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5

OPENING THE BLACK BOX: HOW HRM PRACTICES CAN REDUCE TURNOVER AMONG HUMANITARIAN EXPATRIATES⁷

Abstract

This study empirically investigates to what extent high-involvement HRM practices lower turnover intentions in the context of humanitarian aid. As in many non-profit organizations, high-involvement HRM is one of few possibilities to influence the turnover intentions of employees in humanitarian aid organizations. Two linking mechanisms will be tested to unravel how such practices are associated with turnover intentions. The first focuses on the individual level, with the emphasis on job satisfaction, while the second includes the relational level by focusing on trust in management. Using unique survey data (N=157), we engage in structural equation modeling with results revealing that the mere presence of high-involvement HRM practices does not inevitably lead to increased job satisfaction, whereas at the relational level, trust in management is very important in reaching higher levels of job satisfaction and thereby reducing turnover intentions.

⁷ This chapter is co-authored with Paul Hindriks, Liesbet Heyse and Rafael Wittek and currently under review at an international peer-reviewed journal. We would like to thank Melinda Mills for her valuable contributions to this paper. An earlier version of this paper has been presented at the World Congress of Sociology, Yokohama, Japan, July 2014.

5.1 INTRODUCTION

Humanitarian organizations exist to alleviate human suffering. To accomplish this, they rely mainly on human capital, or as it is put in the humanitarian field: 'Aid agencies have just one asset – people' (People In Aid 2013, p. 7). Aid workers face extreme contexts where hardly anyone would go voluntarily. Aid agencies are prompted to treat employees with tremendous care to maintain a stable work force in these very unstable contexts.

Staff turnover is a major concern for humanitarian organizations (Loquercio, Hammersley 2006, Richardson 2006, Telford, and Cosgrave 2007). Partly, this might be unavoidable due to the uncertain, often dangerous working context and associated social constraints pertaining to family and friends. However, staff turnover cannot be accepted as a given since it is assumed to be a cause of reduced effectiveness and efficiency in humanitarian aid due to loss of institutional memory and the high costs of repeated recruitment, training and team building (Loquercio, Hammersley 2006).

Professionalization, especially adopting for-profit management practices such as human resource management, is deemed key to achieving reduced turnover, and thereby enhanced effectiveness and efficiency in the humanitarian sector (Rogaar, Nigten 2005, Walker and Russ 2010). However, the non-profit orientation of humanitarian agencies limits the possibilities to influence employees' turnover intentions through HRM. For example, it prohibits the use of proven, often-applied monetary HRM practices in the for-profit sector, such as pay-for-performance or bonuses. A more feasible and suitable HRM framework for the humanitarian non-profit context, we argue, is high-involvement HRM practices. The goal of these practices is to make better use of employee capacities for self-management, personal development, and problem solving (Boxall and Macky 2009) to increase control and understanding of their job (Guerrero and Barraud-Didier 2004). This can be achieved with such HRM practices as communication processes, training, fairness of (performance) management processes, and participation in decision-making.

Humanitarian organizations are well suited to study the effectiveness of such high-involvement HRM practices in binding employees to the organization for several reasons. First, the setting is characterized by high turnover levels, with non-monetary high-involvement HRM practices as one of the few means to prevent turnover. Second, humanitarian organizations depend strongly on the effectiveness of such practices. In this study, the first aim is therefore to empirically investigate the extent to which high-involvement HRM practices lower turnover intentions in a humanitarian setting. To do this we use data collected from 157 humanitarian front-line workers employed by one of the largest aid agencies in the field: Médecins Sans Frontières (MSF). This is one of the first empirical attempts to study the effects of high-involvement HRM practices on humanitarian workers. Despite the societal importance of humanitarian agencies, this type of organization has received limited academic attention, also because of the scarce quantitative data available in this field due to the limited access to this hard-to-reach population (Teegen, Doh 2004, Fechter 2012). With these data, collected from aid workers scattered over the most remote places in this world, this study offers new insights into the effectiveness of non-monetary high-involvement HRM practices in extreme working environments. The second aim is to provide new insights into the mechanism underlying the association between high-involvement HRM practices and

turnover intentions. Several earlier studies call for in-depth research into the relation between human resources practices and organizational outcomes, and discuss mediating attitudinal outcomes of employees (Guest 2002, Bowen and Ostroff 2004, Gould-Williams and Davies 2005, Tremblay, Cloutier 2010, Kehoe and Wright 2013). However, empirical research on this topic in the humanitarian sector remains limited.

This study provides several contributions to both HRM and humanitarian aid research. First, it contributes to the existing literature by specifically focusing on two mechanisms linked to turnover; one on the individual level (focusing on job satisfaction) and one at the relational level (related to trust in management). Second, we broaden the scope of the HRM literature by studying a unique case of humanitarian field workers. So far, most HRM studies have been conducted in the US for-profit sector (Arthur 1994, Huselid 1995, Ichniowski, Shaw 1995, MacDuffie 1995) and to a lesser extent in the public sector (Steijn 2004, Gould-Williams and Davies 2005, Wood, Van Veldhoven 2012). Though it has often been suggested that HRM practices may also be effective in humanitarian organizations, empirical data to test this claim was lacking. A third contribution is that we build on *employee perceptions* of high-involvement HRM practices. The same HRM practice can have different consequences depending on the employee's predisposition (Gould-Williams and Davies 2005). As we are looking to assess the impact of high-involvement HRM practices on individual outcomes (turnover intentions), we deem it important to focus on individual perceptions. Finally, by examining the effect of HRM practices, something that organizations could potentially influence, the results of our study can be of practical use to not only humanitarian organizations, but also to other non-profit organizations with transnational work contexts, demanding jobs and high turnover levels.

5.2 THEORY

5.2.1 HRM practices and their role in the humanitarian context

Organizations increasingly recognized the potential of their employees as a source of competitive advantage. Achieving this competitive advantage through employees required closer examination of practices that best influence these human assets. Consequently, research increasingly focused on the organizational impact of HRM practices in the past decades (Arthur 1994, Huselid 1995, Delaney and Huselid 1996).

Organizations use various HRM practices to improve the quality and retention of the current workforce (Vanhala and Ahteela 2011). Lawler (1986) used the term 'high-involvement' to describe those management practices based on involvement. High involvement practices consist of practices that gather intelligence, ideas and the motivation of all workers (Guerrero and Barraud-Didier 2004). In this study we will focus on practices related to the fairness of performance appraisal, clear communication/information sharing by management, participation in decision-making, and training opportunities. The underlying assumption is that employees will increase their involvement with the organization, and lower their turnover intentions, if given the opportunity to control and understand their work through such practices.

As humanitarian aid workers are often faced with complex, unpredictable tasks that require substantial amounts of discretionary judgment (Walkup 1997, Fox 2001) high levels of involvement are crucial. As stated above, the non-profit nature of

humanitarian organizations prevents these organizations from adopting direct monetary HRM practices because they are expected to spend their money primarily on aid provision, not on 'overhead'. Likewise, they have limited possibilities when it comes to employment security due to the uncertain nature of humanitarian crises, projects and contracts in the field (Loquercio, Hammersley 2006). Given these limitations, high-involvement HRM practices are crucial as one of the few possibilities managers of humanitarian organizations have to positively influence employee attitudes and thereby reduce turnover intentions. This leads to our first hypothesis:

H1: High-involvement HRM practices will reduce turnover intentions.

5.2.2 HRM practices and turnover intentions - opening the black box

Many studies show that HRM practices are directly related to outcomes like performance and turnover (e.g. Arthur 1994, Huselid 1995, Shaw, Delery 1998). However, these studies left us wondering about the mechanism explicating how HRM practices can achieve more distant outcomes. Several scholars asked for more attention for the intermediate linkages, or 'black box', that relate HRM practices to organizational outcomes (e.g. Guest 1999b, Allen, Shore 2003, Gould-Williams 2003, Bowen and Ostroff 2004, Kooij, Jansen 2010, Tremblay, Cloutier 2010, Kehoe and Wright 2013). In the following, we suggest and test two potential links mediating the effect of high-involvement HRM practices on turnover intentions.

5.2.2.1 Individual level – High-involvement HRM practices and job satisfaction

It is commonly assumed that HRM practices are related to organizational outcomes through the work-related attitudes of individuals in the organization (e.g. Guest 1999b, Allen, Shore 2003, Gould-Williams 2003, Bowen and Ostroff 2004, Kooij, Jansen 2010, Tremblay, Cloutier 2010, Kehoe and Wright 2013). This underlines the importance of examining, both theoretically and empirically, individual-based perceptions of the impact of HRM practices on outcomes like turnover intentions (e.g. Guest 1999a, Gould-Williams 2003).

One of the most important work-related attitudes in many established turnover models is job satisfaction (see Mobley 1977, Griffeth and Hom 1995). Job satisfaction is defined as 'an affective attachment to the job, or as an emotional state resulting from the evaluation or appraisal of one's job experiences' (Locke 1976, p. 1300). HRM practices are assumed to have a positive effect on individual attitudes, such as job satisfaction, because they facilitate better work environments (Wood, Van Veldhoven 2012) and help employees to achieve a positive evaluation or appraisal of their job.

High-involvement HRM practices contribute to job satisfaction because they provide opportunities to control and understand one's job, which facilitates a greater understanding of the organization's objectives and the employees' role in the achievement of goals. This greater understanding might reduce uncertainty in the work environment and increase meaningfulness, manageability, and comprehensibility of work and organizational life. Through this increased sense of coherence employees can improve their coping mechanisms and ability to withstand stress (Wood, Van Veldhoven 2012), enabling them to satisfy their employment needs and achieve job satisfaction (Vandenberg, Richardson 1999).

Several studies have shown empirical verification for the proposed positive link between (high-involvement) HRM practices and job satisfaction (Gould-Williams 2003, Steijn 2004, Petrescu and Simmons 2008, Kooij, Jansen 2010, Wood, Van Veldhoven 2012, White and Bryson 2013). This study also takes as a point of departure the classical hypothesis that job satisfaction is an intervening link between high-involvement HRM practices and turnover intentions:

H2: High-involvement HRM practices have a positive influence on job satisfaction, which in turn negatively influences turnover intentions.

5.2.2.2 Relational level – High-involvement HRM practices and the role of trust in management

The presence of high-involvement HRM practices is an important, yet not a sufficient condition for job satisfaction. We argue that to explain the effect of high-involvement HRM practices on job satisfaction, relational aspects like trust need to be taken into consideration (Guest 2002, Gould-Williams 2003). In other words: the mere facilitating presence of high-involvement HRM practices alone does not necessarily have a direct effect on job satisfaction.

Employees do not passively accept HRM practices but actively (re)evaluate their relation to the organization in terms of their trust in management (Guest 2002). We define trust in management as positive expectations regarding management, emphasizing faith in the good intentions of managers, confidence in the actions and competence of managers and confidence that managers will act in a fair, reliable and ethical manner (Cook and Wall 1980). Appreciated high-involvement HRM practices lead to higher levels of trust in management because employees have confidence that their management will treat them fairly, even if they do not meet all the demands (Friedman, Christensen 1998). As a result, employees may experience reduced pressure and lower levels of fear of the consequences for failure to complete the assigned work (Harvey, Kelloway 2003). This is particularly important in the highly uncertain, sometimes dangerous, and constantly changing environments of humanitarian work. Reduced pressure and lower levels of fear might lead to greater control over one's situation (Anderson, Coffey 2002), resulting in higher satisfaction with one's job. The other way around, failure by management to deliver on its believed supportive intentions and capabilities implied in high-involvement HRM practices is likely to lead to a negative evaluation of management's trustworthiness, and thus to reduced job satisfaction. We therefore expect high-involvement HRM practices to operate via a relational dimension in the form of trust in management.

Previous research has shown that HRM practices are positively related to trust (Whitener, Brodt 1998, Tzafrir, Baruch 2004, Gould-Williams and Davies 2005, Tzafrir 2005). Therefore we argue that trust in management is an important intervening variable between high-involvement HRM practices and its attitudinal outcomes.

H3: Trust in management will mediate the relation between high-involvement HRM practices and job satisfaction.

5.3 DATA AND METHOD

5.3.1 Data

To test the proposed hypotheses, we used the Humanitarian Employee Survey (HES), which is primary survey data collected from a sample of expatriate humanitarian aid workers currently working for one of the largest humanitarian aid organizations in the field: Médecins Sans Frontières (MSF). MSF is specialized in medical humanitarian emergencies, operating globally in both conflict and natural disaster areas. MSF consists of 19 national offices and nine branch offices (MSF International Activity Report 2012).

The research team was granted access to conduct the HES to gain information on the career, job characteristics, and work-life perceptions of the humanitarian expatriate staff working for the MSF Operational Center Amsterdam (MSF-OCA). MSF-OCA is responsible for operational and human resource-related matters for the national offices in the Netherlands, Germany and Great Britain. The HES was sent to 550 expatriate MSF-OCA fieldworkers, the full expatriate workforce at that moment.

To ensure optimal response rates among this hard-to-reach population in the most remote parts of the world, we provided two reply options, both identical in content. The first was a regular online format, for employees who had a stable internet connection for the approximately 45 minutes it would take to fill out the survey. The second option was an attachment, which could be quickly downloaded when the connection was there, filled in off-line and returned when an internet connection was available again. Two additional reminders were sent over a period of eight weeks. We received completed surveys from 168 expatriate field workers, leading to a response rate of 31%. This response rate is consistent with the average response rate in regular expatriate samples obtained in studies by Shaffer et al. (2012), Birdseye and Hill (1995), Black and Stephens (1989), and Naumann (1993). Of the 168 respondents, 54 (32%) used the off-line option, indicating that the response rate would have been substantially lower if we had only provided the online survey option.

To assess the representativeness of our data, response analyses were performed by comparing the demographic characteristics of the sample to the characteristics of the full organizational population in terms of gender, occupational groups and nationality. The HRM department of MSF-OCA provided this information. Although higher-level employees were slightly overrepresented, the sample was largely representative for occupational groups, gender, and nationality (see Appendix).

5.3.2 Measurements

Dependent variables. We employed structural equation modeling to properly test our mediation models. This statistical method (see Method of Analysis section for more information) allows one to model multiple dependent variables. The dependent outcome variables in our models were: turnover intention, job satisfaction, and trust in management. Please note that traditional reliability measures (e.g. *Cronbach's Alpha*) are not informative in structural equation modeling as items are not summated but regressed onto a latent variable, while allowing for error (model fit was assessed using Confirmatory Factor Analysis instead, see also: Yang & Green 2011).

Turnover intention was measured on a five-point scale (1 = never to 5 = always) by the following item: 'How often do you think of quitting your job?'. *Job satisfaction*

was measured with five items on a seven-point scale (1 = delighted to 7 = terrible) using a pre-tested measure (Andrews and Withey 1976). The following items are used: 'How do you feel about your job?', 'How do you feel about the people you work with – your co-workers?', 'How do you feel about the work you do on your job – the work itself?', 'What is it like where you work – the physical surroundings, the hours, the amount of work you are asked to do?', and 'How do you feel about what you have available for doing your job – equipment, information, good supervision, and so on?' All items were coded in the reverse direction so higher values indicate more job satisfaction. *Trust in management* was measured with six items on a five-point Likert scale (1 = strongly disagree, to 5 = strongly agree) again using a pre-tested standard measure (Cook and Wall 1980). The following items were used to measure trust in management: 'management at my organization is sincere in its attempts to meet the employees point of view', 'our organization has a poor future unless it can attract better managers', 'management can be trusted to make sensible decisions for the organization's future', 'management at work seems to do an efficient job', 'I feel quite confident that the organization will always try to treat me fairly', and 'our management would be quite prepared to gain advantage by deceiving the workers'. Items 2 and 6 were coded in the reverse direction in order to indicate more trust in management when higher values were indicated. Following the Modification Indices in the Mplus software, the error terms of items 2 and 3 were allowed to co-vary to increase model fit.

High-Involvement HRM practices. *Participation in decision-making* was measured by three items on a five-point scale using a pre-tested standard measure (1 = very poor, 5 = very good). The measure included the following items: Overall, how good would you say your direct managers at this workplace are at: 'seeking the views of employees or employee representatives', 'responding to suggestions from employees or employee representatives', and 'allowing employees or employee representatives to influence final decisions'. *Communication by management* was measured by four items on a five-point Likert scale (1 = very poor to 5 = very good) again using a pre-tested standard measure. The measure included the following: 'In general, how good would you say your direct managers at your organization are at keeping employees informed about changes to the way the organization is being run', 'changes in staffing', 'changes in the way you do your job', and 'financial matters like budgets.' Following the Modification Indices in the Mplus software, the error terms of items 3 and 4 were allowed to co-vary to increase model fit. *Fair process* was measured by one item on a five-point Likert scale (1 = strongly disagree 5 = strongly agree) asking: 'the performance management process is fair.' *Professional development* was measured by calculating the *total number of training programs* in which employees participated. Two questions were combined to create this variable. The first indicated whether or not people had received formal training (1 = yes) and the second asked how many different training programs employees had participated in while they had been employed by this organization. Employees who indicated they had not received any training were given the value 0 on number of training programs.

Control variables. *Gender* (female = 1) and *tenure* (*total tenure at organization in months*) were also controlled for in the analysis because of their importance in

previous related studies.⁸ Table 5.1 provides descriptive statistics of all measures, such as means and standard deviations.

Table 5.1. Descriptive statistics of items per variable

Variable	Item label	Min	Max	Mean	SD	N
Turnover intention	How often do you think of quitting your job?	1	5	2.31	.91	157
	How do you feel about your job?	1	7	5.51	.98	158
	How do you feel about your co-workers?	1	7	5.35	.92	158
Job satisfaction	How do you feel about the work itself?	1	7	5.64	1.01	157
	How do you feel about the hours, the amount of work?	1	7	5.09	.98	158
	How do you feel about what you have available for doing your job?	1	7	5.09	.99	158
Trust in Management	Management at my organization is sincere in its attempts to meet the employees' point of view	1	5	3.31	.84	146
	Our organization has a poor future unless it can attract better managers (r)	1	5	2.99	1.15	146
	Management can be trusted to make sensible decisions for the organization's future	1	5	3.51	.79	147
	Management at work seems to do an efficient job	1	5	3.41	.81	147
	I feel quite confident that the organization will always try to treat me fairly	1	5	3.28	1.00	148
	Our management would be quite prepared to gain advantage by deceiving the workers (r)	1	5	3.91	1.01	147
Participation in decision-making	Seeking views of employees or employee representatives	1	5	3.48	1.02	149
	Responding to suggestions from employees or employee representatives	1	5	3.56	.90	149
	Allowing employees or employee representatives to influence final decisions	1	5	3.34	.96	148
Communication by management	Changes to the way the organization is being run	1	5	3.43	.95	149
	Changes in staffing	1	5	3.54	.91	149
	Changes in the way you do your job	1	5	3.48	.81	149
	Financial matters like budgets	1	5	3.48	.96	149
Fair Process	The performance management process is fair	1	5	3.41	.91	143
Professional development	Number of training programs	0	11	1.60	1.88	157
Gender	Female	0	1	.50		147
Tenure	Total tenure in months	1	228	51.36	45.49	168

(r) = reversed score

⁸ In earlier analyses we also controlled for average risk-level as experienced by humanitarian aid workers. Including this variable did not change the results but because it led us to drop ten additional cases we decided to exclude it from the analysis.

5.3.3 Method of Analysis

We employed structural equation modeling (SEM) in Mplus version 7.11 to test our hypotheses for two reasons. Firstly, while multiple analyses are required in ordinary regression analyses to test for mediation effects, SEM allows testing mediation effects in a single model, and in smaller samples. Secondly, the current study contains both single-item variables (e.g. turnover intentions) and multiple-item variables (e.g. job satisfaction). In ordinary regression analyses multiple items are summated into a single variable and in doing so, one loses information on various response patterns in each multi-item variable. SEM retains this variance by regressing items onto a latent variable. Because effect sizes and standard errors are estimated more precisely, SEM yields more reliable results.

Using Confirmatory Factor Analyses we first investigated if the latent constructs in this study can be distinguished empirically. We then formulated two structural models to test our hypotheses. All models were estimated using Maximum Likelihood estimation. Model fit was assessed with criteria outlined by Hu & Bentler (1999): a cutoff value close to .06 for the Root-Mean-Square-Error of Approximation (RMSEA), a cutoff value close to .95 for both the Comparative Fit Index (CFI) and the Tucker-Lewis Index (TLI), a cutoff value close to .08 for the Standardized-Root-Mean-Residual (SRMR). Differences were labeled 'significant' when the p-values were .05 or lower. Finally, mediation effects were examined using a bootstrap procedure and 95% bias corrected confidence intervals.

5.4 RESULTS

Hypothesis 1 postulated that high-involvement HRM practices reduce turnover intentions. To examine if the relevant latent constructs (e.g. multi-item variables) can be distinguished from one another empirically, we conducted two Confirmatory Factor Analyses (CFA). Because both are high-involvement HRM practices, the first CFA combined communication by management and participation in decision-making into a single construct. Due to missing data on all items, 19 respondents were dropped from the analysis. The model did not fit the data ($\chi^2(13, N = 149) = 120.58$, $RMSEA = .24$, $CFI = .80$, $TLI = .68$, $SRMR = .08$, see Hu & Bentler 1999 for a discussion of model fit criteria). The second CFA was in line with our *a priori* expectations and treated communication by management and participation in decision-making as separate constructs. This model fit the data well ($\chi^2(12, N = 149) = 16.56$, $RMSEA = .05$, $CFI = .99$, $TLI = .99$, $SRMR = .03$) and was significantly better than the first model ($\Delta\chi^2 = 104.02$, $\Delta df = 1$, $p\text{-value} < .001$). We concluded that the data supported the theoretical distinction between communication by management and participation in decision-making and proceeded with the structural model in which turnover intentions were predicted by high-involvement HRM practices (communication by management, participation in decision-making, fair process, and professional development) and two control variables (gender and tenure). Due to missing data on the control variables, an additional eight respondents were dropped from the analysis. The model fit was acceptable ($\chi^2(45, N = 141) = 66.84$, $RMSEA = .06$, $CFI = .96$, $TLI = .95$, $SRMR = .10$). The results showed that the model explained 10% of the variance in turnover intentions. They further revealed a negative association between fair process and turnover

intentions only ($B = -.17$ with $p = .05$). As most high-involvement HRM practices were not directly related to turnover intentions (with the exception of fair process), we found no support for the first hypothesis.

The second hypothesis stated that the HRM practices have a positive influence on job satisfaction, which in turn negatively influences turnover intentions. CFA showed that the measurement model distinguishing between communication by management, participation in decision-making, and job satisfaction fit the data well ($\chi^2(50, N = 158) = 56.97$, $RMSEA = .03$, $CFI = .99$, $TLI = .99$, $SRMR = .04$). To test the hypothesis, we formulated a structural model in which the four HRM practices predicted both job satisfaction and turnover intentions, and job satisfaction predicted turnover intentions (controls predicted turnover intentions). The structural model fit the data well ($\chi^2(105, N = 141) = 128.02$, $RMSEA = .04$, $CFI = .97$, $TLI = .96$, $SRMR = .08$), and explained 20% of the variance in turnover intentions and 19% of job satisfaction. Communication by management ($B = .30$ with $p = .02$) and fair process ($B = .19$ with $p = .02$) were positively associated with job satisfaction, and job satisfaction was negatively associated with turnover intentions ($B = -.41$ with $p < .01$). We used a bootstrapping procedure (1000 draws) to examine the significance of the indirect paths. When the 95% bias corrected confidence interval did not include zero, we interpreted an indirect effect as significant (c.f. Preacher & Hayes, 2008). This was the case for the indirect path from communication by management to turnover intentions ($B = -.12$ with *lower CI* = $-.33$, *higher CI* = $-.01$), and for the indirect path from fair process to turnover intentions ($B = -.08$ with *lower CI* = $-.19$, *higher CI* = $-.01$). Overall, we found some support for the second hypothesis: with the exception of participation in decision-making and professional development, the HRM practices were positively related to job satisfaction. As we expected, job satisfaction was negatively related to turnover intentions. We also found that although communication by management and fair process were not related directly to turnover intentions in this model, they were related indirectly through job satisfaction.

Table 5.2. Factor loadings of all latent constructs

Latent construct	Item label	Estimate	SE
Communication by management	Changes to the way the organization	1.00	.00
	Changes in staffing	.98	.08
	Changes in the way you do your job	.65	.08
	Financial matters like budgets	.69	.09
Participation in decision-making	Seeking views of employees or employee representatives	1.00	.00
	Responding to suggestions from employees or employee representatives	1.00	.09
	Allowing employees or employee representatives to influence final decisions	1.04	.10
Trust in management	Management at my organization is sincere in its attempts to meet the employees' point of view	1.00	.00
	Our organization has a poor future unless it can attract better managers (r)	1.31	.24
	Management can be trusted to make sensible decisions for the organization's future	.96	.17
	Management at work seems to do an efficient job	.94	.17
	I feel quite confident that the organization will always try to treat me fairly	1.11	.20
	Our management would be quite prepared to gain advantage by deceiving the workers (r)	.53	.18
Job satisfaction	How do you feel about your job?	1.00	.00
	How do you feel about your co-workers?	.73	.10
	How do you feel about the work itself?	.78	.11
	How do you feel about the hours, the amount of work?	.74	.12
	How do you feel about what you have available for doing your job?	.70	.12

Finally, hypothesis 3 completely opened ‘the black box’ between HRM practices and turnover intentions. It postulated that trust in management will mediate the relation between high-involvement HRM practices and job satisfaction. Confirmatory factor analysis showed that the measurement model distinguishing between communication by management, participation in decision-making, job satisfaction, and trust in management fit the data well with $\chi^2 (127, N = 158) = 156.29$, $RMSEA = .04$, $CFI = .97$, $TLI = .96$, $SRMR = .06$ (see Table 5.2 for the factor loadings of all latent constructs). To test this final hypothesis, we formulated a structural model in which turnover intentions were predicted by job satisfaction and the four HRM practices, with job satisfaction predicted by the four HRM practices, and with trust in management modeled to mediate the links between the HRM practices and job satisfaction. The model fit was acceptable ($\chi^2 (210, N = 141) = 266.70$, $RMSEA = .04$, $CFI = .94$, $TLI = .93$, $SRMR = .08$), and the model explained 20% of the variance in turnover intentions, 33% of job satisfaction, and 55% of trust in management. Figure 5.1 presents estimates of the direct paths, showing that in line with expectations all HRM practices are positively related to trust in management ($B_{communication\ by\ management} = .24$ with $p < .01$; $B_{fair\ process} = .16$ with $p < .01$; $B_{participation\ in\ decision-making} = .16$ with $p = .05$; $B_{professional\ development} = .07$ with $p < .01$) but unrelated to job satisfaction. Trust in management and job satisfaction are strongly and positively related ($B = .85$ with $p = .01$), while job satisfaction again was negatively associated with turnover intentions ($B = -.43$ with $p < .01$). So far the results support our third hypothesis, but of course we need to examine the mediation effects more closely.

We again used a bootstrapping procedure (1000 draws) to determine the significance of the indirect effects and found that most indirect paths from the HRM practices via trust in management to job satisfaction were positive and statistically significant (see Table 5.3). This was true for communication by management ($B = .20$ with $lower\ CI = .04$, $higher\ CI = .64$), fair process ($B = .14$ with $lower\ CI = .03$, $higher\ CI = .31$), and professional development ($B = .06$ with $lower\ CI = .01$, $higher\ CI = .14$), but not for participation in decision-making. These results are clear support for our third hypothesis: trust in management mediated the relation between high-involvement HRM practices and job satisfaction.

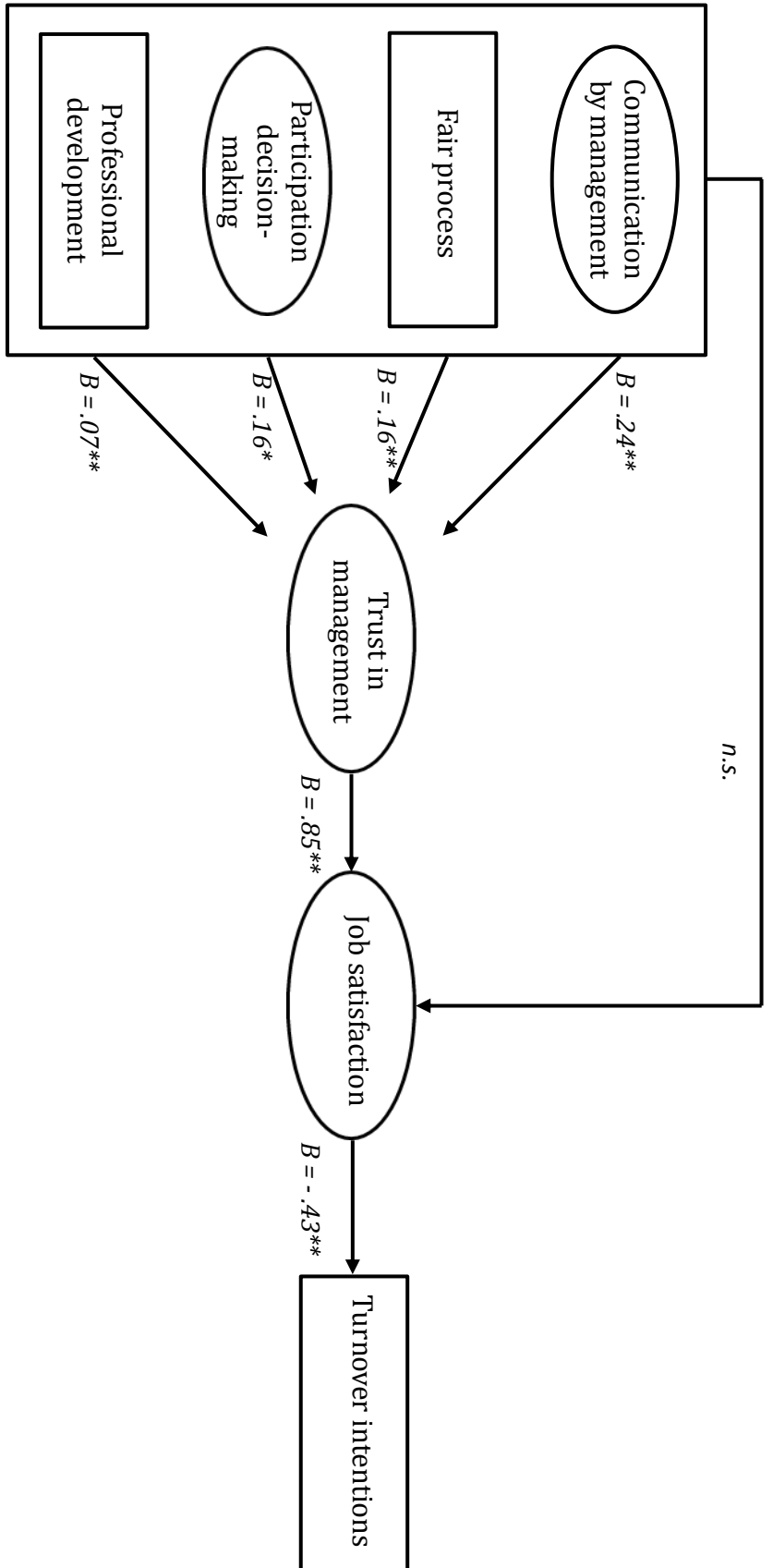


Figure 5.1. Estimates of direct paths

To complete the picture, we also examined the indirect paths from the HRM practices to turnover intentions. Table 5.3 shows that none of the indirect paths from HRM practices via job satisfaction to turnover intentions were significant. The table also shows that most HRM practices are significantly related to a reduction in turnover intentions via trust in management and job satisfaction. Again, this was true for communication by management ($B = -.09$ with *lower CI* = $-.33$, *higher CI* = $-.01$), fair process ($B = -.06$ with *lower CI* = $-.16$, *higher CI* = $-.01$), and professional development ($B = -.02$ with *lower CI* = $-.08$, *higher CI* = $-.00$), but not for participation in decision-making.

Table 5.3. All indirect effects

Variable	Indirect path	Estimate
Communication by management (comm)	comm - trust - job	.20*
	comm - job - turn	-.04
	comm - trust - job - turn	-.09*
Fair process (fair)	fair - trust - job	.14*
	fair - job - turn	-.02
	fair - trust - job - turn	-.06*
Participation in decision-making (part)	part - trust - job	.14
	part - job - turn	.06
	part - trust - job - turn	-.06
Professional development (prof)	prof - trust - job	.06*
	prof - job - turn	.02
	prof - trust - job - turn	-.02*

Turn = Turnover intentions

Significance is determined by a bootstrapping procedure using a 95% confidence interval.

** = significant at $p < .05$*

5.5 CONCLUSION AND DISCUSSION

We empirically investigated to what extent high-involvement HRM practices lowered turnover intentions in the non-conventional work setting of humanitarian aid. Specifically, we tested two linking mechanisms: one individual-level mechanism via job satisfaction, and a second relational-level mechanism with trust in management mediating the relation between high-involvement HRM practices and job satisfaction. We argued that high-involvement HRM practices do not merely have a direct facilitating function by increasing job satisfaction and thereby reducing turnover intentions, but that via trust in management the relational level is of utmost importance in this relation in the humanitarian context, characterized by high levels of uncertainty and risk.

Using advanced modeling and a unique sample of expatriate humanitarian aid workers, we showed that high-involvement HRM practices are not related to turnover intentions directly, but that they *are* related to turnover intentions via trust in management and job satisfaction. Moreover, the final model explained a striking 55% of the variance in trust in management. This study thus indicates that the mere

presence of high-involvement HRM practices does not inevitably and directly leads to increased job satisfaction (H2) but that the relational level by means of trust in management is very important in reaching higher levels of job satisfaction (H3) and thereby reduced turnover intentions.

In unraveling the process by which high-involvement HRM practices influence turnover intentions we generated new insights into the relation between HRM and turnover intentions and answered the call for in-depth research on the mechanisms that explain the relation between HRM practices and organizational outcomes. Our findings are in line with the suggestions by Guest (2002) that employees do not passively accept HRM practices but reevaluate them in relational terms of trust in management. This study therefore suggests a need to integrate trust in management as a mechanism in future endeavors explaining the impact of (high-involvement) HRM practices on organizational outcomes.

Our results add to the existing literature by showing that in the humanitarian context, where opportunities for adopting direct monetary HRM practices (such as pay-for-performance or bonuses) and employment security are limited (due to the uncertain nature of humanitarian crises), high-involvement HRM practices do influence turnover intentions. We are unaware of research that has empirically examined this relation in the humanitarian setting. By studying these issues in the humanitarian setting we therefore broadened the scope of the HRM literature, which so far has mainly focused on the American for-profit sector (Arthur 1994, Huselid 1995, Ichniowski, Shaw 1995, MacDuffie 1995). In addition, we contributed to the general turnover literature by unraveling the mechanism explicating the relation between high-involvement HRM practices and turnover intentions.

5.5.1 Practical Implications

The findings of our study have shown that, despite a non-conventional, demanding work setting, employees are still able to reach a satisfactory level of job satisfaction that positively influences their retention intention. More importantly, humanitarian organizations have the possibility to contribute to this through high-involvement HRM practices. If humanitarian organizations apply these practices and their employees appreciate these, three important organizational benefits can be achieved: trust in management can increase, job satisfaction can be improved and retention can be positively influenced. Such outcomes are also conducive to other relevant organization and job-related matters such as the perceived work-life balance (see Chapter 2).

Even if monetary HRM practices are not an option, which is the case in many non-profit organizations, the following four high-involvement HRM practices can facilitate trust in humanitarian management and job satisfaction, and thereby retention. First, communication by management is influential by means of giving information on changes in the way the organization is run, on changes in staffing, on the way the job should be done and on financial matters. Second, ensuring that employees perceive performance management process as fair facilitates trust building and thus job satisfaction and retention intentions. Third, letting employees participate in decision-making processes is influential in terms of seeking the views of employees or their representatives, responding to suggestions from employees or their representatives, and allowing employees or their representatives to influence final decisions. A final facilitating practice is to offer training and personal development

opportunities. Even though participation in decision-making and training did not indirectly influence turnover intentions as such, they do significantly influence trust in management which is conducive to job satisfaction and retention intentions.

Moreover, as we examined individual outcomes of high-involvement practices (turnover intentions), we focused on individual perceptions of the high-involvement practices. While one could argue that there would be no variation in high-involvement practices since we examined these practices in one organization, our results showed that there is substantial variation in the perceptions regarding these practices. An additional opportunity for managers lies in raising awareness of available HRM practices to create a positive predisposition that leads to trust in management, job satisfaction and reduced turnover intentions.

5.5.2 Limitations and future research

The study warrants a number of limitations. First, we base our conclusions on a relatively small sample of expatriate humanitarian aid workers. This population is extremely difficult to reach: they work in most remote areas of the world, under circumstances that are far from ideal, and are far away from family and relatives (e.g. personal time on-line is very sparse). We have tried to maximize the response rate by establishing frequent contact with employees at different layers of the organization while designing our research instrument. Hereby we could fine-tune it to the respondents' context and increase involvement. Moreover, by emphasizing the importance of their cooperation to the humanitarian aid organizations in general and MSF in particular, and by providing different options to fill out the survey we achieved a response rate that is in line with other expatriate research samples. To take into account the relatively small sample size, we employed an advanced modeling technique (structural equation modeling) that is less sensitive to missing data and yields more reliable results than ordinary regression techniques because it makes better use of the variance present in the data. Additionally, we employed bootstrap procedures to increase the certainty with which we can draw conclusions. Even with the present sample size, we were still able to detect a relatively large number of significant effects, both large and small, that were robust across our models.

Second, we present a model in which high-involvement practices predicts trust in management, which in turn predicts job satisfaction, in turn leading to lower turnover intentions. However, we rely on cross-sectional data collection in one time period. Although the argumentation based on the literature for the present model is plausible, future research should adopt a longitudinal research design to make truly causal claims.

Third, while we find that trust in management fully mediates the relation between high-involvement HRM practices and job satisfaction, the full indirect pathway of participation in decision-making to turnover intentions did not prove to be significant. The lack of significance of the full pathway of participation in decision-making might be due to the presence of very high levels of autonomy among humanitarian expatriates making far-reaching decisions in the field, which might suppress the additional need for participation in decision-making.

Fourth, we have to be cautious in making generalizations in the humanitarian field since we examined one organization in our study. That said, MSF is one of the

largest humanitarian agencies in the field and shares a substantial number of characteristics with other humanitarian aid organizations.

5.6 CONCLUSION

The findings of our study stress the importance of trust in management as a relational mechanism for high-involvement HRM practices to reach their full potential. Specifically, the findings revealed that HRM practices do not directly influence turnover intentions as such, but that this effect is indirect via trust in management and job satisfaction. The findings suggest that investments in high-involvement HRM practices are essential in creating trust in management. In turn, trust in management reduces turnover intentions by increasing job satisfaction. Future research should continue to investigate high-involvement HRM practices and their relation to trust in management, job satisfaction and turnover intentions in non-profit organizations to enrich our understanding of turnover intentions in humanitarian, expatriate and related contexts.

