Effort-Enhancing HR Practices and Innovative Work Behavior: Role of Employee Empowerment

Adeel Anjum
Lecturer, Faculty of Management Sciences, Government College University Faisalabad, Pakistan

Dr. Hazoor. M Sabir
Dean, Faculty of Management Sciences, Government College University Faisalabad, Pakistan

Habib ur Rehman Makhdoom
MS Scholar, Department of Management Sciences, Government College University Faisalabad, Pakistan (Email: Makhdoom.mentor@gmail.com)

M. Saddam Hussain
MS Scholar, Department of Management Sciences, Government College University Faisalabad, Pakistan.

DOI: 10.6007/IJARBSS/v6-i10/2362 URL: http://dx.doi.org/10.6007/IJARBSS/v6-i10/2362

Abstract:

The aim of present study is to explore effort-enhancing HR-Practices and reveal the association of these practices with employee’s innovative work behavior (IWB). Further, the moderating role of employee empowerment between this relation is also explained. The paper is based on empirical study undertaken on textile-base firms operating in Pakistan. A theoretical grounded conceptual model is developed to organize a mechanism through which effort-enhancing HR Practices impact on employee’s innovative work behavior (IWB) with the moderation of employee empowerment. With the help of this model four hypotheses were developed. To test the hypothesized relationship multiple statistical analyses were conducted through SPSS. These hypotheses were tested with the help of data collected through questionnaires that were filled from a sample of 175 employees of dominant firms operating in textile industry of Pakistan. Theory, and the data collected from employees verified the proposed hypotheses and suggested that the underlying effort-enhancing HR practices have a significant positive impact on employee’s innovative work behavior (IWB). Further, finding of the study proclaimed that if the management of an organization empower their employees, they will show more innovative behavior at work.
Key Words: Effort-enhancing HR Practice, Employee Empowerment, Innovative Work Behavior

1. Research Background:

In the current dynamic era, firms are facing larger demand from their surroundings to appoint innovative behavior. Organizations have to face different problems, i.e. deficiency of innovations, lack of innovative behavior at work. Without the innovative behavior, any organization cannot compete the other organizations which cause huge loss for them. In the Pakistan, there are many companies getting destroy, just because of deficiency in innovative behavior at work and improper use of human resource practices. Through the innovative processes and methods, an organization can achieve the goals/targets and everyday innovations, and gain the competitive advantage. Refers to innovative work behavior depends on “everyday innovation" novel attempts deliberately utility employees to deliver results (Janssen, 2000). Innovation is an essential element for organizations adopt to the rapid economic changes and to benefit from it to maintain competitive advantage (Hitt, Keats and DeMarie, 1998). Recently, most of the scholars claimed, if appropriate ways to support, even normal employees can create the strongly innovative behavior at work (Evans and Waite, 2010) and innovative behavior at work can be made recognized, visible and exploited for the benefit of both the organization and their employees (Kesting and Ulhøi, 2010, p. 66). Refers to innovative work behavior depends on “everyday-innovation" deliberate employees to provide results on the efficacy of novel efforts (Janssen, 2000).

Human capital is a part of key resources and by all, accounts an increasingly vital part of the company’s resource. Human Resources (HR) practices have been found to play an important role in encouraging creativity, innovation and organizational innovation by enhancing the skills of an individual employee (Dul,Ceylan, and Jaspers, 2011; Mumford, 2000). Human Resource (HR) has been called essential component of organizational failure and success (Baron and Kreps, 1999). Why and how innovation encouragement is important to understand human capital, and what the firm can produce the level of human resource management (HRM) practices and the deployment of the required innovation performance. Effort enhancing human resource practices characterized by, Training and Development and Employee Motivation are the key concepts of the present study. These practices are positively predict to innovative behavior at work. Innovative Work Behavior (IWB) consists of four stages, identifying the opportunities or problems, generation of new ideas, explore to find support for their ideas and the implementation of these idea (De Jong and Den Hartog 2010). IWB therefore discontinuous and interconnected attitudes of people most likely to be characterized as to include any combination of these activities at the same time (Scott & Bruce, 1994). Therefore, the behavior of employees can have a huge impact on organizational behaviors and innovativeness.

In this context, Human Resource Management (HRM) is critical, for employees to be able to influence the attitudes and behaviors as it already has been proven (Laursen and Foss, 2003; Wright, McMahan and McWilliams, 1994; Shipton, West, Dawson, Birdi and
Patterson, 2006). So, in the present study there is an attempt to develop a model to test the relationship between effort enhancing HR practices and innovative behavior at work (IWB). Further, the moderating role of supportive work environment, categorized by employee empowerment is also explained.

2. Rationales

Innovative Work Behavior (IWB) has the importance of back bone in the organizations. Innovative work behavior is defined as employee behavior to create, introduce, and apply new ideas intentionally within a work role, a group, or an organization that are beneficial to performance (Janssen, 2000, p. 288). Innovative Work Behavior shows the employee’s behavior of any organization, to make and present new ideas deliberately within a work organization that are helpful to performance. When the environment will become more difficult and dynamic, organizations would be shown more innovative behavior due to identify more chances for continued better performance (Shalley et al., 2004). The employees are the pillars of innovation for their support in implementing their creativity and new and useful ideas (Mumford, 2000; Van de Ven, 1986). Here, we associate human resource management (HRM) to innovative work behavior (IWB) as it has already demonstrated that human resource is able to employee’s impact on attitudes and behaviors (Laursen and Foss, 2003; Wright et al., 1994; Shipton et al., 2006). However, there is no comprehensive work that seeks to find the moderating role employees’ encouragement between the relationship of human resource management (HRM) and innovative work behavior (IWB).

3. Objectives:

Up to now, a systemic empirical research has not been completely applied to examine the probability that the interplay between several HR practices gives significantly to employees' innovative work behavior. Present study aims to fill this gap in literature by asking an important research question.

How combined HR practices will enable innovative work behavior?
To answer the question, present study underpins the following objectives
1- Highlight some of human resource (HR) practices that influence employee’s innovative work behavior (IWB).
2- Draw a mechanism through which these Human Resource practices influence employee’s innovative behavior at work with the moderation of supportive work environment characterized by employees’ empowerment.

4. Literature Review:

4.1. HR Practices and Innovative Work Behavior:

Literature argues that HRM contributes to organizational innovativeness, it is reasonable to suggest that HRM is also able to influence innovation at the individual level, thus IWB. Following Boxall and Macky (2009), HRM practices are used “to recruit, deploy, motivate, consult, negotiate with, develop and retain employees, and to terminate the employment
relationship”. Further, they were also introduced “to organize the work itself, including its normal structure”. This definition of HRM practices implies that IWB could be influenced in different ways and by different reasons. Since the interest of the present research lies in finding possible HRM practices that might influence IWB and how such relationships could be explained, this broad view of HRM is being followed based on this suggestion, and recognizing that the work environment embodies the inner basis to stimulate innovative behaviors (Chandler et al., 2000; Hornsby et al., 2002), this study says that employee empowerment play a moderating role in the relationship between Effort-Enhancing HR practices and innovative work behavior. In fact, individuals who trust each other tend to feel psychologically safe to discuss problems and issues openly, to combine forces, and thus to share and integrate relevant ideas and comprehensive information. This increasing knowledge exchange results in knowledge exploitation, but also in knowledge creation by alleviating the fear of risk and by providing exposure to a greater variety of unusual ideas and new information (Lee and Choi, 2003; Madjar, 2005). On the basis of previous literature and according to empirical study, human resource practices has the positive impact on innovative work behavior or HR practices strongly predict to innovative work behavior (IWB).

On the basis of previous literature, human resource (HR) practices characterized as, Training & development (T & D), and Employee Motivation. Training also play an important role for the skills development and knowledge base of employees and for their different behavior like employee motivation and employee output (Way, 2002). On the Job training, a better way of training helps employees to learn about their work, “(Deming (1982))”. Employee training has positive impact on employee's knowledge and skills and on employee's motivation, attitude and outcome, “(Way, (2002))”. Designed to enhance creativity training is found to be positively related to the level of employee’s innovative work behavior “IWB”. Training and Development is important for serving employees to the development of their organizational and personal abilities, knowledge and skills. Training and Development investigates the human resource practice to influence Innovative Work behavior (Bysted & Jespersen, 2013; Spiegelaere, de et al., 2012; Zhang & Begley (2011). This HR practice as ability development and when the employee’s abilities become developed, their skills get encouraged which develop their innovative work behavior (Bysted and Jespersen; 2013).

Motivation is a psychological process of individual’s behavior that gives direction and purpose. Donnelly, & Ivancevich, at al; 1995, stated that the internal struggle of all those described as the wishes, desires, drives, etc. Motivation is defining by a large number of researcher in the different way. Gareth Jones, Jennifer George and Charles Hill define the motivation as psychological forces which determines the direction of employee’s behavior, employee’s level of effort, and employee’s level of persistence in the face of problems. David define that motivation is a need or desire that works to energize behavior and to direct him towards goals. Motivation refers to the growth between the workers and managers with the help of well communication, high involvement of managers in employee’s decision making process and group working.
4.2. **HR Practices and Employees’ Empowerment:**

According to previous literature or empirical study, Training & Development and Motivation are considered Effort Enhancing HR Practices that shows the positive relationship with supportive work environment Characterized as employee empowerment. Training & development and motivation encourages mainly the perception of employee empowerment and it is considered as an investment in the development of employee or appreciation of employee involvement. Previous research has showed that HR practices are considered as supervisory support which ultimately results in feelings of commitment (Rhoades and Eisenberg, 2002). Allen et al. (2003) claim that perception of management support be contingent to the aspects of presence of appropriate rewards, participation in decision making, and growth opportunities. All of the above aspects are associated with the perceptions of management support (Rhoades 2002) which is only practical when high-involvement HR practices are functional, since no attention to these aspects is given and also motivate employees to recognize goals of an organization and to work hard to increase productivity as well as efficiency. As the purpose of HR practices is to increase knowledge, skills and abilities of employees (KSAs), and to motivate them, the empowering of employees is to leverage employees’ KSAs to deliver high quality values (Kitchen, 2006).

4.3. **Employee Empowerment and innovative work behavior (IWB):**

Empowering approaches can be foster the feelings of empowerment among employees which ultimately inspire employee behaviors in such a way that are important for achieving expected outcomes. Although literature have investigated the associations between managerial practices and a psychological approach of employees’ empowerment, few of which have examined that employee empowerment in terms of its behavioral manifestations. The view point which state that innovativeness is most important for competition in a progressive and advanced organization that has been generally accepted (Zhang and Bartol, 2010). The innovative work behavior of employees is associated with vital facets of organizational effectiveness; promotion, realization and generation of diverse new ideas that benefit performance (Sanders et al., 2010). Empowerment reflects a functional orientation to a role, which is reflected in the perception. A work which indicates the person a feeling that is valuable, an individual's belief in his or her ability to perform effectively tasks which refers to the ability, Regulation of self-determination, or a sense of freedom in work practices, and they point to a belief about the extent to affect the results significantly on impact. Psychological empowerment confident more employees in their work and strengthen their creativity and ability to solve problems “(Kelley et al., (1996)”, As a result of displaying a high degree of innovative behavior. Employee’s autonomy responsibility for controllable results, which encourages them to complete tasks as much enthusiasm and insofar, provides a sense of freedom “Hackman & Oldham, 1980”. Employees improve the quality of service and devote more time and effort to provide more unique and innovative solutions.

Accordingly, the psychological empower employees more flexibility to meet ever-changing customer needs and are adaptable (Scott & Bruce, (1994). Previous research
suggested that most can act as antecedents of individual differences and work environment variables innovative work behavior “Perry Smith & Shalley, (2003)”. Our study sets aside to focus on the impact of individual characteristics of deliberately working environment conditions on the innovative work of employees. Employee empowerment organization can be thought of as the only working to provide tools and resources for employee innovation. Individual can perform innovative at work by developing new ways to perform his job and by learning the new techniques and innovative ideas and by the reconfiguration of existing approaches into new alternates. Literature also observed the influences of such situations on individuals’ innovative behavior at work (Scott, 1994) and maximum of these studies propose that the perception of supportive conditions at work can improve the innovative behavior of individuals and furthermore, the lodging of these responses to the organization (Amabile, 1996). Most of the empirical studies provide evidence on the impact of empowerment on individual creativity and innovation (Zhang & Bartol, 2010). On the basis of the above mentioned rationales from the literature, the study has proposed following four hypotheses to fulfil the objective of the research.

4.4. Hypothesis Development:
H1: Training and development has positive affect on Innovative Work Behavior.
H2: Employee Motivation has positive affect on Innovative Work Behavior.
H3: Employee Empowerment moderate the relationship of Training and Development (T&D) and Innovative Work Behavior (IWB).
H4: Employee Empowerment moderate the relationship of Employee Motivation and Innovative Work Behavior (IWB).

The above hypotheses form the basis of following conceptual model which clarify our thinking about the mechanism through which HR Practices impact on employee’s innovative work behavior (IWB), with the moderation employee encouragement.

4.5. Conceptual Model:
5. Methodology:
5.1. Procedure & Sample:

Sample was selected from textile industry, as textile sector is the largest manufacturing sector of Pakistan and also the largest export sector of our country. For sampling frame five major units were selected consist of Interloop Limited, MTM, Sitara textile, Ibrahime textile and Crescent Textile (Pvt) Ltd Faisalabad. Thirty-five questionnaires were filled from each unit. Samples were selected through stratified random sampling from each unit and middle level managers were selected as sample from each unit.

5.2. Measure:

The scale used in the present study consisted of two main sections; the first section included participants' demographic (age, level of education and department in organization etc.). The second section include the main constructs of study's variables. The study uses innovative behavior scale developed by Scott and Bruce (1994). Modern behavior/ IWB, Scott and Bruce (1994) six- item was adapted to measure the innovative behavior of employees. The scale of employee motivation proposed by Kovach (1995) is used to assess the motivation level of the respondents. This scale is composed of ten job motivating factors that are considered to be intrinsic and extrinsic factors (Kovach, 1995).

6. Analyses and Results:

6.1. Reliability Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>No. of Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovative Work Behavior</td>
<td>5</td>
<td>.595</td>
</tr>
<tr>
<td>Training &amp; Development</td>
<td>5</td>
<td>.633</td>
</tr>
<tr>
<td>Motivation</td>
<td>6</td>
<td>.565</td>
</tr>
<tr>
<td>Employee Empowerment</td>
<td>6</td>
<td>.648</td>
</tr>
</tbody>
</table>

Reliability analyses state that cronbach alpha values of all of the construct are above from the general acceptable threshold of (.500). IWB was measure by 5 item scale of which alpha value is .595. T&D was measure by 5 item scale of which cronbach alpha is .633. Motivation of the employees was measure by 6 item scale which hold the alpha value of .565. Employee empowerment was measure with 6 item construct of which alpha value is .648. So on the basis of these results, we can say that our scales are reliable to measure the variables of the research and to proceed to conduct further analyses for testing the hypotheses of the study.

6.2. Correlation Analysis:

Correlation between all variables of the study
Interpretation:
The above table states the correlation between all of the research variables. The correlation between Training & development and Innovative work behavior is 0.446 and it is significant at the 0.01 level. The correlation between Motivation and Innovative work behavior is 0.612 and it is significant at the 0.01 level. The correlation between Employee Empowerment and Innovative work behavior is 0.691 and it is significant at the 0.01 level. So, all of the correlations state that there is positive correlation independent and dependent variables that support our first two hypothesis of the research.

6.3. Regression Analysis
6.3.1. Effect of T&D and Motivation on Innovative Work Behavior (IWB)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.263</td>
<td>.230</td>
<td></td>
<td>5.488</td>
</tr>
<tr>
<td>1</td>
<td>T.D</td>
<td>.173</td>
<td>.065</td>
<td>.184</td>
</tr>
<tr>
<td></td>
<td>MV</td>
<td>.510</td>
<td>.067</td>
<td>.519</td>
</tr>
</tbody>
</table>

a. Dependent Variable: IWB
Interpretation:

In the above table, results of regression analysis state the direct effect of independent variables; training & development and motivation on independent variable IWB. The direct effects of HR practices on IWB in order to test the first two hypotheses that address this aspect. The result shows that there is a positive effect of T&D and Motivation as the beta value of T&D is (.184) which is significant (at<.05) which state a marginal effect on IWB. As well the beta value of motivation is (.510) that is also (at<.05) which propose high direct effect on IWB. So the results verify the first two hypotheses of the research.

6.3.2. Employee empowerment as a moderator between T&D and IWB

**Moderating impact of Employee Empowerment on IWB**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.182</td>
<td>.225</td>
<td>9.682</td>
</tr>
<tr>
<td></td>
<td>T.D</td>
<td>.421</td>
<td>.064</td>
<td>.446</td>
</tr>
<tr>
<td>2</td>
<td>(Constant)</td>
<td>3.252</td>
<td>.210</td>
<td>15.487</td>
</tr>
<tr>
<td></td>
<td>T.D</td>
<td>-.597</td>
<td>.115</td>
<td>-.633</td>
</tr>
<tr>
<td></td>
<td>IVTD</td>
<td>.196</td>
<td>.020</td>
<td>1.207</td>
</tr>
</tbody>
</table>

a. Dependent Variable: IWB

Interpretation:

To test the significance of H-3, which state that employee empowerment act as a moderator between the relationship of T&D and IWB, regression analysis was run. The interaction effect of employee empowerment was measure by multiplying T&D and EE. The model state that the beta of interaction term is (.196) which is signification (at<0.05). The results show that there is a marginally significant moderating effect of employee empower on the relationship between training and development and IWB.
6.3.3. Employee empowerment as a moderator between Motivation and IWB

### Moderating impact of Employee Empowerment on IWB

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.541</td>
<td>.209</td>
<td>7.364</td>
</tr>
<tr>
<td></td>
<td>MV</td>
<td>.601</td>
<td>.059</td>
<td>10.186</td>
</tr>
<tr>
<td></td>
<td>(Constant)</td>
<td>2.734</td>
<td>.257</td>
<td>10.644</td>
</tr>
<tr>
<td>2</td>
<td>MV</td>
<td>-.313</td>
<td>.145</td>
<td>-2.158</td>
</tr>
<tr>
<td></td>
<td>IVMV</td>
<td>.157</td>
<td>.023</td>
<td>6.758</td>
</tr>
</tbody>
</table>

a. Dependent Variable: IWB

**Interpretation:**

To test the significance of H-4, which state that employee empowerment act as a moderator between the relationship of Motivation and IWB, regression analysis was run. The interaction effect of employee empowerment was measure by multiplying Motivation and EE. The model state that the beta of interaction term is (.157) which is signification (at<0.05). The results show that there is a marginally significant moderating effect of employee empower on the relationship between Motivation and IWB.

### 7. Discussion:

The aim of this study was to explore the effect of HR practices concepts that work on innovative behavior of individual workers, and to examine the role of employee empowerment in the relationship. In that way, we have gained a huge understanding of the impacts that Human Resource (HR) practices that have on employee’s innovation, by viewing the direct impact of two perceived Human Resource practices on innovative work behavior (IWB). The results of the underlying study support the outcome of the “Dorenbosch at al. (2005)”, considered high commitment human resource management “HRM” system work and innovative work that tested the effect of treatment: The Moderating Effect of employee empowerment on “IWB”.

However, going beyond their findings, we are also able to demonstrate that certain individual HR practices affect IWB, namely the employee motivation (positive effect), training and development, and supportive work environment (Employee Empowerment) has the positive impact on Innovative Work behavior. That’s why employees feel about their organization as their training and support, the organization with innovative behavior. Impact of Training & Development on innovative behavior at work “IWB” is too strong if Employees are facing a modern climate. This interaction between, and the importance of using, highlights the perspective of both the content and human resource management “HRM” (Bowen, 2004). Employees who perceive the organization as sharing information with them and supportive supervision, show greater IWB than employees who do not. Evidence in earlier studies

www.hrmars.com
suggested that T&D (Hu et al., 2009) and open information sharing (Vera & Crossan, 2005) would facilitate innovative behaviors, and we have now found evidence that, as Qin et al. (2012) predicted, T&D also has positive effects on IWB.

8. Implications

A number of implications originate from the findings of the underlying study. Findings of our study suggest that the subordinates who are supported by their line managers would show innovative behaviors. The results highlight the important role of line managers on all levels in encouraging employees to become innovative. Line managers need to share the necessary information with employees to train them and allow them to be creative and innovative, but they also need to support and recognize employees’ initiatives and innovative efforts in trying something new or different. As such, mistakes should not be punished by immediate leaders but rather seen as a learning opportunity in order to create a positive and safe atmosphere that encourages openness and risk taking. Line managers also have an important role in creating motivation in their work design.

The results of our study are also in line with the previous research finding which indicate that Training & Development and Motivation and HR practices are positively related with innovative work behavior with the moderation of Supportive Work Environment variable: Employee Empowerment. Training and development practice enhance the employee productivity and innovations and it positively relates with innovative work behavior. Employee Motivation creates encourages in employees and motivate to employees for work harder. Third HR practice employee empowerment gives the autonomy of decisions making itself and having power of certain decision making, it also positively relates with the innovative work behavior.

9. References:


