Others	11	3.7
	Total	301	100.0
Monthly income (in Naira)	<20,000	07	2.3
•	21,000-40,000	42	14.0
	41,000-60,000	57	18.9
	61,000-80,000	63	20.9
	81,000-100,000	81	26.9
	>100,000	51	16.9
	Total	301	100.0

Source: Field Survey, 2015

Table 1 shows the socio-demographic characteristic of the respondents. From the table, majority of the respondents were male (65.8 percent), aged between 40-49 years (59.1 percent), married (59.5 percent), had between 11-15 years of working experience (52.2 percent), literate and have tertiary education certificate (59.1 percent), and earned income of between N81, 000- N100, 000 Naira monthly (26.9 percent).

Table 2: Awareness of work stress

Name of Companies	Awareness of	Total	
	Yes	No	
Midland Galvanising Products Ltd	29 (78.40%)	8 (21.60%)	37 (100.00%)
Watson Global pharmaceutical Ind.	44 (89.80%)	5 (10.20%)	49 (100.00%)
Shongai Packaging Ind Ltd	36 (80.00%)	9 (20.00%)	45 (100.00%)
Alucan Packaging Ltd	33 (70.20%)	14 (29.80%)	47 (100.00%)
De-United Foods Industries Ltd	106 (86.20%)	17 (13.80%)	123 (100.00%)
Total	248 (82.40%)	53 (17.60%)	301 (100.00%)

Source: Field Survey, 2015

From the table 2 above, about 82.40 percent of the respondents were aware of work stress before started working with the sampled companies while only 17.60 percent of the respondents have not heard about work stress before. This finding indicates that majority of the respondents in the sampled companies had knowledge of work-related stress before been employed in their present workplace.

Table 3: Sources of information about work stress

Name Of Companies		Sources of Information								
	Radio	Television	Newspapers	Friends/	Health					
				Relatives	Workers					
Midland Galvanising Products Ltd	0 (0.00%)	6 (21.40%)	11 (39.30%)	5 (17.90%)	6 (21.40%)	28(100.00%)				
Watson Global pharmaceutical Ind.	6 (13.60%)	11 (25.00%)	10 (22.70%)	15 (34.10%)	2 (4.50%)	44(100.00%)				
Shongai Packaging Ind Ltd	11(30.60%)	7 (19.40%)	9 (25.00%)	5 (13.90%)	4 (11.10%)	36(100.00%)				
Alucan Packaging Ltd	0 (0.00%)	18 (54.50%)	13 (39.40%)	0 (0.00%)	2 (6.10%)	33(100.00%)				
De-United Foods Industries Ltd	20(18.70%)	38 (35.50%)	28 (26.20%)	20 (18.70%)	1 (0.90%)	107(100.00%)				
Total	37(14.90%)	80 (32.30%)	71 (28.60%)	45 (18.10%)	15 (6.00%)	248(100.00%)				

Source: Field Survey, 2015

From table 3 above, about 32.30 percent of the respondents heard about work-related stress through television programme, while 28.60 percent read about it from newspapers. Other sources included friends/relatives (18.10 percent) and radio programmes (14.90 percent) while the remaining (6.00 percent) respondents heard about it from health workers. Overall, this result indicate that television programme is the most common source of information about work related stress.

Table 4: Work-related stressors in the sampled companies  $% \left( x_{i}\right) =x_{i}^{2}$ 

No. in the Questionnaire	Items	Never a source of stress	Rarely a	Sometimes a source of stress 3	Often a	Always a source of stress	Fx	N	$\overline{X}$	Rank
5	Expose to unfavourable physical working conditions including excessive heat, noise, crowding and insufficient space, etc	3	30	103	100	65	1097	301	3.64	1st
12	Job insecurity i.e threat of redundancy	2	34	109	86	70	1091	301	3.62	2nd
13	Lack of opportunity to develop ones skills and intellect in the job.	8	13	107	138	35	1082	301	3.59	3rd
11	Poor career development	9	16	117	109	50	1078	301	3.58	4th
21	Unclear about the goal and objectives of my department/unit.	5	28	125	80	63	1071	301	3.56	5th
4	Lack of control over work pace/method.	9	29	99	116	48	1068	301	3.55	6th
14	Long working hours.	1	32	133	90	45	1049	301	3.49	7th
6	Low/no participation in decision making.	8	36	103	115	39	1044	301	3.47	8th
35	Health challenges/crisis.	6	45	111	81	58	1043	301	3.47	9th
7	Little support from colleagues and supervisor.	2	31	123	116	29	1042	301	3.46	10th
9	Lack of power to decide when to take a break.	11	31	117	98	44	1036	301	3.44	11th
10	Inadequate break times/meal times	5	28	137	94	37	1033	301	3.43	12th
2	Unclear work tasks	8	45	109	92	47	1028	301	3.42	13th
8	No regular meeting to discuss work issues.	10	35	127	89	40	1017	301	3.38	14th
17	Low income	9	19	152	91	30	1017	301	3.38	15th
3 34	Meeting dead lines	10	39 50	126	83	43	1013	301	3.37	16th
15	Financial problem Unfair distribution of work	9 11	33	110 128	86 101	46 28	1013 1005	301 301	3.37 3.34	17th 18th
33	Family crisis i.e. divorce, death of spouse, etc.	15	47	121	62	56	1000	301	3.32	19th
20	Lack of power to improve any unfavourable physical workloads.	11	41	127	85	37	999	301	3.32	20th
27	Often neglect personal needs because of the demands of my work	4	48	127	92	30	999	301	3.32	21st
18	No feedback from management /supervisor on work well done.	11	44	117	99	30	996	301	3.31	22nd
26	Always come home too tired to do the things I would like to do.	1	38	154	84	24	995	301	3.31	23rd
24	Family members exposed to work related hazards	10	37	134	95	25	991	301	3.29	24th
28	My Personal life suffers because of my work.	6	33	155	84	23	988	301	3.28	25th
23	Work interferes with family responsibilities/leisure time activities.	6	35	151	88	21	986	301	3.28	26th
29	Miss important personal activities due to the amount of time I spend working.	7	25	164	90	15	984	301	3.27	27th
16	Shift work i.e. working evenings, nights and weekends.	24	39	111	101	26	969	301	3.22	28th
22	Friction/anger between colleagues	8	59	114	101	19	967	301	3.21	29th
1	High work pace	27	50	122	59	43	944	301	3.14	30th
19	Experience violence from customers/members of the public.	12	67	127	77	18	925	301	3.07	31st
25	Home as the work place	24	50	137	71	19	914	301	3.04	32nd
32	Lack of self confidence	24	62	123	72	20	905	301	3.01	33rd
30 31	Being aggressive at work place	29	61	121	69	21	895	301	2.97	34th 35th
51	Over committed to work	31	67	116	65	22	883	301	2.93	SOLN

Source: Field Survey, 2015

From the table 4 above majority of the respondents sometime sees 'exposure to unfavourable physical working conditions including excessive heat, noise, chemical, crowding and insufficient space' as well as 'job insecurity', 'lack of opportunity to develop one skills and intellect in the job,' 'poor career development,' 'unclear about the goal and objectives of my department,' 'lack of control over work pace/method,' 'long working hours,' 'low or no participation in decision making,' 'health challenges/crisis' etc as sources of stress. However, among the sources of work-related in the sampled companies, unfavourable physical working condition is the principal one with overall mean score of 3.64 while 'overcommitted to work' (x = 2.93) ranked least.

Table 5: Effects of work-related stress on the respondents

No. in the Questionnaire	Items	Never 1	Sometimes 2	Always 3	Fx	N	$\bar{X}$	Rank
8	I have difficulty finding enough time to relax	78	208	15	539	301	1.79	1st
9	If I finally find the time, it is hard for me to relax	116	145	40	526	301	1.75	2nd
1	I feel tense, anxious or have nervous indigestion	132	165	4	474	301	1.57	3rd
4	I have tension or migraine headaches, or pain in the neck or shoulder	136	162	3	469	301	1.56	4th
2	I seem to be low in energy	146	153	2	458	301	1.52	5th
6	I find it difficult to concentrate on what I'm doing because of worrying about other things	153	143	5	454	301	1.51	6th
7	I take pills, medicine, alcohol or other drugs to relax	163	138	0	439	301	1.46	7th
3	I eat/drink/smoke excessively in response to tension	172	126	3	433	301	1.44	8th
5	I seem to have trouble getting to sleep naturally or have difficulty getting back to sleep if awakened	185	115	1	418	301	1.39	9th
10	I find it difficult to laugh	187	113	1	416	301	1.38	10th

Source: Field Survey, 2015

Table 5 shows the effects of work-related stress on employees of the sampled companies. From the table, majority of the respondents sometimes experienced difficulty in finding enough time to relax and if finally find the time, it is hard for them to relax. Other major consequences of work related stress sometimes suffered by majority of the respondents include nervous indigestion, headache and pain (neck/shoulder). A further look at the table 5 also showed that most of the respondents never experienced sleep disorder, excessive smoking/drinking/eating, or resulted to taking of alcohol/drugs. However, among the consequences of work-related stress suffered by the respondent in the sampled companies, having difficulty in finding enough time to relax is the most common one with overall mean score of 1.79.

### **4 DISCUSSION OF RESULTS**

This study reveals that work-related stress is a product of many factors ranging from those unique to job itself to personal factors. These factors as revealed by the study are consistent with other works in the literature, particularly that of Ihuoma (2013); the University of Cambridge (2014); Adetayo, et al (2014) Health and Safety Executive (2015); Oyungerel, et al (2015).

The first sources of work-related stress in the sampled companies as revealed by the study is unfavourable physical working condition; and these include excessive heat, noise, crowding and insufficient space. This source of work stress is a very crucial one. For instance, as regards excessive noise in work place, Pascual (1979:179) argues that:

noise has both physical and subjective effects. The physical effects of noise are to interfere with communication and to cause damage to hearing. The subjective effect is to cause annoyance.

Noise also affects employees' behaviours in different ways. For instance, noise decreases the quality of performance rather than its quantity (Broadbent and Little, 1960), cause people to walk faster and make less eye contact (Korte and Grant, 1994), decreases job satisfaction (Sundstrom, Town, Rice, Osborn and Brill, 1994), decreases performance on cognitive tasks (Cohen and Weinstein, 1981; Smith and Jones, 1992). Noise has also been found to have effects on employees' health and morale. For instance, research (Melamed, Fried and Froom, 2001) indicates that in addition to hearing loss, continued exposure to high levels of noise can raise blood pressure of employees in complex job; increase worker illness (Cohen, 1972), cause people to be less helpful (Fisher, Bell and Baum, 1984), and produce more aggression and irritability (Quigley, Leonard, and Collins, 2003). Interestingly, even low levels of office noise have been found to increase employees stress and reduce task motivation (Evans and Johnson, 2000).

Unfavourable working conditions also include exposure to heat, fumes and other potentially harmful substances/chemicals used in the production of goods. As regards the effect of heat on workers performance, Ajgaonkar (2006) argues that individuals working capacity and quality of output are affected in extreme temperature. Continuous physical work at high temperatures generates physiological or psychological changes in the body i.e increase in heart rate, and body temperature and oxygen consumption. These changes lead to the buildup fatigue in the body, thereby reducing the productivity of the individual (Ajgaonkar, 2006).

The foregoing suggests that thermal comfort is essential for human beings to perform at their optimal capacity. For most of the population carrying out continuous mental and physical tasks, the thermal temperature on which they would perform at the peak of their capacity is in comfortably cool conditions (Fleishman and Allusis, 1982). This may thus be the reason why an unfavourable physical working condition was the highest picked item by the respondents. This therefore suggests that environmental factors are the major source of stress in the sampled companies.

The second source of work-related stress, job insecurity, has been identified as one of the major sources of work stress by the WHO (2007); University of Cambridge (2014); and HSE (2015). Job insecurity normally occurs when organizational change happens, including reorganization, outsourcing, merger and acquisitions, and redundancies (European Agency for Safety and Health at Work, 2009). Employers may perceive these events as a way of increasing overall competitiveness, but researches (Armstrong, 1993; Chirumbolo and Hellgren, 2003; Sora, Caballer and Peiro, 2010; Adkins, Werbel and Farh, 2011) have shown that, job insecurity has a negative influence on employees' attitudes, including their job satisfaction and organizational commitment; as well as a positive relation to intention to leave the organization (Rosenblatt, Talmud and Ruvio, 1999; Chirumbolo and Hellgren, 2003).

The third and fourth sources of work stress that emerged from the study are lack of opportunity for workers to develop their skills and intellect in the job and poor career development. Workers not having opportunity to develop their skill and intellect in their job are being set up for failure and these may also put their organization at competitive disadvantages; however, when talent is fostered and nurtured, competitive advantages in performance are untainted. Thus the larger the gap between the skills required to perform task and the actual skills available for performing a task, the greater the lack of job satisfaction and the greater the increase in employee turnover with organization. As regards poor career development, a worker who remains on the same level since his/her first appointment for his entire working life might experience frustration and disillusionment and this may increase employee turnover and absenteeism. However, supporting employees' career development may boost employee commitment and job performance.

Other principal sources of work-related stress as revealed by the study and contained in the table 4 include unclear work task, health challenges/crisis, long working hours, low or no participation in decision making, low levels of support from colleagues and supervisors, work shift, high work pace, financial problems, and overcommitment to work. Explanation of each of these stressors is as follows:

Unclear work task is when worker lacks information about the requirements of his/her works, how those works are to be performed, and the evaluative procedures available to ensure that the task is performed successfully (Beehr, Walsh and Taber, 1976; Ursprung, 1986; Cooper, 1991; Cordes and Dougherty, 1993; Dyer and Quine, 1998). Unclear work task has been found to lead to such negative outcomes as reduced confidence, a sense of hopelessness, anxiety, and depression (Jackson and Schuler, 1995; and Muchinsky, 1997). Likewise, when workers are unclear about the goals and objectives of their department/unit they become unsure of what is expected of them and may end up doing their work task inefficiently. Misunderstanding may ensue and with confusion comes frustration, and with frustration comes conflicts, as employees may argue with each other or defy management

With regards to health challenges or crisis, workers who experience long term or chronic stress may potentially experience such debilitating illness as hypertension, coronary heart disease, stroke or peptic ulcer (Guyton, 1981; Lazarus and Folkman, 1984; Cooper and Cartwright, 1994; and Quick, Quick, Nelson and Hurrell, 1997). Moreover,

Humphrey (1998), in his review of the medical literature found that prolong and unyielding nervous tension developing from psychological stress can result in psychosomatic disorders which can lead to serious diseases which include cirrhosis of the liver, high blood pressure, cancer and heart disease. Stress is thus responsible for a vast and varied range of negative health outcomes that affect individuals in their workplace, hence the reason for its being among the major stressors highlighted by the respondents.

Again, the study reveals that long working hours and low or no participation in decision making contributed to work stress among employees in the sampled companies. The implication of long working hours is that it does not only affect workers productivity (thereby increasing a company's marginal costs) but increase the risk of accidents (due to tiredness), which may increase the costs of sick pay and compensation for company. It may also affect workers' long term health as well as impoverished family and social life, thus exacerbating the impact of work stress (Chan, Lai, Ko, and Boey, 2000). Low or no participation of workers in decision making, on the other hand, in an activity or event that affects them demoralize employees (Mankidy, 1984). While involving workers in decision making positively affect their morale and enhances their productive efficiency in an organization (Venna and Syha, 1991; Noah, 2008).

Low level of support from colleagues/supervisors and work shift are also contributors to work stress in the sampled companies. Low level of support from colleagues is related to higher level of distress following negative events (Rogers and Kreutzer, 1984). While work shift is an employment practice designed to make use of, or provide service across all 24 hours of the clock each day of the week (abbreviated as 24/7). The practices typically see the day divided into 'shifts', set periods of time during which different groups of workers take up their posts. Shift work includes both long-term night shifts and work schedules in which employees change or rotate shifts. Shift work is a risk factor for some health problems in some individuals, as disruption to circadian rhythms may increase the probability of developing psycho physiological dysfunction such as chronic fatigue, hypertension, heart disease, and gastrointestinal dysfunction (Costa, 1996). Shift work can also contribute to strain of marital, family, and personal relationship. These may significantly impact employee's performance and efficiency—leading to errors and accidents (Costa, 1996). Further enquiries were made from the respondents on the type of shift system that is in operation in their respective companies. The results of the enquiries shows that two of the companies were operating two-shift system which starts from 7am-7pm and 7pm-7am; while the remaining three companies were operating three-shift system starting from 6am-2pm, 2pm-9pm, and 9pm-6am respectively.

Furthermore, high work pace and experience of violence from customers or members of the public were also found to be sources of work stress in the sampled companies. High work pace has been associated with a range of stress-related symptoms including excessive tiredness, headache and a loss of temper (Townley, 2000). As regards experience of violence from customers or members of the public, workers who have limited option to deal with situations of violence from customers or members of the public are more susceptible to emotional turmoil (anxiety, tension and frustration), increased absenteeism, job turnover, strikes and demonstrations (Cooper and Payne, 1988; and Toohey, 1995). Additionally, violence from customers or members of the public often results in harmful consequences for organizational performance (Robbins, Waters-Marshi, Cacioppe and Milet, 1994).

Financial problems as well as time pressure were also key sources of stress discovered in the sampled companies. Hermann, Whitman, Wyler, Anton and Vanderzwagg (1990) in their studies report that financial strain was a significant predictor of emotional distress. Likewise, time pressure i.e inadequate breaks time/meal times, meeting deadlines, etc was found to have a strong negative relationship with work stress (Humphrey, 1998; Sauter and Hunell, 1999). Other research (Townley, 2000) found that a range of stress-related symptoms, including excessive fatigue and headache, were predominantly associated with unrealistic targets and deadlines.

The last sources of stress that emerged from the study are over-commitment to work. Over-commitment is a pattern of attitudes, behaviours and emotions characteristic of a person who works harder than what is demanded for a given task, and is driven by a high need for approval and control (Siegrist, 2001). Over-commitment is type A behaviour (Vrijkottee, Van Doornen and Degeus, 1999). Individual characterized by type A are described as ambitious, hard working, active, competitive, impatient and aggressive people, who lack the ability to relax (Mathews, 1982). Over-commitment is associated with stress and strain and a range of adverse health effects (Joksimovic, Starke, Knesebeck and Siergrist, 2002; Tsutsumi, Kayaba, Theorell and Siergrist, 2001; Preckel, Kanelvon, Kudielka and Fischer, 2005; and Siegrist, 2008). However, since majority of the respondents had knowledge of stress (as early found out in this study) before started working with the sampled companies, their picking over-commitment as the least source of stress is not surprising, and this indicates that majority of workers in the sampled companies had the knowledge of the consequences of over commitment to work and thus avoided it meaning that they avoid life becoming 'all work and no play'.

In respect of effects of work-related stress on employees in the sampled companies, the findings from the study agree with most of the studies in the literature. For instance, it surfaced from the study that workers under stress have difficulty in finding enough time to relax and if finally find the time, it is hard for them to relax. They also suffered from nervious indigestion, headaches, pain in neck/shoulder, and inability to concentrate and express their idea and

thought. These findings are consistent with that of Ihuoma (2013); Adetayo, et al (2014); the University of Cambridge (2014); Health and Safety Executive (2015); and Oyungerel, et al (2015). Findings from the study further show that most of the respondent never experienced excessive smoking/drinking/eating or resulted to taking of alcohol or drugs. These findings contradict those of Ihuoma (2013); Adetayo, et al (2014); the University of Cambridge (2014); Health and Safety Executive (2015); and Oyungerel, et al (2015). These scholars and institutions found workers experiencing stress eating/drinking/smoking excessively or misusing drugs.

### 5 CONCLUSION AND IMPLICATIONS OF THE STUDY

This study investigates the sources and effects of work-related stress among employees in foreign-owned manufacturing companies in Ogun State. Sources of work stress among employees in the selected companies as discovered by the study include workers' exposure to unfavourable physical working conditions such as excessive heat, noise, chemicals; job insecurity, poor career development, long working hours, low/no participation in decision making, among others. As a result workers are susceptible to physical and emotional harms such as restlessness, anxiety and nervous indigestion, headache, neck ache, and inability to concentrate.

This study however has implication for management of foreign-owned manufacturing organization, thus management of foreign-owned organization should provide conducive/friendly working environment for their employees by improving working facilities. This may be in form of purchasing modern equipments to control noise to an appreciable level. In addition, in order to avoid crowded workplaces, production units should be sited at different locations from the managerial unit.

Also, management of foreign-owned manufacturing companies should create better job security for their workers in order to increase their loyalty and commitment; as a loyal and committed staff hardly thinks of leaving an organization. This can be addressed through stable employment policy and better condition of service.

Finally, in order to reduce the incidence of pressures associated with meeting deadlines/targets, both management and employees should work closely to arrive at realistic production deadlines/targets for job delivery. In addition, management should provide substantial freedom, independence and discretion to employees in scheduling their works.

In literature, the effects of work-related stress is divided into two namely effects on the employees and effects on the organization. This study is however focused on the effects work-related stress have on the employees of foreign-owned manufacturing organization. Further research can be undertaken to ascertain effects of work stress on foreign-owned manufacturing organizations. Effort can also be made to examine the correlation between employee socio-demographics characteristics and work-related stress.

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# Tracing stress symptoms: an empirical study of manufacturing industry

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### ABSTRACT

The present study aimed to get an insight into the kind of symptoms of work stress experienced by employees in middle level management of the manufacturing industry. A sample of 103 middle level employees from manufacturing organizations of Jammu region (India) has been utilized in the study. The results uncover eleven indicators of stress, namely, paranoid behaviour, physical reactions, personal habits, lack of quality sleep, emotional volatility, receptive instability, sleep turmoil, fatigue syndrome, emotional detachment, diet and anxiety indicators and work syndrome. The study suggested that these indicators can be used as screening kit for the purpose of identification of stress among the employees whose overlook can push the employees towards the trench of stress.

### KEY WORDS

stress, symptoms, factor analysis, manufacturing

JEL Code: I30, J81, M10

### 1 INTRODUCTION

Organizations are visualized as the social alliance of individuals directed towards the achievement of some collective goals depending on their efforts. Although human efforts are being channelized through well defined hierarchy of authority and responsibility, yet its effective utilization is prejudiced by different factors such as organizational rules, regulations, policies, customers, competitors etc. (Huczynski, 2005). The nature of these factors differs but these factors are interdependent on each other. For instance, changes in Government policies and procedures leads to alteration in the organizational policies, procedures, etc. Such changes, sometimes, even create misfit between the demands of the environment and abilities of the employees which will eventually lead to stress if it remained unaddressed (Edwards, 1998). Stress can be narrated as an adoptive response arbitrated by individual characteristic and psychological processes that are the consequences of any external action, situation or event that places special physical, psychological demands upon a person (Ivancevich and Matteson, 1980).

Stress is the consequence of the pressure external to an individual and its impact varies from individual to individual depending on their perception. With context to the organizations, stress can be understood as perceived stress which affects mental and physical health of the employees (Canadian Mental Health Association, 2004) eventually leading to high labor turnover and absenteeism rate, low productivity, low performance, ineffectiveness and inefficiency (Moustaka and Constantinidis, 2010). Consequently, perceived organizational stress has become a strategic concern for all the organizations because of its direct impact on employees as well as organizational performance. The harmful and costly consequences of stress both at individual and organizational level have demonstrated the need for identification of the stress among employees at early phase so that necessary proactive measures can be taken to deal with it. In view of this, the present study has been carried out to indentify the indicators which depicts the presence of stress in employees. The next section reviews the literature followed by a detailed discussion on the methodology adopted. The ensuring sections discuss the results followed by the conclusion and implications emanating from the study.

### 2 LITERATURE REVIEW

Stress affects every day normal functioning of employees in the organizations, thereby, making it a major concern for all the organizations (Frank, 2003). The study conducted by Kemeny (2003) demonstrated that when stress is enduring, the body pumps out stress hormones continuously and mobilizes other systems which over the time tax the body resources and deteriorates health. With similar notion, Luban-Plozza and Pozzi (1994) attempted to identify the impact of stress on immune system of individuals and revealed that chronic stress weakens the human immune system, thereby, making them more prone to various health issues including headaches, body aches, strokes etc. The study conducted by Rakovec-Felser (2000) and Murphy (1995) also identified that stress in an employee can be revealed through various body reactions, namely, headaches, asthma, body aches, allergies, diabetes, hypertension, mental disorders, etc. With similar path, Likar et al. (2008) stated that changing demands of the workplace and changing life style increases stress level among employees and working with stress can eventually leads to cardiovascular diseases (Mozina, 1998). Another study conducted by Kiecolt-Glaser et al. (2002) indentified that the progressive stress affects the endocrine system, immune system and nervous system of the employees. While attempting to indentify stress symptoms, Looker and Gregson (1993) stated that stress causes various physical problems which can be explored to identify the stress level of the employees at initial stages. According to them, stress can be identified from some typical symptoms which includes body aches, headaches, skin rashes, itching, etc.

Further, Mesko et al. (2012) extended the study of Looker and Gregson and indentified another category of stress symptoms, namley, psychological symptoms. These symptoms includes confusion, irritability, lack of trust on themselves and on others, feeling of loneliness, less frequent socialization. The existing research also depicts that employees perceiving stress looses their self confidence, flexibility in decision making, loss of self confidence, dissatisfaction, bad mood, irritability, over sensitiveness, confusion, feeling of inferiority, low spirits, feeling of self helplessness, felling of helplessness, dissatisfaction and loss of self confidence and often experiences poor concentration (Goswami and Talukdar, 2013; Orpen 1991; Segerstrom and Miller, 2004).

Stress not only contributes to ill health with negative effects on physical and psychological well being but it also impacts behavior of employees (Terry et al., 1993; Bickford, 2005). The research work carried out by Mansoor et al. (2011) investigated the same issue and identified that stress alters the behavior of employees as the results explained that the employees perceiving stress usually do not spend time on entertainment or other activities like reading news paper. Such employees show paranoid behavior, remain detached from their social circle. Another study conducted by Mojoyinola (2008) also revealed that stress is negatively associated with behavior of employees. An increased level of stress provokes changes in the behavior of the employees thereby altering their performance (Smith 2003). Moreover, stress is one of the major reasons for certain behavioral changes in employees which includes working for late hours, working at home, shyness while talking to others, avoid discussing about problems, trouble remembering things and feeling anxious about problem that are difficult to describe (Mojoyinola, 2008). In this regard, Kendall et al. (2000) also explained that mental stress can be either acute or chronic in nature. Acute stress can be easily identified and the return to normal life can be made within a short span of time. But chronic stress is a cumulative reaction to build up pressure over a long period of time and is manifested through various reactions of employees. For an instance, chronic stress restricts employees to share their feeling with their friends and family members. This in turn, also gives rise to other psychiatric disorders including changes in neuronal function, altered gene expression and abnormal neurotransmitter production (Kanel et al., 2001; Kessler et. al. 1999). According to Freudenberg (1975) such pressures lead to burnout characterized by ultimate emotional exhaustion of employees under pressure and according to American Psychiatric Association (1994) such pressures even leads to health disorders which ranges from feeling of pain, nausea, sweating, muscle tension, etc.

Identification of Stress among employees attracts the attention of management in the organizations as it affects performance of both employees as well as the organizations. This makes it imperative for the management to identify stress in employees so that proactive actions for stress reduction can be taken. In this regard, although the review of literature suggests that stress among employees can be detected through various behavioural, psychological and health symptoms but scant research is available on accessing stress through different symptoms especially in context to developing nations like India. The present paper is, therefore, an attempt to identify the stress symptoms among employees. The next section presents database and research methodology adopted for the present empirical work.

### 3 DATABASE AND RESEARCH METHODOLOGY

The present empirical work focuses on employees working in middle level management of the manufacturing industry as they have been identified as the most critical part of organizational life. The said employees are at the nexus of interaction and act as a knob in a system of communication thereby connecting flow of information from top to operating level and vice versa (Floyd and Woolridge, 1994). Moreover, the research into the stress symptoms of managers in middle level management of manufacturing organizations of India and particularly in Jammu region

of J&K state (India) is scant which has reinforced the decision to confine to middle level employees for the present study. The study is based mainly on primary data collected from middle level employees of manufacturing industry of Jammu region (India) during the working hours. Organizations have been selected randomly from the list of the organizations registered with Directorate of Industries of Jammu region. Accordingly, pretested structured questionnaires utilizing standardized scale for identifying stress symptoms were distributed among 120 full time middle level employees of manufacturing organizations contacted at their workplace during the working hours during December 2015 to February, 2016. The responses of only 103 employees were used for the analysis after accounting for the incomplete responses

The demographic profile of the sampled employees revealed that the sample is predominantly of male employees (84%), married (60%), falling under age group of 35 to 40 years (41.6%) and are working in the organization for more than 2 years (72%). The majority of sampled employees have completed their university education on master level (52.4%), belonging to nuclear family (77.7%) with average family size of four members (43.7%) and maximum of sampled employees (43.5%) fall in the monthly salary category of INR 20000 to 50000 (\$297.52 to \$744.38) with average working hours of 10 hours per day (50.5%).

### **MEASURES**

The study collected the responses of 103 respondents through pretested structured questionnaire utilizing measures assessing stress symptoms which were well-publicized in the stress literature for identifying different stress symptoms. One part of the said questionnaire includes information regarding socio-economic characteristics of the respondents. The other part includes pretested scale assessing stress indicators developed by utilizing the measurement scales, namely, Stress management packet by The counseling team international (2006), Work related stress questionnaire by UNITE health and safety representatives (2011). Further, the respondents were asked to narrate their level of agreement related to various aspects of life which they usually experience after a typical working week for getting an insight about the stress symptoms undergone by them (e.g., I have hard time feeling relaxed, No matter how much I sleep, I awake feeling tired, I try to work while I am eating lunch, etc.). The responses on the scale have been collected using a five point Likert scale ranging from "Almost Always" to" Never". The codes 1, 2, 3, 4, 5 were assigned to all the positive statements identifying stress among the employees whereas negative statements were reversely coded. The preliminary draft of the questionnaire included a list of 54 statements pertaining to different stress symptoms experienced by the employees at the end of the working week and a pilot testing was conducted in 25 middle level employees working in manufacturing industry of the Jammu region (J&K). The factor loadings of 10 statements were below 0.50 and therefore, they had been dropped from the scale and only 44 statements were retained. The study aimed at identifying different stress symptoms based on the responses of employees. Therefore, exploratory factor analysis was found to be the most relevant technique for the present study as it aimed at identifying observed variables (Costello and Osborne), that is, different stress symptoms. Further, the reliability of the scale has been tested using the value of Cronbach alpha. The estimation of results was carried out using SPSS 20.0 discussed in the next section.

### FINDINGS OF THE STUDY

Stress has been considered as an important concern for the organizations due to its adverse effect on the performance of employees and ultimately, on the organizational performance (Elovainio et al. 2002). This section endeavors to study the nature of the stress symptoms in middle level employees on the basis of problems experienced by them through exploratory factor analysis. The list of the statements utilized to identify stress symptoms has been described in Table 1.

Table 1: Measures developed

Labels	Statements
S1	My body feels tense all over
S2	I have a nervous sweat or sweaty palms.
S3	I have a hard time feeling really relaxed.
S4	I have severe or chronic lower back pain.
S5	I get severe or chronic headaches.

Labels	Statements
S6	I get tension or muscle spasms in my face, jaw, neck or shoulders.
S7	My stomach quivers or feels upset.
S8	I get skin rashes or itching.
S9	I feel short of breath after mild exercise like climbing up four flights of stairs.
S10	More tension alters my appetite
S11	I get sharp chest pains when I'm physically active.
S12	I don't really plan my meals for balanced nutrition
S13	I take pills to get to sleep.
S14	I have nightmares or repeated bad dreams.
S15	I have trouble falling asleep.
S16	I wake up at least once in the middle of the night for no apparent reason.
S17	No matter how much sleep I get, I awake feeling tired.
S18	I stutter or get tongue tied when I talk to other people.
S19	I try to work while I am eating lunch.
S20	I have to work late.
S21	I have to bring work home.
S22	I usually use medicines for relaxation after work.
S23	I tend to stumble when walking, or have more accidents than other people.
S24	After dinner I spend more time alone or watching TV than I do talking with my family or friends.
S25	I have found the best way to deal with hassles and problems is to consciously avoid thinking or talking about them.
S26	I have trouble remembering things.
S27	I feel anxious or frightened about problems I can't really describe.
S28	I worry a lot.
S29	It is important for me not to show my emotions to my family.
S30	It is hard for me to relax at home.
S31	I find it hard to talk when I get excited.
S32	I have temper outbursts I can't control.
S33	I feel extremely sensitive and irritable.
S34	I feel like other people don't understand me.
S35	I really don't feel good about myself.
S36	Generally I am not optimistic about my future.
S37	I spend less than three hours a week working on a hobby of mine.
S38	I spend less than one hour a week writing personal letters, writing in a diary or writing creatively.
S39	I spend less than 30 minutes a week talking casually with my neighbors.
S40	I lack time to read the daily newspaper.
S41	I watch television for entertainment when I am at home.
S42	I drive in a motor vehicle faster than the speed limit for the excitement and challenge of it.
S43	I spend less than 30 minutes a day working toward a life goal or ambition of mine
S44	When I feel tensed, it is difficult for me to plan time and activities to constructively release my pressure.

The results of the exploratory analysis have been scrutinized on the basis of the following considerations:

- The value of Kaiser-Mayer Olkin (KMO) statistic 0.726 is very large;
- The barlett's test of spherecity value chi-square value 6336.293 was highly significant (p<0.001) indicating the appropriateness of the factor analysis in context of the present study;
- The mean correlation is 0.37 for stress symptoms and it varied from 0.02 to 0.87 across different stress symptoms with a range of 0.85, which revealed that there is enough correlations for employing factor analysis (Hair et al., 2012).

These tests confirm factor analysis as an appropriate technique for the analyzes of the given data and also depicted that the results can be relied upon. For extracting the factors, principal component analysis with varimax rotation has been utilized. The total number of factors was decided on the basis of Eigen value, that is, in the present study, 11 factors were found to have Eigen value equals to 1 or more. Further, as explicated in table 1, the factors loadings for all these 11 factors was greater than 0.50 (ignoring signs) which has been considered very significant (Hair et al., 2012).

Factor No.	Name of the Symptom	Eigen Value	Percentage of Variance	Percentage of Cumulative Variance
F1	Physical Reactions	8.350	10.441	10.441
F2	Sleep Turmoil	5.311	9.650	20.092
F3	Emotional Detachment	4.017	9.583	29.675
F4	Paranoid Behaviour	3.706	9.173	38.848
F5	Emotional Volatility	3.015	7.794	46.642
F6	Receptive Instability	2.828	7.605	54.247
F7	Personal Habits	2.407	6.188	60.434
F8	Lack of Quality Sleep	1.983	6.040	66.474
F9	Chronic Fatigue	1.642	5.865	72.340
F10	Work Syndrome	1.514	4.852	77.192
F11	Diet and Anxiety Indicators	1.295	4.783	81.975

Table 2: Eigen values and variance explained by the extracted factors

It is clear from Table 2 that a total of eleven factors have been extracted from varimax factor analysis as the Eigen values for only these eleven factors is greater than one. These factors together explained about 81.975 per cent of the total variance. Further, the individual percentage of variance from the factor F1 to factor F11 is 10.441, 9.650, 9,583, 9.173, 7.794, 7.605, 6.188, 6.040, 5.865, 4.852 and 4.783 respectively.

The factor loadings of the statements on the respective factors are summarized in Table 3. It represents the relationship between the original variable and its factors. The signs are interpreted like any other correlation coefficients where 'like signs' factor loadings mean that the factor loadings and factors are positively correlated and 'opposite signs' indicates negative correlation between factor loadings and factors.

Table 3: Factors loading from rotated factor analysis

Factor No.	Category of Symptoms	Label	Statements	Factor Loading
		S7	My stomach quivers or feels upset.	0.806
		S6	I get tension or muscle spasms in my face, jaw,	
			neck or shoulders.	0.805
$F_1$	Physical Reactions	S2	I have a nervous sweat or sweaty palms.	0.716
11		S8	I get skin rashes or itching.	0.665
		S11	I get sharp chest pains when I'm physically active.	0.650
		S9	I feel short of breath after mild exercise like climbing	
			up four flights of stairs.	0.620
		S14	I have nightmares or repeated bad dreams.	0.893
$F_2$	Sleep Turmoil	S15	I have trouble falling asleep.	0.870
		S13	I take pills to get to sleep.	0.868
		S41	I watch television for entertainment when I am at home.	0.827
		S39	I spend less than 30 minutes a week talking casually	
			with my neighbors.	0.729
		S40	I lack time to read the daily newspaper.	0.714
		S43	I spend less than 30 minutes a day working toward	
$F_3$	Emotional Detachment		a life goal or ambition of mine	0.697
- 3		S42	I drive in a motor vehicle faster than the speed limit	
		~~~	for the excitement and challenge of it.	0.652
		S38	I spend less than one hour a week writing personal letters,	
		C 4 4	writing in a diary or writing creatively.	0.616
		S44	When I feel tensed, it is difficult for me to plan time and	0.505
			activities to constructively release my pressure.	0.585
		S34	I feel like other people don't understand me.	0.939
		S35	I really don't feel good about myself.	0.937
г	Paranoid Behaviour	S36	Generally I am not optimistic about my future.	0.891
$F_4$		S37	I spend less than three hours a week working on	
			a hobby of mine.	0.645
		S10	More tension alters my appetite	0.567
		S31	I find it hard to talk when I get excited.	0.858
		S32	I have temper outbursts I can't control.	0.831
F <sub>5</sub>	Emotional Volatility	S33	I feel extremely sensitive and irritable.	0.796
15	Emotional volatility	S30	It is hard for me to relax at home.	0.588
		S29	It is important for me not to show my emotions to my family.	0.547
		COF		
		S25	I have found the best way to deal with hassles and problems	0.705
		COC	is to consciously avoid thinking or talking about them.	0.795
$F_6$	Receptive Instability	S26 S28	I have trouble remembering things.	0.777 0.737
Ü		S27	I worry a lot.  I feel anxious or frightened about problems	0.737
		327	I can't really describe.	0.656
		COO		
		S23	I tend to stumble when walking, or have more accidents	0.012
С	Dorganal Wahita	S24	than other people.  After dinner I spend more time alone or watching TV	0.912
F <sub>7</sub>	Personal Habits	324	than I do talking with my family or friends.	0.827
		S22	I usually use medicines for relaxation after work.	0.673
		S18	I stutter or get tongue tied when I talk to other people.	0.887
		S17	No matter how much sleep I get, I awake feeling tired.	0.846
$F_8$	Lack of quality sleep	S17	I wake up at least once in the middle of the night for no	0.040
		510	apparent reason.	0.702
		S4	I have severe or chronic lower back pain.	0.803
F <sub>9</sub>	Chronic Fatigue	S3	I have a hard time feeling really relaxed.	0.784
- 9		S5	I get severe or chronic headaches.	0.742
		S20	I have to work late.	0.763
F. a	Work Syndrome	S20 S21		0.763
F <sub>10</sub>	work syndrome	S21 S19	I have to bring work home.  I try to work while I'm eating lunch.	0.646
F <sub>11</sub>	Diet and Anxiety Indicators	S12	I don't really plan my meals for balanced nutrition	0.840
	· ·	S1	My body feels tense all over	0.767

### F1 Physical Reactions

The most important indicator explaining maximum variance i.e. 10.441per cent is physical reactions. A total of six statements have been loaded on this factor and all are significantly correlated with the factor. Stress among employees can be identified through various physical reactions, such as, upset stomach (S7), muscles spasms in face, jaw, neck or shoulder (S6), rashes on skin (S8), sharp chest pains (S11) and breathleness after physical workout (S9). Hence, organizations can suspect the presence of stress among employees on the basis of the physical problems experienced by the employees.

### F2 sleep Turmoil

The next set of stress symptoms, named as sleep turmoil, explains the percentage of variance equals to 9.650 per cent. Three statements have been loaded on this factor and all the statements are significantly correlated with the factor. The symptoms include nightmares (S14), trouble falling asleep (S15) and usage of sleeping pills (S13). Moreover, such employees usually remained tensed throughout the day without any valid reason which results into sleep disorders.

### F3 Emotional Detachment

A total of seven statements have been loaded on this factor and accounts for 9.583 percentage of the variance. All the statements are significantly correlated and the factor includes the behavior of employees where they prefer to watch television at home (S41), finds no time to read newspaper (S40), drive vehicle faster than the speed limit for excitement (S42) and spend less time for social chatting (S39), working towards their ambition (S43) and writing personal diaries, etc (S38). Further, employees perceiving stress usually find it difficult for the employees to plan their time and activities constructively (S44).

### F4 Paranoid Behaviour

The results of the study depicts that paranoid behavior of employees also depicts the presence of stress among employees. Five statements have been loaded on this factor and all are significantly correlated with the factor. This factor accounts for 9.173 per cent of the total variance. Employees perceiving stress feel like other people do not understand them (S34). They do not feel good about themselves (S35) and are not optimistic about the future (S36). They usually even do not devote time towards their hobbies etc. (S37). Moreover, their tension also alters their appetite (S10).

### F5 Emotional Instability

The next category of stress symptoms is named as emotional instability which has accounted 7.794 per cent of the total variance. A total of five statements have been loaded on the factors and all are significantly correlated with the factor. The statements include difficulty in talking due to excitement (S31), temper outbursts which are beyond the control of the employee (S32), feeling sensitive and irritable without any apparent reason

(S33) and hiding emotions from the family members (S29). It also becomes difficult for the employees perceiving stress to relax at home (S30). Hence, it can be inferred that stress affects emotional stability of employees and causes mood swings.

### F6 Receptive Instability

This is the sixth important indicator of stress with 7.605 per cent of variance. Four statements have been loaded on this factor and all are significantly correlated with the factor. Employees perceiving stress are not open to share their feelings etc. with others. They usually avoid discussing their problems with others (S25), worries a lot (S40) and feel anxious about the problems which they cannot describe (S27). Not only this, employees also face trouble while remembering things (S26).

### F7 Personal Habits

Personal habits, the next category of symptoms, accounts for 6.188 per cent of the total variance and three statements have been loaded on the factor. The statements include stagger behavior while walking (S23), using medicines for relaxation (S22) and spending time alone at home (S24). Hence, it can be inferred that the stress alters the personal habits of the employees.

### F8 Lack of Quality Sleep

The eight factor with 6.040 per cent of variance is lack of quality sleep. A total of three statements have been loaded on the factor and all are significantly correlated with the factor. Employees perceiving stress always feel tired even after sleep (S17) and they usually wake up at least once in the middle of the night without any apparent reason (S16). Alongwith this, employees sometimes feel that they cannot talk to other people and share their opinions (S18).

### F9 Chronic Fatigue

The factor accounts for 5.865 per cent of variance and three statements have been loaded on the factor. All the statements are significantly correlated with the factor. The symptoms related to this factor include severe back pains (S4) and chronic headaches (S5). Employees also find insufficient time for relaxing at home (S3). Stress extracts stress hormones in employees continuously which will eventually leads to chronic fatigue.

### F10 Work Syndrome

The employees perceiving stress often faces work syndrome owing to which they work for late hours (S20), brings work at home

(S21) and try to work even at the time of eating lunch, etc. (S19). This factor accounts for 4.852 per cent variance and all the statements considered are significantly correlated with the factor. These symptoms inferred that the employees perceiving stress develops work syndrome and tries to work all the time.

### F11 Diet and Anxiety Indicators

The eleventh factor is diet and anxiety indicator which indentifies stress among employees with the variance equals to 4.783 per cent. Total two statements have been loaded on the factor and all are significantly correlated with the factor. Employees perceiving stress usually do not plan their meals for balanced nutrition (S12) and their body feels tensed all over (S1). Hence, it can be surmised that stress alters the diet plan and boost the anxiety level of the employees.

The inter factor correlation; means, standard deviations and cronbach's alpha value are described in Table 4.

Table 4: Inter-factor correlation, means, standard deviations and Cronbach alphas of the extracted factors of stress symptoms

Factor No	Factor	F1	F2	F3	F4	F5	F6	<b>F</b> 7	F8	F9	F10	F11
F1	Physical Reactions											
F2	Sleep Turmoil	0.579*										
F3	Emotional Detachment	0.416**	0.378*									
F4	Paranoid Behaviour	0.398**	0.324*	0.345**								
F5	Emotional Volatility	0.308**	0.024**	0.328**	0.565**							
F6	Receptive Instability	0.441**	0.274**	0.456**	0.602**	0.234*						
<b>F</b> 7	Personal Habits	0.426**	0.386**	0.964**	0.435**	0.137*	0.237*					
F8	Lack of Quality Sleep	0.281**	0.335**	0.234*	0.343**	0.565**	0.124*	0.345**				
F9	Chronic Fatigue	0.271**	0.213*	0.432**	0.223*	0.489**	0.511**	0.399**	0.23**			
F10	Work Syndrome	0.276**	0.248*	0.234*	0.439**	0.356*	0.127*	0.421**	0.178*	0.445**		
F11	Diet and Anxiety											
	Indicators	0.144**	0.224**	0.456**	0.543**	0.449**	0.126*	0.124*	0.345**	0.565**	0.556**	
	Number of Statements	6	3	7	5	5	4	3	3	3	3	2
	Mean (Scale Value)	3.71	2.08	2.509	2.703	3.17	3.12	3.49	2.58	3.96	4.25	3.8
	Standard Deviation	1.09	1.411	1.404	1.418	1.279	1.276	1.249	1.497	0.579	0.779	1.05
	Cronbach Alpha Value	0.792	0.826	0.847	0.767	0.769	0.765	0.844	0.762	0.783	0.782	0.679
	Composite Cronbach											
	Alpha Value = 0.882											

Note: \*\* significant at 1% level of significance; \* significant at 5% level of significance

The value of Cronbach alpha of the extracted factors ranges from 0.679 to 0.844 and depicts the high reliability for the sub-scale representing different stress symptoms. The composite alpha for the entire scale is reasonably high (0.882). Although the extracted factors were conceptually different from each other according to the results of Principal Component Analysis, yet there exits significant relationship between the extracted factors.

### 6 DISCUSSION, CONCLUSION AND IMPLICATIONS

Since an organization is the social alliance of the individuals working towards the accomplishment of the organizational objectives, it becomes imperative for the organizations to identify the factors which hinder the performance of the employees as the performance of the organization is directly related with the performance of the employees. In this regard, one of the serious problems identified in the literature is the stress perceived by the employees due to the changing demands of the work environment. The research in the field of stress demonstrates that stress affects the mental, physical and psychological wellbeing of the employees which affects their efficiency level and ultimately, affects their performance. Consequently, it is required for the organizations to identify the presence of stress among its employees so that proactive actions can be taken to nip the problem of stress in the bud. With a view to address this issue, in the present study, an attempt has been made to identify stress symptoms among the middle level managers of the manufacturing industry of Jammu region of J&K state (India). The foregoing analysis reveals eleven stress symptoms which can be categorized as behavioral symptoms, psychological symptoms and physical health symptoms. Behavioural symptoms include personal habits, emotional volatility, receptive instability, sleep turmoil, lack of quality sleep and work syndrome. Likewise, another category of stress symptom unveiled is psychological symptoms and it includes paranoid behavior and receptive instability. Health symptoms also indicates stress level among employees and can be characterized by physical reactions, fatigue syndrome and diet and anxiety indicators.

The present study provides a list of stress indicators thereby facilitating the organization in the early detection of stress among employees. For instance, an employee complaining of chronic headaches or body aches can be doubted for the presence of stress. Such cases provide an indication to the organizations to ensure the underlying reason for such chronic complaints. These results are in convergence with the studies conducted by Schneiderman (2005); Saab et al. (1992); Stults-Kolehmainen et al. (2015) wherein it has been highlighted that physical problems including headaches, body aches, etc. indicates that the person has started experiencing stress which needs to be controlled so that it would not harm the health of the respondents and ultimately, their productivity at work place. Further in this regards, one of the most important points to consider is that almost all the physical health symptoms can be effortlessly diagnosed by the organizations and some of the behavioral symptoms like work syndrome can also be diagnosed by the organizations while the other behavioral symptoms like sleep turmoil and the psychological symptoms are innate and cannot be directly enquired from the employees. Therefore, organizations should develop techniques which will unearth such issues. For an instance, organizing activities like role playing will assist organizations in analyzing the emotional volatility and receptive instability among employees. Organizations can even involve family members, peers and superiors of the employees for accessing such changes among the employees. The organizations, while conducting such activities, should keep in mind the adverse affect of such activities on the mental state of employees if not conducted in a proper manner. Merely, identifying such symptoms does not signify the existence of stress until and unless the root cause analysis of such symptoms can be conducted so as to indentify whether the reason for such complaints is stress or not.

Moreover, the unveiling of such symptoms also assists organizations in making a decision as to which coping strategy should yield the most effective outcome. Nevertheless, one of the most important issues experienced by the organizations is that there are hundreds of employees working in it and it might not be possible for the organizations to access stress symptoms of them. Therefore, organizations can also focus on educating and motivating employees for the self assessment of the stress thereby narrating the relationship between stress and its impact on their performance. The organizations should encourage employees for the self assessment of stress and educate them regarding the ways and methods to reduce the stress so as to keep their performance intact.

### 7 LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

The study has contributed to the comprehension of various stress symptoms based on responses of middle level employees of the manufacturing industry and hence, the results cannot be generalized for the middle level employees working in other industries. The future study pertaining to the identification of stress symptoms in other industries like service industry may unveil some other relevant indicators of the stress. Moreover, the present study includes middle level employees only whereas stress can also be experience by the top level and lower level employees thereby providing a probable scope for the future researchers to enquire the relevance of such symptoms in employees working at top and lower levels in the organizational hierarchy.

Furthermore, the future research can also focus on comparing the nature of stress symptoms found in employees deployed on different levels of organizational hierarchy. This, in turn, will also assist the organizations to frame the most effective stress coping strategies across the employees working at different hierarchical levels for restoring the performance of the employees. Doing so will move the organizations ahead on the path of enhanced profitability.

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# Appendix 1

Labels	Statements
S1	My body feels tense all over
S2	I have a nervous sweat or sweaty palms.
S3	I have a hard time feeling really relaxed.
S4	I have severe or chronic lower back pain.
S5	I get severe or chronic headaches.
S6	I get tension or muscle spasms in my face, jaw, neck or shoulders.
S7	My stomach quivers or feels upset.
S8	I get skin rashes or itching.
S9	I feel short of breath after mild exercise like climbing up four flights of stairs.
S10	More tension alters my appetite
S11	I get sharp chest pains when I'm physically active.
S12	I don't really plan my meals for balanced nutrition
S13	I take pills to get to sleep.
S14	I have nightmares or repeated bad dreams.
S15	I have trouble falling asleep.
S16	I wake up at least once in the middle of the night for no apparent reason.
S17	No matter how much sleep I get, I awake feeling tired.
S18	I stutter or get tongue tied when I talk to other people.
S19	I try to work while I'm eating lunch.
S20	I have to work late.
S21	I have to bring work home.
S22	I usually use medicines for relaxation after work.
S23	I tend to stumble when walking, or have more accidents than other people.
S24	After dinner I spend more time alone or watching TV than I do talking with my family or friends.
S25	I have found the best way to deal with hassles and problems is to consciously avoid thinking
	or talking about them.
S26	I have trouble remembering things.
S27	I feel anxious or frightened about problems I can't really describe.
S28	I worry a lot.
S29	It is important for me not to show my emotions to my family.
S30	It is hard for me to relax at home.
S31	I find it hard to talk when I get excited.
S32	I have temper outbursts I can't control.
S33	I feel extremely sensitive and irritable.
S34	I feel like other people don't understand me.
S35	I really don't feel good about myself.
S36	Generally I am not optimistic about my future.
S37	I spend less than three hours a week working on a hobby of mine.
S38	I spend less than one hour a week writing personal letters, writing in a diary or writing creatively.
S39	I spend less than 30 minutes a week talking casually with my neighbors.
S40	I lack time to read the daily newspaper.
S41	I watch television for entertainment when I am at home.
S42	I drive in a motor vehicle faster than the speed limit for the excitement and challenge of it.
S43	I spend less than 30 minutes a day working toward a life goal or ambition of mine
S44	When I feel tensed, it is difficult for me to plan time and activities to constructively release my pressure.



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## Chosen methods and tools for measuring managerial competencies

Gabriela Roszyk-Kowalska

#### ABSTRACT

In contemporary enterprises, a lot of attention is devoted to notions regarding human capital in an organization, putting increasingly higher emphasis on specific professional competences, especially to managerial ones, which are crucial in efficient management of human resources. To achieve satisfactory results, it is at first worth to get familiar with methods and tools, which thanks to scientific research, can be implemented into systems of improving managerial competences, assessing them and adjusting possibilities of elimination of disadvantages and improvement of manager's assets. The article embraces an attempt to analyze research methods regarding managerial competences, because not only scientific staff works on development of new techniques referring to managerial competences, as such actions may be also identified in case of commercial advisory companies. A reason for searching for new tools lays in continuously increasing requirements, especially within the already competitive market of workers of managerial personnel.

### KEY WORDS

competences, managerial competences, methods and instruments for measuring competences

JEL Code: M52

### 1 INTRODUCTION

Managerial staff, who within their competencies delegate tasks striving towards increasing organization's profits, play a crucial role in every organization, regardless of its size or sector.

These days, the key objective of management in an organization is appropriate staff organization oriented towards effective operation of the company. To this end, the system is adjusted so that it supports processes such as recruitment, assessment and maintenance of an employee on a position he successfully occupies. What seems of particular importance is the organization's 'possession' of employees who have key competencies. This is why one should give particular attention to managerial staff and their competencies. To achieve satisfactory results, one should first familiarize himself with methods and tools which, by way of research, enabled their implementation in systems intended for the development of managerial competencies, by assessing and adjusting them to the opportunities for eliminating defects and improving the qualities of managers.

The article attempts to analyse selected research methods associated with managerial competencies, as researchers are not the only ones who work on the development of new techniques regarding managerial competencies, but such attempts can be also observed amongst commercial consulting firms. The reason behind the search for new tools are the growing requirements on the management staff market which becomes more and more competitive.

### 2 THE ESSENCE OF MANAGERIAL COMPETENCIES

Competencies refer to a collection of predispositions of a given individual to take certain actions. Managerial competencies include a selection of features necessary to perform some tasks specific to organizational positions. The possession and efficient use of such competencies enables effective staff management, which translates to the fulfilment of goals by the organization. The development of competencies is a permanent process which should be understood as continuous attempt to improve one's professional qualifications (Witaszek, 2011). In this development process education and experience complement each other. However, sometimes they may exert negative influence upon the performance of tasks. One should remember that experience, in particular, may affect the competencies through acquired bad habits. The reasons for the development of competencies of managerial staff could be founded on external factors arising out of the objectives of the entity, adjusted to the external and internal environment, and on internal factors arising out of personal reasons (e.g. the need for self-improvement).

'Managerial competencies' is a very broad concept. Contemporary literature distinguishes between various groups of competencies which can be further divided into two most significant ones:

- a) basic competencies which include: cognitive skills understood as the ability to solve conflicts, the ability to adjust to the new surroundings, creativity; social skills which include good manners, conversation and negotiation skills; personal competencies such as conscientiousness, reliability, decision-making skills and stress management skills;
- b) competencies of executive nature, such as: task delegation and motivation skills; the ability to plan and communicate tasks; the ability to manage a team and build a strong team composed of co-workers.

Other significant executive features include: a good knowledge of the sector, knowledge of sales techniques, and the ability to predict customer behaviour and needs, knowledge of foreign languages, being able to relate to the organization, general and professional knowledge.

One should note that competency is not a natural gift, but a quality developed by the managerial staff. One of competency development models was developed by Maxwell (table 1).

unconscious incompetency:
I don't know what I don't know and what I can't do

conscious incompetency:
I know what I can't do

conscious competency:
I can if I pay attention

I can and I don't think about it

Table 1: Competency development model

Source: compiled on the basis of: Maxwell J. C., Tworzyć liderów, Medium, Warszawa 1995.

The competency development model points to the way of development of specific competencies by, among others, the managerial staff. It should be pointed out that the above infographic applies to everyday life competencies, such as driving, as well.

The management systems currently in operation expect that the managerial staff will have leadership skills whose development is conditioned by individual approach. These days, it is not easy to bring into prominence an appropriate 'universal model of effective manager-leader'. However, the model of leadership competencies is effective insofar as it can be continuously improved (Witaszek, 2011). Thanks to effective leadership the organization will derive measurable benefits enforced by the features, skills and qualities of a good manager. Competencies which are universal for senior management staff were defined by Thornton and Byham (Lévy-Leboyer, 1997):

- a) verbal presentation,
- b) verbal communication,
- c) written communication,
- d) analysis of organizational problems,
- e) identification of organizational problems,
- f) identification of problems beyond the organization,
- g) planning and organization,
- h) delegating (tasks, rights, responsibility),
- i) control,
- j) development of subordinates,
- k) sensibility,
- l) influence over an individual,
- m) influence over a group,
- n) persistence,
- o) negotiation skills,

- p) analytical sense,
- q) assessment skills,
- r) creativity,
- s) the ability to take risks,
- t) decision-making skills,
- u) technical and professional knowledge,
- v) energy,
- w) openness to interests,
- x) initiative,
- y) resistance to stress,
- z) adaptation skills,
- aa) independence,
- bb) motivation.

The complex and multidimensional concept of competencies comprises a selection of predispositions of a human being which determine the effective performance of actions and fulfilment of organizational roles which have a different scope and structure. For some types of actions and roles, very narrow predispositions are required, while for others, very wide ones. Management theorists connect the concept of competencies with an action that determines the quality of performance of particular tasks (Turek & Wojtczuk-Turek, 2006).

The author assumes (based on the analysis of reference literature) that managerial competencies refer to predispositions within one's general and specialist knowledge, skills, personal features and attitudes, qualifications and professional experience, which guarantee the efficiency and, as a result, effectiveness in the performance of professional tasks on an adequate level, which are undoubtedly important factors which influence the pro-market orientation (Wójcik-Kośla, 2013).

To sum up, managerial competencies include a wide spectrum of features, and no manager in the world can have them all. The features are different depending on the sector, specifics of manager's work or the requirements laid down for a manager. One cannot generalize and determine which features are more and less important, or which are not significant at all. Most of all, every manager should have the ability to acquire new competencies through the identification and closure of identified gaps.

### 3 THE METHODS OF MEASURING MANAGERIAL COMPETENCIES

Over the last years, based on conducted research studies and the results of cooperation with business sector, a few key tools emerged which can be used by human resources departments for the purposes of formulation and adjustment of particular systems to their needs. Among those one could list Assessment and Development Centres, the 90°, 180° and 360° method, MSAI questionnaire or the SHL's manager test, the so-called Advanced Managerial Tests.

The aim of the Assessment Centre is to identify the most desirable managerial competencies and predispositions based on the competency model and job description. The Assessment Centre continues as Development Centre. As a multidimensional assessment of key competencies in the company, whose aim is to identify the strengths and weaknesses of subjects in terms of the competency profile. The final report contains proposals of developmental solutions which enable the elimination of identified competency deficits.

Thus, a certain standard has been established which researchers continue to improve and define anew. This is a result of the ongoing revision of needs associated with the job market. The above-mentioned tools have many advantages, but they are not free from defects. The most important aspect, however, is that they enable one to see how the managerial staff views the need for constant improvement of its potential based on patterns and actions which come from within the organization and beyond it. The measurement of competencies often consists in observation and forecasting of behaviours which are indicators of the competencies being measured, but these are not always trustworthy. This is why the researchers perform tests whose aim is to define competency indicators to measure competencies. These tests can be classified into two groups:

- a) declarative tests they consist in the manager's own description of himself, which is often encumbered with a subjective perception, since they are based on self-assessment and are perceived as not very trustworthy tools for the assessment of competencies for the needs of professional selection (Smółka, 2016);
- b) performance tests they include tasks which require the subject to solve problems, exercises etc.

Both groups of the tools require standardisation research that confirms their reliability and accuracy. These methods, independent of their psychometric reliability, are conspicuous for their properties, which impact their use, to which the descriptions of exemplary questionnaires and tests will be dedicated (Jurek & Kolenda, 2016).

Another way of measuring managerial competencies is the Social Competencies Questionnaire developed by Matczak. The questionnaire comprises ninety questions which enable the measurement of manager's effectiveness in the performance of tasks. Sixty questions refer to actions for which a manager has to demonstrate that he/she has the ability to handle various social situations, which is assessed on an effectiveness scale from one to four. The questionnaire also enables the establishment of three detailed indicators which determine the level of competencies identified in social situations which require confidence and close interpersonal contact. The method is reliable and, more importantly, it enables a credible interpretation of results. The weakness of this tool is that the competencies are measured here with the questionnaire method, and due to this, the measurement is encumbered with self-assessment of the subjects, and this is why the questionnaire method can make it difficult for the researcher to reach the actual functioning of the subjects in social situations. However, on the other side, the weakness of the tool, related to such a method of measurement, is reduced thanks to the form of questions contained in the questionnaire, in which the subject is asked to assess his/hers personal effectiveness of functioning in actual social situations. Apart from this, it seems that the self-assessment of personal social functioning is strongly correlated to the actual social functioning (Markowska, 2012).

Another tool used to assess managerial competencies is the MSAI (Management Skills Assessment Instrument) questionnaire. The questionnaire was developed by American researchers, Cameron and Quinn. The standards for the test were established on the basis of tests conducted on forty thousand managers. Original statistical analyses were used to assess the accuracy of the test. Those can have a wider application, e.g. in the conversion of the results of assessment of professional competencies. The test includes an analysis of managerial competencies required in four different areas of operation of a manager in an organization. These areas include management of interpersonal relationships, teams and employee development; management of control systems, assimilation and coordination; motivating employees and promoting customer-oriented approach, management of competitiveness, innovation, future orientation and continuous improvement.

The MSAI questionnaire contains sixty descriptions of behaviours composed of twelve separated competencies. The assessment can be made by someone from the manager's circle, or by the manager himself, on a five-point scale. The result is the average value from the descriptions included in a given category. Table 2. presents a part of the MSAI questionnaire.

No.	Behaviour description	Definitely	Probably	Yes	Probably	Definitely
	(statement)	yes	yes	and no	no	no
1	I support people who share	5	4	3	2	1
	their problems with me.					
2	I encourage all members of my unit	5	4	3	2	1
	to share new ideas and put forward					
	new work methods.					
3	I motivate and mobilize employees	5	4	3	2	1
	to improve their work.					
4	I carefully observe the work of my unit.	5	4	3	2	1
5	I regularly provide my subordinates with	5	4	3	2	1
	support in the development of management					
	skills and raising qualifications.					
6	I expect hard work and high	5	4	3	2	1
	effectiveness of my subordinates.					
7	I set ambitious goals which stimulate	5	4	3	2	1
	subordinates to achieve above-average					
	results.					

Table 2: A part of MSAI questionnaire

Source: Jurek P., Kolenda J., 2011, *Jak kompetentnie zmierzyć kompetencje?*, http://testineo.wordpress.com/category/testy-organizacyjne/, 5. 08. 2014, after: Cameron K.S., Quinn R.E., 2003, *Kultura organizacyjna – diagnoza i zmiana*, Oficyna Ekonomiczna, Kraków.

The MSAI questionnaire is an introduction to the 90°, 180° and 360° assessment. This method, developed by Ward, is an objective technique due to the offered research opportunities. From the point of view of researchers, the tool engages a maximum number of consultees, which makes the assessment more reliable. The 90° method is the assessment made from the point of view of the superior. The 180° method engages the manager as well, while the most authoritative of the three, the 360° method, engages the immediate circle around the manager, including coworkers and customers. The method enables one to establish how the manager and his behaviour are viewed by various people. The person subject to the assessment is provided with only a general assessment, and the opinions

of other people are anonymous. The feedback is classified into four categories which refer to strengths, hidden strengths, areas for development and discrepancies.

The areas for development and strengths comprise expected results, i.e. such results in case of which the opinions of consultees are similar to the self-assessment made by the manager. The hidden strengths and discrepancies include data about which the respondents and the manager were not unanimous. The MSAI questionnaire makes room for formulation of many conclusions and, more importantly, identification of gaps which point to the competencies which have to be improved.

The SHL's manager test, the so-called Advanced Managerial Tests, is a relatively new competency measurement tool. The test was developed for the needs of companies which require the most advanced managerial skills identified with the use of an instrument measuring verbal and numerical skills. The series comprises three tests: Verbal Information Analysis (VMT3) and Numerical Data Assessment (NMT2, NMT4). The VMT3 test evaluates the assessment, understanding, logical thinking, reasoning and summarization skills based on textual information. Whereas NMT2 and NMT4 tests evaluate the ability to solve numerical problems on the basis of various company financial and sales indicators. The task of the person subject to the test is to solve problems by using provided numerical data.

SHL was engaged to support Krispy Kreme in the introduction of a series of psychometric tools comprising Customer Contact Styles Questionnaire (CCSQ), Occupational Personality Questionnaire (OPQ32) and assessment centres composed of simulation and group exercises. The report from the tests and the questionnaire was written in the Krispy Kreme 'language' and it reflected the company's organizational culture (Krispy Kreme, 2014). According to Krispy Kreme's estimates, the cooperation with SHL and the use of measurement methods enabled the company to reduce the number of bad hiring decisions by 50%, while the involvement of the management staff was reduced by 10%. The new process enabled the company to avoid many costs, and it significantly reduced the amount of time spent by the managers on staff recruitment and selection. Krispy Kreme intends to introduce psychometric assessment tools in its other units (Krispy Kreme, 2014), and Stratton (HR Director, Krispy Kreme) stated that it is clear that an assessment based on psychometric tools is a fair and objective method of identification of people who match the corporate culture and practices of Krispy Kreme (Krispy Kreme, 2014).

Regardless of the competency analysis method selected, the first step is to define the key competencies for a given company and develop a measurement scale for them. This combination is usually referred to as the competency dictionary and matrix. It should be a point of departure for the development of assessment tools. It should be the key used to guide the assessment of participants of competency interviews, Assessment Centre, Development Centre, 360° assessment or competency tests. The company can attempt to develop the key on its own, or hire an expert. How can you do it? What should you do to make sure that the tools you develop will be useful?

First, one should select key competencies. It may emerge that the company cares about universal competencies which should be demonstrated by all employees of a company (general organizational competencies). Such competencies should be linked to the company's strategic objectives. When making a description of competencies for a particular job position (e.g. for the purposes of recruitment for a given position) one should focus on the objectives towards which the person holding the position should strive. When selecting key competencies one should decide on the skills determining employee's success at work. It is also important to define the notion of competency itself in an exhaustive manner. The establishment of a clear definition of competency often requires the contribution of many specialists, as the attempts at competency analysis both in its classic and contemporary form, and the interpretation of the concept, may turn out to be difficult (Kraśniak & Roszyk-Kowalska, 2013). The diversity of definitions of competency offered by reference literature makes it even more difficult to come up with a universal definition (Roszyk-Kowalska, 2014), and an incomplete definition of the notion of competency will translate to incomplete assessment, and, after all, this is contrary to the intentions of researchers and practitioners.

The competency system is a good foundation for activities in the area of recruitment and selection of managerial staff, as the competency structure supports the development of procedures for collecting information about job positions and candidates (Czapla 2011). Being in possession of a well-developed model, we have at hand information such as:

- a) examples of model behaviours necessary for effective work on a particular job position;
- b) ready-made statements which can be used in job advertisements;
- c) criteria to be followed in the course of selection of assessment methods, and development of procedures for the assessment;
- d) model reference points important in the decision-making process;
- e) model feedback which can be used in the assessment process;
- f) a collection of criteria for monitoring selection (Whiddett and Hollyforde 2003).

When using descriptions of skills and attitudes which form a given competency, it is possible and even desirable to prepare an interview questionnaire which can be used to measure competencies. Such questionnaire can be a valuable complement to information about employee competencies collected with the use of other methods and tools for competency measurement.

### 4 CONCUSLION

The analysis of selected research methods is an evidence of development of works on solutions in this area. Not only academic researcher's work on the development of new techniques, but such works are also taken up by commercial consulting firms. The reason behind the search for new tools for the measurement of managerial competencies is the gap which stimulates researchers, the cognitive curiosity of the researchers and the competitive market where the requirements continue to grow.

However, the condition for effective development of competencies is not the measurement method, but the quality of the education process realized in the organization. A training which misses the long-term objectives, differs from requirements set for the job, is conducted in an unordered manner, according to ready-made patterns, and at an inappropriate time, will not give rise to the development of managerial competencies and will fail to fulfil its motivational function in this respect (Witaszek, 2011).

In relation to the above, some postulate that the formulation of programs aimed at the development (improvement) of managerial competencies should start from the analysis of a particular job position, and based on such analysis (after consultations) should move on to the establishment of a list of components of a competency. The formulation of such a list is significant for the development of managerial staff as it facilitates the selection of managers with adequate competencies, constitutes a basis for objectification, assessment and making opinions, enables one to estimate the dissonance between possessed and desirable competencies, and constitutes a reference point for the design of competency development (Witaszek, 2011).

The existence of competency standards conditions the development of competencies (Rakowska & Sitko-Lutek, 2000). The qualification (competency) standard refers to a type of norm which describes the scope and level of knowledge, skills and physical and mental features which are necessary to perform tasks specific to a given profession according to the requirements for basic job positions within a given profession. It is a norm accepted by the representatives of professional and trade-specific organizations, employers, employees and other crucial social partners (National Standards of Professional Qualifications 2014).

In conclusion, the analysis and assessment of the organization's inside and its surroundings should be the condition for the application of various methods and tools for measurement of managerial competencies. It should be underlined that not only researcher's work on the development of new methods of measurement of managerial competencies, but such works are also taken up by commercial consulting firms.

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# The effect of high performance work systems utilization on firm performance: does human resource attribution of employees matter?

Shibiru Ayalew Melesse

### ABSTRACT

A large body of research suggests that high performance work systems (HPWSs) that enhance employees' competencies, and motivate them, leads to competitive advantage. HPWPs are radically not 'new practices'; they have been around for many years and have already been adopted by various organizations. However, the link between HPWS adoption & firm performance is yet blurred. The aim of this paper was to examine the moderating role of employees' HR attributions on the relationship between adoption of HPWSs and firm performance. The current paper argues that human resource (HR) attribution of employees moderates the relationship between HPWS and firm performance such that the effective adoption of high performance work systems in an organization partly depends on the type of employees' attributions (commitment versus control) of HR practices in the company. More specifically, it is proposed that adoption of HPWS can be more effective in organizations where employees' attributions of HR practices is commitment focus than in firms where employees' attributions of HR practice is control focus. The study contributes to understanding the 'black box' of HRM-performance link. Theoretical and practical implications and future research directions are discussed.

### KEY WORDS

HPWS, HRM, performance, HR attribution

JEL Code: M52

### 1 INTRODUCTION

Since recent years, scholars have been suggesting that organizations may implement innovative workplace practices such as high performance work system (HPWS) to ensure competitiveness & survival. The assumption is that such practices contribute to performance (Huselid, 1995) via desirable employee attitudes and behavior such as increased employee satisfaction (Guest, 2002), organizational citizenship behavior (OCB) (Sun, Aryee, & Law, 2007), and organizational commitment (Hislop, 2003), among others. As a systemic approach to human resource management (HRM) practice (Jiang & Liu, 2015), HPWS practices involve, among other things, employee participation, intensive training and development, intensive selection, pay for performance, and flexible work schedule (Shin, 2014). The goal of adopting HPWS is to increase firm's dynamic capability through internal and external alignments of human resource management practices (Chew & Chan, 2008). However, In spite of a great deal of attention devoted by previous researchers, the question of how and under what conditions HPWS contribute to firm outcomes is not yet fully addressed (Fu, Flood, Bosak, Morris, & O'Regan, 2015; Hur & Simyongbo, 2013).

The main convention of implementing certain HRM practices is that such practices develop employees' skills, knowledge, and motivation such that employees behave in ways that are instrumental for the implementation of particular firm strategy (Bowen & Ostroff, 2004). The resource based view argues that a pool of firm's human capital provides a unique source of competitive advantage that is difficult for competitors to replicate (J. Barney, 1991). The guiding logic is that HRM practices are socially complex and intractably linked such that competitors cannot copy. More specifically, this complex process of value creation by HRM practices leads to a source of competitive advantage that is rare, inimitable, and non-substitutable (J. Barney, 1991). That is, HRM practices contribute to firm performance by leveraging value of human capital, discretionary effort, and desired attitudes and behavior.

Strategic human resource researchers, who take the contingency perspective (Delery & Doty, 1996), argue that the effectiveness of HRM system is the function of organization specific situations (Youndt, Snell, Dean, & Lepak, 1996). For instance, early social psychologists, Lewin, Lippitt, and White (1939), argue that different leadership styles

created different climates, which, in turn, led to different behavioral reactions and attitudes of members in a group. The guiding logic in Lewin and collogues' work of situationalism was that social contexts as a potent force either constrains or enhances behavior at workplace.

Organizational climate, which refers to shared perception at firm level, is an appropriate construct for understanding how HRM practices influence performance (Schneider, 2000). This is because organizational climate helps to understand how employees collectively perceive organizational practices, policies, procedures, routines, and rewards. Organizational situations evolve from individual psychological and cognitive perceptions. For instance, Bowen and Ostroff (2004) argue that individual psychological climates may emerge as a shared organizational climate, which, in turn, ultimately relates to organizational performance. Similarly, previous studies suggest that the effect of HR practices is not likely to be automatic and always as expected; instead, their effect will reside in the meanings that employees attach to those practices (Nishii, Lepak, & Schneider, 2008). Therefore, how employees collectively perceive HRM practices may have important implications for understanding the HRM- performance link.

Previous research indicates that employee's attribution of why organizations implement HR practices may emerge as HR attribution climate, which refers to employees' collective perception of why a firm adopts certain HR practices (Nishii et al., 2008). Attribution is fundamentally concerned with how people infer casual relations and the characteristics of other people in the environment (Fiske and Taylor, 2013, Kelley, 1967). In other words, attribution is about how people explain the causes of events and make sense of their environments thereof (Kelley, 1973, Kelley, 1987). Furthermore, attribution theory argues that how people attribute the cause of events significantly affects their subsequent attitudes and behaviors (Fiske and Taylor, 2013). The implication here is that employees' attribution of HR practices may affect performance. Yet, there is limited research that examines how employee attributions of HR practices affect firm performance (Garcia-Chas, Neira-Fontela, & Castro-Casal, 2014).

Given the research gap indicated in the preceding discussions, the present study, building on the extant literature, particularly drawing from attribution theory and social exchange theory, aims at formulating a theoretical framework to further understand the proverbial "black box" of HPWS- performance link (Nishii et al., 2008) focusing on the boundary conditions of HR attributions- employees' collective perceptions of why employers adopt HR practices. The researcher argues that the strength of the positive effect of HPWS adoption depends on the HRM climate as perceived by employees such that the more favorable (intended) the climate (e.g., commitment based HR attribution) the stronger the positive effect of HWPS implementation will be compared to the unfavorable (unintended) climate (control-focus HR practices) (Nishii et al., 2008).

The current study has a number of theoretical and practical contributions. First, it helps us to further understand the mysterious link between HR practices and organizational outcomes by exploring additional situational variables. More specifically, the present study makes a unique contribution to the literature in that it examines how organizational social settings, in this case HR attributions, influence the effective adoption of innovative workplace practices such as HPWS. Even though previous studies have examined several boundary conditions and causal mechanisms for the link between HR practices and performance, to my knowledge, none of those studies have explored the moderating role of HR attributions; however, a number of researchers have made a call for a study similar to this one (e.g., Bowen & Ostroff, 2004; Nishii et al., 2008).

Second, the application of attribution theory is limited in organizational research (Harvey, Madison, Martinko, Crook, & Crook, 2014). This study, therefore, makes an addition to extant literature by exploring HR attribution as an organizational situation influencing organization performance by either inhabiting or enhancing successful implementation of HR practices, which, in turn, extends our understanding of attribution theory in organizational research endeavors.

Third, change is a constant phenomenon in organizations, and its successful implementation depends on the extent to which employees welcome the change and align their behavior with the firm's strategic goals. However, strategic HRM researchers argued that, collective employee perception that is either intended or untended by the organization may emerge from individual perceptions of HR practices, which, in turn, depends on the extent of the strength of HR practices/systems. Hence, exploring how the link between HPWS and performance is affected by employee HR attributions, which refers to collective employee perceptions for the causes of HR practices adopted by the employer, is a vital information for HR practitioners and policy makers.

The present paper is organized as follows. First, I review and discuss the extant literature in pursuit of coming up with a theoretical framework and hypothesis. Subsequent to this section, I present, in detail, feature research direction, and theoretical and practical implications of the present paper. Lastly but not the least, summary and concluding remarks are presented.

### 2 LITERATURE REVIEW & THEORETICAL FRAMEWORK

### High Performance Work Systems and Firm Performance

The concept HPWS and its constituent practices have not been consistently and precisely defined in the literature (Patel, Messersmith, & Lepak, 2013). As described by Patel et al. (2013), HPWS refers to horizontally and vertically aligned HR practices aimed at influencing both the ability and motivation of employees. HPWS comprises bundle of HR practices with the goal of enhancing employee and organizational performance through human capital development and employee motivation (Van De Voorde & Beijer, 2015). Intensive training and development, performance based pay and benefits packages, merit based advancement, and extensive selection and staffing are commonly used in the literature to describe HPWSs (Arthur, 1992, Braekkan, 2012, Liu et al., 2009, Posthuma et al., 2013, Tregaskis et al., 2013). Utilization of HPWS practices has been believed to promote employee empowerment, participation, and autonomy in organizational decision making process (Arthur, 1992). As Patel et al. (2013) argued, the goal underlying HPWS involves attracting, retaining, and motivating human resources with the ultimate purpose of achieving organizational goals by establishing a fit between the knowledge, skills, and abilities of a person and the tasks duties and responsibilities required by a job. Scholars believe that employers, via HPWS, provide employees opportunity for training, promotion, involvement in decision making, compensation and job security, which enhances direct tangible benefits and socio emotional resources (Van De Voorde & Beijer, 2015).

According to strategic human research management view HRM practices develop employees' skills, knowledge, and motivation such that employees behave in ways that are instrumental to the implementation of particular strategy. For instance, resource based view (Jay Barney, 1991) argues that a pool of firm's human capital provides a unique source of competitive advantage that is difficult for competitors to replicate (J. Barney, 1991). The guiding logic is that HRM practices are socially complex and intractably linked such that competitors cannot copy. More specifically, this complex process of value creation by HRM practices leads to a source of competitive advantage that is rare, inimitable, and non-substitutable (J. Barney, 1991). Moreover, resource based view proposes that HRM practices contribute to firm performance by leveraging value of human capital, discretionary effort, and desired attitudes and behavior. In addition, it has been argued that HPWS increases firm value creation (Steigenberger, 2013). For similar studies see Gill and Meyer (2013), Godard (2004), Tregaskis et al. (2013), and White (2005).

At least over the last two decades, HPWS has attracted the attention of many researchers most of whom are intersted in examining how HPWS affects performance. This line of research has led to the identification of several mechanisms and contexts which enabled us to understand how HPWS operates. For instance, Huselid (1995) acknowledged that HPWSs enhance company performance. Messersmith et al. (2011) examined how HPWSs influence performance and reported that HPWS practice is associated with enhanced levels of job satisfaction, organizational commitment, psychological empowerment, and organizational citizenship behaviors which ultimately cause improved performance. Furthermore, Tregaskis et al. (2013) conducted a longitudinal study to examine the performance effects of HPWSs and concluded that the implementation of HPWSs is associated with subsequent and sustained increases in productivity and safety performance. Similarly, recent studies have reported that HPWS adoption has positive effect on performance (Armstrong et al., 2010). The implication of these findings is that adopting HPWS practices would likely improve firm performance.

Research evidence also shows that the positive effect of HPWS utilization is robust across countries. For instance, Gimyunho (2015) found positive link between HPWS and performance in South Korean companies. The report has also indicated that strong HRM systems can strengthen the positive relationship between HPWS and performance. Similarly, Fu, Flood, Bosak, Morris, and O'Regan (2015), using data from 120 Irish accounting firms, concluded that HPWS enhance employee's innovative behavior, which, in turn, was found to improve professional service firms' innovation performance. In the same vain, Na (2014), using three years panel data in South Korea, found that implementation of HPWS enhances HR outcomes including employees' competencies, motivation, and retention, which, in turn positively enhances organizational outcomes such as labor productivity and sales per employee. Other studies have also demonstrated the positive effect of adopting HPWS on firm performance (e.g., annual sales, operating performance), and its negative effective on employee turnover (Hur & Simyongbo, 2013).

Strategic HRM researchers have also claimed that HPWS utilization is vital for firm competitive advantage. A seminal work by Patel et al. (2013) argued that HPWS enhances organizational ambidexterity, the ability of an organization to efficiently take advantage of existing market opportunities while creating and innovating to meet the challenges of future markets, which, in turn, leads to better HPWS utilization and firm growth. According to Pascual Ivars and Comeche Martinez (2015), HPWS has positive effect on performance of small businesses. HPWS utilizations is also associated with group level social capital (Jiang & Liu, 2015) that is enhances unit outcomes (Burt, 2009; Coleman, 1988). Using data from emerging firms, that is, high tech new ventures, Messersmith and Guthrie (2010), argued that sales growth and innovation are positively related to HPWS utilization by firms. In short, there is an evidence that adoption of HPWS facilitates innovation, growth, ambidexterity, and competiveness.

According to previous recent studies, adoption of HPWS influences performance via its influence on employee attitudes and behavior. For example, Chiang, Shih, and Hsu (2014) claims that implementation of high commitment

work systems enhances new product development team's transactive memory system, which, in turn, is positively associated with new product performance. Other researchers also argued that HPWS exerts its positive influence on workplace outcomes via enhanced employees' attitudes and behavior (Pena, Sanchez de Pablo, Hernandez, & Villasalero, 2015). A study of 254 health professionals from large hospital in Australia evidenced strong positive effect of HPWS on clinician perceptions of quality of patient care through enhanced social identification, and psychological empowerment (Bartram, Karimi, Leggat, & Stanton, 2014). In the same vain, Messersmith, Patel, Lepak, and Gould-Williams (2011), using a large sample of Welsh public-sector employees, examined causal mechanism for the link between HPWS and performance and concluded that at department level utilization of HPWS is positively associated with job satisfaction, organizational commitment, psychological empowerment, and ultimately organizational citizenship behaviors (OCB), which, in turn, enhances departmental performance. These studies reveal that the adoption of HPWS influences employee attitudes and behavior such as job satisfaction, organizational commitment, intention to stay, and organizational citizenship behavior (OCB), which, in turn, positively influences individual and firm performance.

By the same token, survey of 155 engineers from 19 different companies and industries revealed that HPWS is positively associated with job satisfaction, procedural justice, and intrinsic motivation (Garcia-Chas et al., 2014). The same study evidenced that adoption of HPWS negatively influences intention to leave via increased job satisfaction.

In addition to examining the causal mechanisms by which HPWS influences workplace outcomes, previous empirical studies have examined contextual factors that may enhance or hinder effective utilization of HPWS practices. Those studies in general have evidenced that the strength of the relationship between HPWS and performance is contingent on several variables. For instance, Hur and Simyongbo (2013) have shown that cooperative industrial relations interact with HPWS to positively influence organizational outcomes. In other words, implementation of HPWS would be less effective in adversarial labor relations than in cooperative labor relations. Similarly, Choejangho (2012) examined the moderating role of the effectiveness of HRM practices in the HPWS-performance link and concluded that the association between HPWS and organizational performance depends on how effectively firms administer their HR practices. This is in line with Bowen and Ostroff (2004), who argued that strength of HR system plays a crucial role in the link between HR practices and performance. Recently, Simyongbo (2012) reported that the adoption of HPWS depends on the firm strategy and industrial relation features.

Similarly, a recent study in South Korea that used a dyadic survey data from 1,353 labor representatives and managers revealed that mutual trust worthiness, which refers to ability, integrity, and benevolence between employee representative and management moderates effective adoption of HPWS in companies (Kim, Kim, & Ali, 2015). In the same vein, using emerging research on the social mechanism that associates HRM and organizational effectiveness, and a sample of 229 British firms of different industries, recent studies argued that use of contingent labor diminishes the positive effective of HPWS on performance (Stirpe, Bonache, & Revilla, 2014). Another moderating variable reported in the literature is the job control. According to Jensen, Patel, and Messersmith (2013), HPWS may have a dark consequence on performance when not implemented with sufficient job control, or discretion given to employees in determining how to implement job responsibilities. According to this study results, when job control is insufficient, HPWS may lead to anxiety, role overload, and turnover intentions

Furthermore, other recent studies have underlined the situational nature of the strength of the association between HPWS and firm performance. Evidence includes studies of the effect of HPWS on firm performance in Taiwan demonstrated a diminishing returns of HPWS, which, in turn, implies that the effectiveness of HPWS adoption is the function of organizations specific situations (e.g., industry type) (Chi & Lin, 2011). More specifically, these scholars reported that the association of HPWS and performance is linear in traditional manufacturing firms, and inverted-U pattern in high technology firms. Likewise, Mao, Song, and Han (2013) examined employee perspective of HPWS and employee outcomes. Using signaling and psychological- contract theory, the authors indicated that employees' perception of HPWS strongly influenced employees' attitudes through behavioral scripts and autonomy. More specifically they found that job satisfaction and affective commitment of employees increase when employees' attitudes toward HPWS is positive (Mao et al., 2013). Another evidence is the study by Iverson and Zatzick (2011). The authors examined whether employers consideration for employees' morale and welfare during downsizing process related to adoption of HPWS increases productivity. Their study results showed that giving attention to employee morale and welfare is vital for effective adoption of HPWS since downsizing is related to loss of human capital for competitive advantage.

As the above discussions elucidate, previous researchers have devoted a great deal of attention to explore the causal mechanism through which HR practices influence performance and the contextual factors which either increase or decrease the strength of the relationship. In addition, previous studies have emphasized that the relationship between HPWS utilization and organizational outcomes is positive, notwithstanding the variation in the strength of the relationship. However, our understanding of how HRM practices influence performance is yet limited. For instance, there is limited theoretical and empirical evidence on whether employee attribution of HR practices

influence the link between HPWS and performance, especially at unit or firm level. In other words, our knowledge of the meanings employees attach to HR practices and how these shape employee outcomes is by far limited (Van De Voorde & Beijer, 2015). Building on the works of Bowen and Ostroff (2004), & Nishii et al. (2008), the current paper proposes a theoretical framework that explores how HR attribution moderates the positive association between HPWS and firm performance. It aims for firm level analysis because the link HPWS- performance is not well researched at firm level compared to the HPWS-employee outcomes link (Wei & Lau, 2010). Moreover, HR attribution as a moderating variable has, to my knowledge, not yet been examined adequately.

### 3 HR ATTRIBUTIONS

Earlier social psychologists define attribution as the process by which individuals explain the causes of behavior and events (Kelley, 1967). In other words, casual attribution, the most common dimension of attribution, is concerned with how people make casual explanations about their own failures or successes, behavior of others, and events (Kelley, 1973). People make casual explanations in order to predict future possible outcomes and to behave in a way they can take control of it (Kelley, 1967, 1973, 1987; Kelley & Michela, 1980). Attribution theory proposes that how people interpret and make sense of the causes of behavior or event affects their subsequent attitudes and behavior (Fiske & Taylor, 2013; Kelley, 1973).

From Strategic HRM researchers' perspective, HR attribution is an attributional process that refers to employees' casual explanations for HR practices which their employers adopt on a continual basis (Nishii et al., 2008). In other words, employees attribute meaning to HR practices that are adopted in organizations (Van De Voorde & Beijer, 2015). Employees' HR attribution making process is the function of HR systems strength, which refers to the extent of distinctiveness, consistency, and consensus of HR practices enacted by top management (Bowen & Ostroff, 2004). HPWS practices are expected to be of high distinctiveness as wide range of practices are included affecting large number of employees, which, in turn, facilitates employees the opportunity for sense making (Van De Voorde & Beijer, 2015). It has been argued that agreement among employees will rise when the distinctiveness of HR practices is high leading to high HPWS consensus (Van De Voorde & Beijer, 2015). Similarly, when coverage of HR practices is high, it is expected that such practices are consistently implemented across employees in a work unit. The implication is that HPWS practices facilitate employee sense making by satisfying distinctiveness, consistency, and consensus criteria (Van De Voorde & Beijer, 2015). This, in turn, facilitates employees' collective perception of why organizations adopt HPWS practices to emerge as a macro level (unit, firm) construct.

In their scholarly work, Nishii et al. (2008) introduced typology of HR attributions, an attributional process that refers to employees' casual explanations for HR practices which their employers adopt on a continual basis, taking strategic HR perspective. They classified sources of HR attributions as internal, which refers to the perception that actions are due to factors for which the actor (management) is responsible, or over which the actor has control, and external, the perception that states management is a passive recipient of external environmental forces (Kelley, 1967). The source of internal attribution emanates from business/strategic goal underlying HR and top management's employee oriented philosophy. While union compliance is the source for external attribution, in which case employees perceive that employers adopt certain HR practices to comply with union requirements and pressure for other external environments (e.g., the pressure to conform to HR practices being offered by competing organizations) not because of the employers' voluntary intentions (Kelley, 1967; Nishii et al., 2008). Since external attributions are not related to employee attitude and behavior, this paper focuses on the internal attributions only.

Following the assumption that organizations adopt HR practices to align employee attitudes and behavior with business strategy, Nishii et al. (2008) framed HR attribution to reflect the "service quality enhancement" & "cost reduction" strategic foci as indicated in their HR attribution typology. Management's philosophy toward employees is also another dimension of internal attribution of HR practices (Lepak, Taylor, Tekleab, & Marrone, 2002). The researchers distinguished employee oriented philosophy held by management as either aimed at maximizing employee well-being or maximizing employee efficiency, each of which are distinct concepts. Employee well-being attribution reflects the management's motivation to invest in employees to enhance employee welfare. But the maximizing efficiency attribution is formed when management's motive of investing in employees is to improve organizational performance than employee welfare.

Based on whether they signify positive or negative implications for employees, internal attributions are classified as commitment or control focus. In their seminal work, Nishii et al. (2008), using early attribution theory perspective, argues that the "hedonic relevance" of a behavior (i.e., HR practice) for an observer (i.e., employee) influences the attributions that are made, such that behaviors that are perceived to benefit the perceiver result in favorable attributions, whereas behaviors that have adverse effects for the perceiver lead to unfavorable attributions. Using social exchange theory, the authors also argue that commitment based HR attributions that signify positive consequences for employees (i.e., service quality and employee well-being) are likely to engender a felt obligation to

reciprocate in positive and beneficial ways. While when employees perceive that the intended goals of HR practices signal lower level of concern for employees and a more cost-oriented control focus (cost reduction and exploiting employees attributions) lower levels of satisfaction and commitment are likely to follow.

This paper's argument is that employees' HR attribution, as reflection of management's motives of adopting HR practices, may hinder or facilitate the implementation of HPWS. Employees may positively or negatively perceive management incentives of adopting HR practices. When employees perceive that management adopts new HR practices mainly to enhance employee well-being, and customer service quality (optimistic view) it is named as *commitment focus HR attribution*. While when employees perceive that new HR practices mainly reflect management's intention to exploit employees or increase efficiency (pessimistic view), it is termed as *control focus HR attributions*. The assumption here is that, due to the social interaction among employees at workplace, employees interact and share their individual perceptions regarding HR practices in their organization, which, in turn, facilitates HR attribution to emerge as a unit or firm level construct, even when the HR system is not strong (Bowen & Ostroff, 2004; *Nishii et al.*, 2008; Fiske & Taylor, 2013; Kelley, 1973). This is a notion in line with social influence and social cognition theories, which state that social interaction among people may create a strong situation and shared meaning among individuals (Bowen & Ostroff, 2004). Hereunder, I explain how HR attribution climate may moderate the relationship between HPWS practices and firm performance.

### 4 THE MODERATING ROLE OF HR ATTRIBUTIONS

Employers influence employee attitudes and behavior by using either commitment or control oriented HRM systems (Arthur, 1992, 1994; Godard, 2007). Control oriented HRM system is an approach were employers give more focus for the task than employee relations (Verheul, 2007). Under this approach, where the employee-employer relations is based on direct control and strict supervision, the goal is mainly to reduce direct labor cost or increase efficiency (Verheul, 2007; Walton, 1999). On the other hand, in commitment based HRM systems approach, much focus goes to employee relations, and the role of the manger is limited to facilitation that requires trust from both sides (Verheul, 2007; Walton, 1999). The main goal of commitment oriented HRM systems is to invest in employees, which, in turn increases organizational commitment, individual's attachment to the organization (Allen & Meyer, 1990), and employee job satisfaction (Arthur, 1994).

Unambiguous and shared perceptions of climate, the behaviors that management expects, supports, and rewards, is vital for successful implementation of HRM systems, especially in facilitating the link between HRM practices and performance the way it was inspired (Bowen & Ostroff, 2004; Nishii et al., 2008). That is, the role of employee perceptions is vital in determining effectiveness of HRM practices. It has been suggested that employees' perceptions of HR practices are crucial in explaining the link between HRM practices and unit performance. While the former focused on employees' perceptions about what HR practices signify with regard to the behaviors that are expected, supported, and rewarded by management, the letter examined the effect of employees' attributions of why the HR practices are adopted by a company on unit level attitudes, behavior and outcomes. These works have made groundbreaking contribution in their acknowledgment of the importance of employee perceptions and attributions to understand how HR practices influence organizational outcomes. For instance, Bowen and Ostroff (2004), argued that strength of HR practices may trigger intended or untended organizational climates to emerge which in turn may affect successful adoption of HR practices in certain way. The implication is that when organizational climates fit with what has been intended by managers, the likelihood of influencing employee attitudes and behavior in the desired way would increase.

On the other hand, if unintended organizational climates emerge, in cases such as weak HR systems, managers face difficulty of influencing workers attitudes in the preferred direction. Hence, depending on whether organizational climate is as anticipated by the top management or not, the influence of HR practices on workplace outcomes may vary across units or firms. Previous studies (e.g., Nishii et al., 2008), for instance, anticipated that employees' attribution of what caused a certain HRM system to exist, may moderate the link between HR practices and workplace outcomes. However, despite frequent calls for research, previous scholars failed to adequately investigate how employees' perception of HRM practices affect the effective utilization of HPWS practices, especially at unit level. The current paper uses social exchange theory perspective to explain how HR attribution influences the effective adoption of HPWS in organizations.

Social exchange theory which suggests that social behavior is the result of an exchange process, has increasingly become one of the predominant theories that researchers draw on to understand exchange relationships between individuals and organizations (Coyle-Shapiro & Conway, 2005; Richard M Emerson, 1976). The underlying norm in social exchange theory is reciprocity, individuals' obligation to respond positively to favorable treatment received by others (Coyle-Shapiro & Conway, 2005). The parties in social exchange want to maximize benefits and minimize costs, which implies that people weigh the potential benefits and risks of social relationships. For instance, when cost

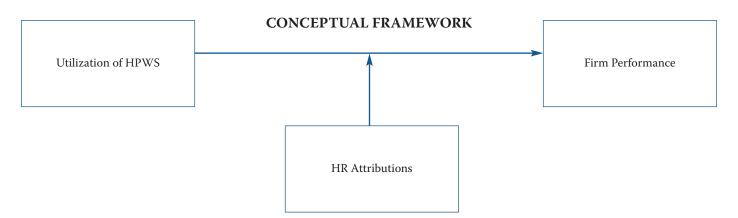
of exchange is higher than its benefit people will terminate or abandon that relationship (Blau, 1964). Hence, social exchange theory suggests that parties to an exchange usually take the benefits and minus the costs in order to determine how much a relationship is worth. Similarly, perceived organizational support theory hypothesizes that employees reciprocate based on the perceived level of organizational support, which refers to an individual's perception regarding the degree to which an organization values their contributions and cares about their well-being (Coyle-Shapiro & Conway, 2005)

Employee HR attribution reflects employees' perspective of the exchange relations between employer and employees with respect to HR practices. That is, if the perception is that an employer adopts HR practices motivated by the need to enhance employee well-being, employees will reciprocate by engaging themselves in extra role behavior such as social citizenship behavior and organization commitment. On the contrary, employees may perceive less organizational support, where they notice that the employer failed to fulfill expectations of psychological contract. In this situation where the cost of social exchange is expected to be high, employees reciprocate by withholding their involvement in extra role activities, which, in turn reduces job satisfaction, OCB and organizational commitment (R. M. Emerson, 1976). The question is therefore how HR attribution interacts with the adoption of HPWS to influence firm performance. From the previous discussions it has been clear that, based on strategic HRM perspective, employers' motive to adopt HR practices can be attributed as commitment focus (employee well-being, & service quality enhancement) or control focus (employee exploitation & efficiency enhancement). Therefore, in organizations where the HR attribution is more of commitment focus, employees would reciprocate by taking part in extra role activities, and cooperating with management in every single change process. In such situations, HPWS will be adopted broadly and effectively. However, in situations where the HR attribution is more of control focus, the adoption of HPWS practices would be less effective. Therefore, based on aforementioned premises, is seems plausible to forward at least two propositions as indicated hereunder.

**Proposition 1:** *Utilization of HPWS practices is positively related to performance.* 

**Proposition 2:** HR attribution moderates the positive relationship between HPWS practices and firm performance such that the relationship is stronger when the HR attribution is commitment focus and weaker when the HR attribution is control focus.

Figure 1: Conceptual framework for the moderating role of employees' attributions of HR practices on the link between HPWSs-performance



### 5 FUTURE RESEARCH DIRECTIONS

The main aim was to establish a theoretical framework to further understand the proverbial 'black box' of the HRM practices- performance linkage. Using attribution theory and social exchange theory, the current study proposed that employee HR attributions can be a vital contextual variable to appreciate why the performance effects of HPWS practices remains dissimilar across organizations. More specifically, it contends that when the HR attribution in an organization is of commitment focus (i.e.; when employees perceive that HR practices are reflections of management's need to enhance employee well-being), utilization of HPWS practices may lead to better firm performance than their counter parts where HR attribution is control focus (i.e.; when employees sense that management adopts HR practices in order to exploit employees and reduce cost). Even though the argument has got strong theoretical foundations, the need for empirical test using real data cannot be undermined. Hence, it can be suggested that future research may take advantage by empirically testing the theoretical framework proposed in this paper. In other words future research may empirically examine if HR attribution of employees moderates the relationship between HPWS practices and firm performance.

Measurement issue can be of concern to test the proposed model empirically. The main variables of the model include HPWS practices, HR attribution, and firm performance. HPWS has been widely but inconsistently measured by previous studies due to the difference among scholars regarding the contents of the system. However, the most common dimensions used to measure HPWS practices include the five functional areas such as selectivity in hiring, employee development and career opportunities, rewards, performance evaluation, and participation and communication (Shin, 2014; Van De Voorde & Beijer, 2015). Following the work of Shin (2014), one can use a Likert scale of five points to observe the extent of the presence of each component, and compute z-scores for each sub-item of HPWS and sum up the standardized scores of each component. The summed up values may be divided by the number of sub-items of each component to indicate the presence of HPWS practices. The higher score of the HPWS variable presents a more comprehensive adoption of the HPWS practices (Shin, 2014).

The second variable one needs to measure is the employees' HR attribution. HR attribution was first conceptualized and introduced to the literature by Nishii et al. (2008) who also developed measurement scale for the construct. These scholars proposed that for each of the HR practices included in the study, employees (respondents) may be asked to rate or indicate the degree to which each of the HR practice was designed in order to (1) enhance (service) quality; (2) keep costs down; (3) promote employee well-being; and (4) get the most work out of employees, on a five point Likert scale (where 1= not at all, and 5= to a great extent). As reported by the researchers, the Cronbach's alpha was >0.82 for both commitment focus and control focus measures. The suggestion is therefore to measure HR attribution, one could adopt the instrument developed and used by Nishii et al. (2008) and aggregate the result to unit level. Recent studies also have adopted same instrument in their empirical research (e.g., Van De Voorde & Beijer, 2015).

Another concern is the possibility of aggregation bias while measuring HR as unit level construct. Hence, the researcher suggests that future research may check within group agreement before aggregating individual level data to unit or firm level single value (mean) (Nishii et al., 2008). It has been suggested in the literature that agreement among employees about their perceptions must be demonstrated before aggregated measures of psychological climate perceptions can be used to represent a unit level organizational level climate construct (James, 1982). James et al. (1988) suggested that intra-class correlation statistics such as ICC1, ICC2 and rWG can be computed in order to assess within unit agreement. For instance, if rWG > 0.7, one can safely aggregate individual level responses to group level measures (see James, 1982). The crux of the matter is that researchers should be cautious when analyzing HR attribution at unit level.

Firm performance outcomes of HRM can be captured in various ways. Dyer and Reeves (1995) drew a three-fold distinction regarding performance outcomes: financial outcomes (e.g. return on assets, return on equity, profits, Tobin's Q, and GRATE), organizational (e.g. productivity and quality), and HR related (e.g. attitudinal and behavioral effects among employees such as satisfaction, commitment, turnover intentions). Based on data availability future researchers may measure one or more of these organizational outcome categories towards testing the proposed theoretical model (Choi & Lee, 2013).

Another fertile area of research, in addition to testing the moderating role of HR attribution on the relationship between HPWS and firm performance, is to explore the main effect of HR attribution on the extent of HPWS of utilization in a company. Previous studies which examined HR attribution only focused on the main effect of HR attribution on both individual and unit level attitudes, and performance (Nishii et al., 2008) or the mediation effect of HR attribution between HPWS and performance (Van De Voorde & Beijer, 2015). Hence, one can benefit from examining whether and how HR attributions influence the extent of HPWS implementation in an organization. In general, as only few organizational researchers have so far attempted to examine HR attribution (Harvey et al., 2014), the researcher calls for more research to this area so that we can further and better understand the contribution of attribution theory in organizational and personnel studies.

Lastly but not the least, future research may examine how the relationship between HPWS practices and unionism varies with HR attribution of employees. Industrial relations researchers have been examining the effect of HPWS adoption on workplace unionism, and they argued that implementation of HPWS substitutes unions because such systems of HRM practices provide individualized voice mechanisms and equitable treatment for workers without the need for collective arrangements (Liu, Guthrie, Flood, & MacCurtain, 2009, p. 112). Other researchers argue that managers use HPWS practices to avoid unionization at workplaces (Gill, 2009; Gill & Meyer, 2013). In short, there are equivocal findings regarding the relationship between HPWS adoption and Unionization at workplace. Primarily, employees join unions to get protection against adversarial employer practices (Shin, 2014). That is, employees are more likely to join unions when they perceive that HRM practices are control focus than when they perceive that it is commitment focus. Hence, one may argue that the effect of HPWS practices utilization in a company on employee unionization is the function of HR attribution of employees in that organization. In other words, future researchers may examine the moderating role of HR attribution on the effect of the extent of HPWS practices adoption and unionization.

### 6 THEORETICAL AND PRACTICAL IMPLICATIONS OF THE STUDY

### **Theoretical Implications**

The current study attempted to establish a theoretical framework that enables the understanding of the effect of organizational climate on effective adoption of innovative work practices taking the employees' perspective. The theoretical framework depicts that employees' HR attribution at unit/firm level is a potential moderating variable which may hinder or enhance the positive effect of HPWS practices on firm performance. The current paper contributes to the literature in a number of ways.

First of all, the 'black box' of HRM practices and performance link remains obscure regardless of a great deal of devoted scholarly work by previous researchers in the area of strategic human resource management. Most importantly, despite the increasing need to implement HPWS practices by firms to enhance productivity and competitiveness, previous researchers noted that implementation of HPWS practices continued to result in unstable outcomes. Taking the contingency perspective, the paper further explains the HRM practices- performance link by arguing that successful adoption of HPWS practices may depend on organization specific factors such as HR attribution climate. As far as my knowledge is concerned, this is the only research which attempted to explore the moderating role of HR attribution in the relationship between HPWS practices and performance, especially at organizational/unit level. Previous studies attentions seem to have been inclined toward examining the HR attribution as antecedents of employees' attitudes and behavior (Nishii et al., 2008), and a mediating variable between HPWS and performance link (Van De Voorde & Beijer, 2015). In short, the argument in this study supports the line of research that contends that effectiveness of HRM practices is contingent on organizational settings (contexts) (Jackson & Schuler, 1995).

Second, recent studies noted that attribution theory is useful in understanding organizational phenomenon, however, only few organizational researchers, so far, have attempted to apply attributional theories to organizational studies (Harvey et al., 2014). More specifically, the role of attribution theory in strategic human resource management received a neglected attention from previous researchers. Exceptions include Van De Voorde and Beijer (2015), Nishii et al. (2008), & Bowen and Ostroff (2004), who, one way or the other, attempted to demonstrate the need for and importance of using attribution theory to understand the 'black box' of HRM practices and performance. Hence, the current study does not only enhance our understanding of the cloudy link between HRM and performance, but also denotes that attribution theory can be a vital tool in understanding all sorts of workplace outcomes. The main implication is that attribution theory can be a vital tool to understand organizational phenomena.

Third, the current study implies that employees' understanding of HRM practices may be different from employer's understanding of same practices. As a result, when collecting information about organization's HRM practices, researchers need to get data from both sides to enhance the reliability of their findings.

### **Practical Implications**

Genuine acceptance of HRM practices by employees is vital for achieving the intended goals of adopting HPWS practices. In turn, employees' are more likely to cooperate with management in the process of HPWS implementation when they believe that such practices are driven by employer's need to invest in them is to enhance their (employees') well-being. Hence, it is noted that managers may be able to develop positive employee attitudes toward HRM practices in their organizations via appropriate communication channel that conveys the intended goal of HRM practices, in a way that such practices reflect care and support for employees. Previous researchers underlined the significance of effective communication in portraying the desired goal of HRM practices, which, in turn, leads to strong HRM systems (strong climate) to emerge. Ineffective communication in an organization may lead to unintended HRM climate, which, in turn, adversely influences consequent organizational outcomes. Managers' effective communication with employees about HPWS practices is vital in conveying appropriate information in a clear and consistent manner, which, in turn, will influence the attribution making process of employees in the way intended by the organization. This is in line with the suggestions given by Van De Voorde and Beijer (2015) & Nishii et al. (2008).

### 7 CONCLUSION

The current study is mainly intended to explore firm specific situational factors that may influence the 'black box' of HRM and performance linkage. To this end, the study proposed that HR attribution of employees as one contextual factor that may influence the strength of the relationship between utilization of HPWS practices and firm performance. Most importantly, using the extant literature, the researcher argues that utilization of HPWS practices is more likely to strongly influence performance when employees' HR attribution is skewed toward commitment focus than when it's biased toward control focus HR attribution. In addition to extending our understanding of how HRM practices influence performance, the present study acknowledges the practical applicability of attribution

theory in strategic HRM research, which have had a little attention thus far. Hence, notwithstanding the necessity for empirical tests of current study's propositions, based on review of previous works and theories, I contend that HR attribution of employees does matter. Generally speaking, my argument is in line with the contingency view of strategic HRM, which contends that organizational situations affect the extent of HRM practices effectiveness.

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