

The Effect of a High-Commitment Work System on Innovative Behavior of Employees

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ABSTRACT

Purpose: The aim of this literature review is to examine the influence of a High-commitment work system (HCWS) on employees' innovative behavior by addressing the potential mediating role of the ability, motivation and opportunity (AMO) factors and innovative organizational climate.

Design/Method/Approach: Based on existing studies about the key concepts a literature review was conducted and propositions about the possible relationship (HCWS and innovative behavior) were developed. Following on a model was derived, which highlights a relationship between HCWS and innovative behavior.

Findings: The findings of this literature review reveal that a HCWS can have a positive influence on employees' abilities, motivation and opportunities to participate. Thus it enables, encourages and provides them with opportunities to be innovative. Additionally, the outcomes suggest a positive relationship between the HCWS and innovative behavior, creating an innovative climate supports employees' positive perception of the company and thus stimulates their desire to repay the company with innovativeness.

Research limitations/implications: Two of the fundamental theories used in this study are based on employees' perception and on shaping it, which is highly dependent on the circumstances and the individual. However, the findings can be adapted to different situations and are thus generalizable.

Practical implications: The outcomes provide managers with a profound understanding of the key concepts used in this study and hence support them in their decision-making about alternative HR practices for a HCWS suitable for their situation. Managers can adapt these results to their businesses' requirements and use one of the mediators to increase innovative behavior.

Originality/value: Combining various concepts and theories this review diminishes the current literature gap by examining a relationship, which has not been extensively studied so far. It provides scholars and managers with either a base for further research or a reason to rethink/restructure their current HR strategy.

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Keywords

High-commitment work system, innovative behavior, AMO Theory, innovative organizational climate, HR practices, HRM

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1. INTRODUCTION

"Creativity is vital to the health of firms in today's knowledge economy, as only by fostering the innovative behavior of their employees can they obtain and maintain competitive advantages" (Niu, 2014, p.288). This quote highlights the importance of employees' innovative behavior for companies in order to stay competitive. Nowadays organizations operate in a highly dynamic and flexible environment where generating a competitive advantage is vital for their survival (Prieto & Pérez-Santana, 2014). Rapidly changing and uncertain circumstances force companies to be flexible, to continuously adapt and innovate to meet external demands (Ramamoorthy, Flood, Slattery & Sardesai, 2005). Companies can either achieve a competitive advantage through differentiation or lower costs. Recently, businesses started to acknowledge that employees' innovative behavior results in lower costs, for example due to process improvements or differentiation from competitors due to innovative products. This makes innovative employees an imperative for organizations.

Generating successful innovations can be a challenge. Most businesses underestimate the importance of providing employees with possibilities to increase their innovative behavior. Employees' knowledge and attitudes towards the business and the organizational goals can be critical for a successful innovation and a resulting competitive advantage (Kehoe & Wright, 2003). Therefore, organizations should ask themselves how to foster or increase employees' innovative behavior.

Shipton, Fay, West, Patterson and Birdi (2005) believe that an organization has to create suitable conditions to motivate and involve employees and to achieve innovative behavior by establishing an innovative organizational climate, which supports and rewards innovative behavior of employees (Porzse, Takacs, Csedo, Berta, Sara & Fejes, 2012). The organizational climate is perceived by employees and shapes their understanding of organizational goals and desired outcomes. Therefore, it can be seen as a tool to non-verbally communicate values and direct efforts towards innovative behaviors.

Another approach to effectively enhance employees' innovative behavior is to increase their abilities, motivation and opportunities to participate (AMO) as those are critical to direct the discretionary effort towards the desired outcome.

Current literature has focused on Human Resource practices and systems to influence employees' behavior to increase the company's performance (Boselie, 2010). Literature shows that companies can raise employees' commitment with the help of HR practices by influencing their attitudes and behaviors towards the company (Farndale, Hope-Hailey & Kelliher, 2011). One of the strategic challenges faced by a company is to implement suitable HR practices as a combined system to increase employees' commitment and therefore their innovative behavior. This can be achieved with a High-commitment work system (HCWS), which increases commitment of employees and thus their willingness to dedicate a discretionary effort towards organizational goals.

All of these concepts (HCWS, AMO, innovative organizational climate and innovative behavior) have recently been identified as crucial for the innovativeness of businesses today. However, a gap about this relationship remains in the current literature. The tie between Human Resource Management (HRM) and organizational desired performance and outcomes has

increasingly been studied. A lack of clarity about this relationship and possible mediators or moderators still exists, which is termed the HR 'black box' (Gerhart, 2005; Savaneviciene & Stankeviciute, 2010). Therefore, there is no clear evidence whether businesses can enhance employees' performance (in this case innovative behavior) by using a High-commitment work system. This article will try to provide theoretical evidence that a HCWS, which either supports employees' ability, motivation and opportunity to participate or positively shapes employees' perception of the organizational climate, increases innovative behavior. To better understand this relationship and the strategic relevance of HRM the literature review focuses on the following research question:

How can a High-commitment work system increase employees' innovative behavior?

This literature review can be valuable for firms to understand the strategic importance and critical impact of Human Resource Management to increase employees' innovative behavior. Companies have recently started to acknowledge the importance of HRM as a business function (Scullion & Starkey, 2011). Even though HR systems need to be adapted to individual business needs this paper provides managers with a more profound understanding of a High-commitment work system and its potential contribution to innovative behavior of employees. In addition, the importance of employees' innovative behavior has currently been acknowledged and therefore this article will aim at providing a clear overview of this subject. Overall, the literature review not only summarizes current findings, but also provides a new perspective on the influence of a HCWS on innovative behavior by considering two possible mediators (AMO and innovative organizational climate).

To answer the research question propositions will be developed to elaborate on the possible relationships. Firstly, the key concepts of this paper will be defined. Secondly, various HR practices will shortly be reflected on and will then be grouped according to their contributions to the AMO factors. Thirdly, the AMO factors and their effect on the steps of the innovative behavior process will be discussed. Fourthly, the innovative organizational climate and employees' perception of it will be assessed and its effect on innovative behavior will be examined. Fifthly, the HCWS's effect on the innovative climate of the organization will be investigated. Sixthly, a conceptual model will be developed to highlight and discuss the outcomes. Finally, a conclusion, limitations and recommendations for further research will be provided.

1.1 Methodology

In order to define and reflect on the key concepts in this study a literature review was conducted. This thorough analysis of the literature was used to determine the relationships between the concepts.

The information and material for this literature review are based on scientific publications, which were derived from two main search engines, namely, Google Scholar, Scopus and the online library of the University of Twente. To be able to find useful articles the search terms used were 'High-commitment HR practices', 'High-commitment work systems', 'AMO', 'innovative behavior' and 'innovative organizational climate'. Additionally, combinations of the search terms were used (e.g. "innovative behavior AND innovative organizational climate"). However, due to the limited scope of current research on this

topic only a few articles could be found using this method. Both search strategies were used to ensure that important literature would be included and the terms were not further specified to avoid exclusion of literature by too narrow search criteria. The snowball method was used for studies or authors were frequently cited by others. Literature found via this method was only considered if it provided additional or a more detailed understanding of a concept or theory.

To further preselect the articles the key words, abstracts and conclusions were screened to assess how the research was conducted and whether the findings could be valuable. After the initial selection process literature matrices were constructed to summarize the topics and the outcomes of the different studies. For a better overview the matrices were divided into the three main concepts and the theories, which were then again split into several sub items. The literature matrices highlight the different argumentations, conclusions and findings of the articles grouped according to sub items. To preserve a clear structure no more than six articles were used per matrix. Therefore, this method did not only enable a better overview in general, but it was also useful to generate a better comparison and understanding about specific element of the concepts and theories used.

The main two criteria for the inclusion of an article were its actual relevancy for the topic and its scientific nature. Another criterion was the publication date. However, older studies were included as deemed appropriate based on their considerable relevancy for this literature review.

2. THEORETICAL FRAMEWORK

2.1 Innovative Behavior

Innovative behavior can be defined as the new, intentional and beneficial ideas created, introduced and applied to everyday actions within a group or organization (Agarwal, 2014; Niu, 2014; Prieto & Pérez-Santana, 2014; Ramamoorthy et al., 2005). Furthermore, Prieto and Pérez-Santana (2014) and Ramamoorthy et al. (2005) identify that employees can use their innovative behavior to improve job processes, procedures, methods and operations. *“An engaged workforce is considered to be a cornerstone of sustaining a competitive advantage”* (Agarwal, 2014, p. 42). As mentioned previously and highlighted by this quote, employees are an imperative for any organization aiming at increasing its innovativeness. Companies that intend to improve their competitive position through innovations need to focus on the ideas of employees to identify areas of improvement (Scott & Bruce, 1994) based on employees' knowledge, creativity and attitude towards the organization with a special focus on everyday turbulences and opportunities faced.

Additionally, several authors argue that the innovation process involves three steps, namely, idea generation, coalition building or idea promotion and implementation (De Jong & Den Hartog, 2007; Janssen, 2004; Niu, 2014; Scott & Bruce, 1994). An individual first analyzes and evaluates the current situation or the problem and develops a solution (Janssen, 2004), during this step creativity and knowledge sharing are important (De Jong & Den Hartog, 2007). According to Janssen (2004) the employee will then try to promote the idea and win allies, such as sponsors, to generate support to realize or implement the idea. Finally, a prototype or model will be developed to improve and implement the innovation (Janssen, 2004). All of the steps are highly important to successfully implement an innovation or

improvement. Innovative behavior is also defined as the result of intrinsic and extrinsic motivation of employees (Hammond, Neff, Farr, Schwall & Zhao, 2011; Prieto & Pérez-Santana, 2014; Ramamoorthy et al., 2005). Intrinsic motivation refers to an individual's inner engagement and commitment to the task and extrinsic to factors outside of the task (Hammond et al., 2011), such as financial rewards.

In this article innovative behavior refers to the employees' intrinsic and extrinsic motivation to dedicate a discretionary effort towards organizational goals, in terms of beneficial and new improvements or innovations. Additionally, the innovative behavior process in this literature review consists of three steps, namely, idea generation, idea promotion and idea implementation.

2.2 High-Commitment Work System (HCWS)

Commitment has been identified by several studies as an important factor to increase innovative behavior (Agarwal, 2014; De Jong, & Den Hartog, 2007; Kehoe & Wright, 2013). Kehoe and Wright (2013) highlight that employees' commitment towards an organization includes their desire to see the company succeed. Employees' commitment can act as intrinsic motivation, which as identified above, is one of the factors that trigger innovative behavior. This means that commitment provokes the willingness of employees' to dedicate discretionary behaviors and efforts - which go beyond the ones defined in the contract - towards outcomes desired by the organization (Janssen, 2000).

One tool to increase employees' commitment is the effective use of HR practices, which can be combined to result in an HR or work system. Hence, the result would be a system of practices with the aim to increase employees' commitment and thus innovative behavior. Several authors argue that the overall performance will only be increased if the practices complement each other (Becker & Gerhart, 1996; Becker & Matthews, 2008; Kehoe & Wright, 2003; Prieto & Pérez-Santana, 2014; Uen, Chien & Yen, 2009). Furthermore, the authors believe that the resulting synergy effects are greater than the mere sum of individual practices' outcomes.

Pfeffer's (1995) 'best practices' approach is based on the belief that HR practices and their effectiveness are not dependent on a firm's context, indicating that there is only one applicable combination for a HCWS. However, this assumption and method is defied in this study and is thus in line with the 'best-fit' approach, which states that managers can choose and align HR practices with the company's external and internal context (Lepak & Snell, 1999). Therefore, it is impossible to design individual practices and their attributes to be suitable for every firm or industry. In addition, different studies have identified various possible combinations of HR practices and therefore no real consensus about the composition of the High-commitment work system exists (Eisenberger, Huntington, Hutchison & Sowa, 1986; Laursen & Foss, 2003). This is due to the different circumstances faced by organizations that were studied and also the divergence between their goals. In this article the High-commitment work system will consist of *recruitment and selection, training and development, career management, rewards, performance appraisal and participation through involvement and communication* as those were highlighted by multiple studies (Allani, Arcand & Bayad, 2003; Eisenberger et al., 1986; Guest, 1997; Laursen & Foss, 2003; Wright,

Gardener, Moynihan & Allen, 2005). Additionally, these studies identify that the practices enhance and complement each other when focused on increasing commitment. For example, training and development as well as team- and/or performance- based pay are associated with a greater willingness of employees to participate and share ideas and knowledge. In addition, the company's commitment towards the employees will be reflected in this system through the internal promotion and training and development opportunities as well as monetary rewards. Another example is to recruit and select individuals who are creative, able to work autonomously and in teams (Appelbaum, Bailey, Berg and Kalleberg, 2000).

Increasing employees' commitment will raise the organization's performance because of improved process and product quality (Burton & O'Reilly, 2004). Additionally, the High-commitment works system will guide employees' efforts towards organizational goals by establishing a reciprocally beneficial environment (Uen, Chien & Yen, 2009). This means employees are willing to invest their resources and devote a discretionary effort to achieve a higher performance, because their contributions are valued and rewarded. Such a High-commitment work system will shape employees' behavior and attitudes by generating a feeling of obligation to repay the organization for its commitment towards the employees and a stronger desire to see the organization succeed. Hence, employees' commitment is critical for companies' aiming at increasing innovative behavior among their workforce as it stimulates their intrinsic and extrinsic motivation to reciprocate. Consequently, one of the key aspects of the HCWS is that it enhances employees' willingness to use their individual resources in combination with a discretionary effort towards the desired behavior (in this case innovative behavior).

2.3 Ability, Motivation and Opportunity (AMO) Theory

This literature review is based on the assumption that commitment alone is not sufficient to fully stimulate the innovative behavior of employees. Commitment is believed to be a fundamental component to shape and guide attitudes and behaviors resulting in employees' eagerness to devote discretionary efforts (Ling & Nasurdin, 2010). The HCWS must then also facilitate employees' ability, motivation and opportunity (AMO) since without these they are not able to use and apply their resources towards the desired innovative behavior. *"AMO theory is regarded to be the heart of strategic human resources management in the sense that organisations looking for improving performance develop HRM policies [...] that are designated to positively shape discretionary behavior"* (Katou, 2008). Consequently, employees need to understand how to recompense the company and need to be able, encouraged and given the opportunity to do so. Therefore, in this study the AMO framework is used as a mediator between the HCWS and innovative behavior (Katou & Budhwar, 2009).

Ever since its application to HRM in 2000 (Appelbaum et al., 2000) the ability, motivation and opportunity theory has been one of the most frequently used approaches to evaluate the increased performance or outcome of a High-performance work system (Savaneviciene & Stankeviciute, 2011). There are two underlying assumptions to this theory. Firstly, performance is a function of the employees' abilities, motivation and opportunity to participate (Boselie, 2010). Secondly, HR practices as a system appreciate the AMO factors resulting in increased

performance (Boselie, 2010). Appelbaum et al. (2000) argue that HR practices need to support and enhance an employee's ability (skills and knowledge), motivation and opportunity to participate to achieve the desired outcome. Employees' innovative behavior is identified as the desired outcome in this case as innovativeness can improve a company's performance (Hult, Hurley and Knight, 2004). Based on the argumentation of Appelbaum et al. (2000) the AMO framework will be used to evaluate the HCWS's effectiveness on the desired outcome (employees' innovative behavior) through enhancing their abilities, motivation and opportunity to participate. Therefore, this High-commitment work system and the individual practices do not only focus on deepening employees' commitment, but also increasing their AMO and thus innovative behavior.

The ability of an employee can be increased by HR practices, such as, training and development and recruitment and selection (Guest, 1997; Jiménez & Sanz-Valle, 2005; Katou, 2008; Kehoe & Wright, 2003; Paauwe & Boselie, 2005; Shipton et al., 2005; Wright & Kehoe, 2008). This means that the employee has the skills and knowledge to perform better (Savaneviciene & Stankeviciute, 2011).

Motivation can be enhanced through the right compensation, career development and information and knowledge sharing (Guest, 1997; Katou, 2008; Paauwe & Boselie, 2005; Wright & Kehoe, 2008). Employees' motivation influences and expresses the degree to which their capabilities are actually used (Savaneviciene & Stankeviciute, 2011). Furthermore, employees' intrinsic motivation can be increased through commitment as the desire to see the company succeed will increase as well. Monetary and other tangible rewards are more likely to increase the extrinsic motivation of employees.

The opportunity in this framework is focused on participation and can hence be influenced by autonomy, teamwork and the communication structure within the company (Guest, 1997; Katou, 2008; Paauwe & Boselie, 2005; Wright & Kehoe, 2008). Therefore, the work environment plays a critical role for employees and their participation, as it can diminish the barriers, defines and opens new ways of participation (Savaneviciene & Stankeviciute, 2011). Additionally, performance management gives employees the opportunity to not only review their colleagues, but also make suggestions on what measures are used and how they will be evaluated (Boselie, 2010). This will enhance the understanding of organizational goals and decrease or even prevent undesired behavior because of misunderstanding.

Farndale, Hope-Hailey and Kelliher (2011) argue that the AMO factors can further increase commitment as they are interpreted as investment of the company, which is positively perceived from employees.

The effectiveness of recruitment and selection, training and development, reward system, career management, employee participation and performance appraisals will be evaluated according to their contribution to the different AMO factors and their influence on employees' innovative behavior (section 3.1). It needs to be mentioned that the AMO model achieves the highest effectiveness if all three factors are supported and work as a system. This can be compared to the HCWS where the synergy is more effective than the individual practice.

2.4 Innovative Organizational Climate

Under the shared perception view organizational climate can be defined as the mutual understanding or perception of the

employees about the day-to-day practices, policies and procedures within the firm (Anderson & West, 1998; Neal, West & Patterson, 2005; Hellriegel & Slocum, 1974). The research of Cheng and Huang (2007) shows that organizational climate is also the indicator for employees to understand the attributes and expectancies of the organizational activities. Additionally, organizational climate is supported and executed with the help of HR practices and those practices will be perceived and evaluated by employees (Neal et al., 2005). Moreover, the authors suggest that the organizational climate is critical to stimulate discretionary efforts of employees towards desired outcomes by the company. Many authors have previously studied the relationship between organizational climate and employees' innovative behavior in order to better understand how it can specifically increase innovative behavior (Cheng & Huang, 2007; Prieto & Pérez-Santana, 2014; Scott & Bruce, 1994). Cheng and Huang (2007) argue that organizational climate can be used as a tool to foster a continuous innovative atmosphere within the firm. *"Firms can encourage employees to think freely, to communicate their opinions and ideas openly, and to explore non-routine alternatives through formulating an innovative climate"* (p. 105). This quote emphasizes the importance of an internal alignment between an organization's goals and its climate to increase and support the desired attitude and behavior of employees. Scott and Bruce (1994) define this as an innovative climate, which should be focused on creativity and innovative change as well as encourage ideas of individuals and diversity among the workforce.

An innovative organizational climate needs to include open communication and knowledge sharing, risk and ambiguity tolerance, trust, challenges, team work, support and result orientation (Porzse, Takacs, Csedo, Berta, Sara & Fejes, 2012; Shadur, Kienzle & Rodwell, 1999; Yu, Yu & Yu, 2013) as employees will only innovate if they feel that this is valued and encouraged by the organization (Xerri & Brunetto, 2011; Yu et al., 2013). Authors suggest that the innovative climate also needs to be supportive of innovativeness (Amabile, 1988; Cabrera & Cabrera, 2005; Kanter, 1988) by reflecting security in case of failure and encouraging knowledge sharing (Fu, Yu, Cheng & Chou, 2007). The innovative climate directs employees' perception and guides their reciprocate efforts towards innovative behavior as they understand that this is valued and desired by the company.

Such an organizational climate is highly important to enable employees and motivate them to maximize their efforts towards an innovative behavior (Neal, West & Patterson, 2005). Shadur et al. (1999) argue that organizations operating under a climate that does not match the expected outcome or behavior are less likely to achieve their goals with the help of their employees. In addition, the above-defined dimensions can be adapted to the organization's environment and demands and can thus result in various combinations of innovative organizational climates.

In conclusion, the innovative climate of an organization needs to support the desired behavior, which can potentially be achieved with the aforementioned dimensions. Moreover, the climate needs to influence employees' perception of which contributions and behaviors are valued and thus guide the discretionary efforts towards innovative behavior.

3. RELATIONSHIPS AND PROPOSITIONS

3.1 HCWS and AMO

This HCWS consists of recruitment and selection, training and development, reward system, career management, participation and performance management. Each of the practices will shortly be evaluated and translated into the AMO factors to discuss their contribution to them. It needs to be mentioned that most HR practices will not exclusively enhance one of the AMO factors. However, due to the limited scope of this paper the practices will only be grouped under one of the factors (according to the argumentation in 2.3). Another important aspect is that the AMO factors work best as a system and, therefore, their separation is only used to highlight important aspects and facilitate a thorough discussion.

3.1.1 Ability and Recruitment and Selection

Recruitment and selection is concerned with attracting and choosing new individuals for a job, where a fit between the person and the job (P-J) and the person and the organization (P-O) is important (Boselie, 2010). According to Chew, Girardi and Entekin (2005) these fits will increase employees' commitment by complementing the organization's approaches and goals. Boselie (2010) also explains that a misfit between the individual and the job and/or the organization is likely to cause additional costs and hinder employees' commitment. According to Paauwe and Boselie (2005) and Kehoe and Wright (2013), recruitment and selection is an HR practice that supports employees' ability to innovate as it can be tested what skills and knowledge already exist and which abilities need further development. To profit from this HR practice and increase employees' ability to innovate companies need to recruit individuals that are flexible, innovative and creative (Katou, 2008; Ling & Nasurdin, 2010). Consequently, companies need to be cautious and consistent with their recruitment and selection criteria as a misfit will not only be expensive, but also have a negative impact on the other implemented practices and inhibit innovativeness. The commitment towards the company will lead employees to use these existing skills and knowledge to benefit the company.

3.1.2 Ability and Training and Development

This HR practice enhances the existing knowledge and skills of employees or gives them the chance to even develop new abilities to innovate (Boselie, 2010; Shipton et al., 2005; Tan & Nasurdin, 2011). In addition, training and development include knowledge sharing between co-workers and career developments (Boselie, 2010). Thus, it can be used as a tool to increase employees' commitment. Employees will show a higher commitment towards the organization if they believe that the company invests in their well-being, including personal development opportunities (Eisenberger, Stinglhamber, Vandenberghe, Sucharski & Rhoades, 2002). Training and development have been identified to support the ability factor of the AMO framework since the main aim of the practice is to increase the skills and knowledge of the workforce (Paauwe & Boselie, 2005; Kehoe & Wright, 2013). Furthermore, Dodgson, Gann and Phillips (2013) highlight that training leads to a higher rate of process improvements and product innovations. Shipton et al. (2005) argue that a broad range of knowledge enables employees to make connections between divergent stimuli and are therefore more able to be innovative. This HR practice can enhance commitment as well as motivation of employees as they

feel more secure and supported, interpreting this practice as an investment from the company (Tracey, Tannenbaum & Kavanagh, 1995). However, as mentioned previously in this case the ability enhancing effect of the practices is the sole focus, which is based on the argumentation of Boselie (2010), Katou (2008), Shipton et al. (2005) and Tan and Nasurdin (2011).

All in all, training and development improve the skills and knowledge of employees, which is important for them to understand problems or identify improvement and innovation opportunities.

These two practices are concerned with the existing and the development of new abilities of employees. Focusing on high-commitment increases employees' willingness to use these abilities beyond the contractual job descriptions. Therefore, the following proposition can be made:

Proposition 1: In a HCWS recruitment & selection and training & development support employees' established and new abilities to be innovative.

3.1.3 Motivation and Reward System

Financial or non-financial incentives are used to reward desired performances and/or outcomes of individuals, teams or groups (Boselie, 2010; Tan & Nasurdin, 2011). As mentioned before employees can act according to intrinsic and/or extrinsic motivation. Monetary rewards are identified as extrinsic motivation to participate and allocate discretionary efforts (Prieto & Pérez-Santana, 2014). Chiang, Shih and Hsu (2014) state that in a High-commitment work system a team-based compensation approach will be implemented as this encourages knowledge sharing and idea generation between members. As previously mentioned, financial rewards are a type of extrinsic motivation and, therefore, contribute to the motivation factor of the AMO (Kehoe & Wright, 2013; Paaue & Boselie, 2005; Prieto & Pérez-Santana, 2014). Thus, rewarding desired outcomes, or more specifically innovative behavior, will motivate employees. Additionally, the non-monetary (e.g. acknowledgement) rewards linked to intrinsic motivation are also associated with commitment as they are recognized as signs to value employees' contributions and efforts. Furthermore, employees will actively seek to be more involved and receive approval from others for their innovations.

3.1.4 Motivation and Career Management

Career developments and management can be raised through training and development (Boselie, 2010), but for a High-commitment work system it is important that the employees perceive internal promotion possibilities (Chiang, Shih & Hsu, 2014; Dodgson, Gann & Phillips, 2013). Commitment will increase once employees believe that their effort will be valued and also rewarded. Tan and Nasurdin (2011) argue that this HR practice will enhance employees' motivation to meet organizational goals and increase their own performances. For example, internal promotion opportunities should be possible for individuals that are consistently focused on organizational goals and also achieve these. Furthermore, this HR practices can also be defined as an opportunity, but in this case it is seen as a kind of reward or reinforcement to achieve the desired innovative behavior. Therefore, innovative behavior increases when employees see the opportunity to reach a higher position within the company, because it enhances their willingness to use discretionary efforts in form of innovative behavior to achieve

promotions (Shipton et al., 2005). In summary, intrinsic and extrinsic motivation will grow and the felt appreciation will encourage employees' to share and promote innovative ideas.

The commitment raised through these two HR practices will motivate employees to dedicate a discretionary effort towards organizational desired outcomes. The intrinsic motivation is mostly increased through the perceived commitment and extrinsic motivation through the rewards and promotion opportunities. Hence, the following proposition can be made:

Proposition 2: In a HCWS rewards and career management increase the intrinsic and extrinsic motivation of employees to participate and dedicate a discretionary effort desired outcomes.

3.1.5 Opportunity and Participation

Employee participation has several dimensions. Boselie (2010) defines them as involvement in decision-making, knowledge and information sharing, autonomy, job enrichment and enlargement, a horizontal communication structure and financial participation. The more of these dimensions are met by the company the more commitment and satisfaction will be established among the workforce (Boselie, 2010). This HR practice can be seen as vital for employees' innovative behavior as it enables them to share their ideas with different individuals and more importantly feel encouraged to do so by the open communication structure. For example, employees operating at the shop floor are provided with the opportunity to share their knowledge and ideas with their managers or colleagues. Consequently, while this can enhance motivation through the implementation of their own ideas, more importantly, it gives employees the opportunity to actually participate. Therefore, this paper identifies participation as an opportunity for employees to be innovative and involved. Employees who are provided with these opportunities are more committed and willing to actually put them into practice (Vinarski-Peretz, Binyamin & Carmeli, 2011). This HR practice especially supports the all phases of the innovative behavior process. The idea generation starts in the individual's mind, but can be triggered through knowledge sharing (De Jong & Den Hartog, 2007). Once support is needed the employee needs to be involved and make use of the open communication structure. Lastly, the implementation phase will require the collaboration of several individuals for further knowledge and idea sharing.

3.1.6 Opportunity and Performance Management

Boselie (2010) emphasizes that performance management is used to inform, guide, monitor and evaluate employees' performance. Individuals are more likely to understand and support organizational goals if they understand the assessment of their performance. Tan and Nasurdin (2011) state that performance appraisals give employees the chance to discuss their performance and this will enhance commitment and their understanding of the organizational goals. Furthermore, employees can be given the chance to participate in the design of the performance appraisals or actively take part in them, namely, 360-degree feedback (Boselie, 2010). Performance management can influence employees' motivation and their participation. However, in this case this practice will be seen as opportunity enhancing because employees can be involved in performance appraisals that are directly linked to organizational goal setting. In this case the key performance indicators (KPIs) should emphasize and, thus, support innovative behavior. The opportunity to actively participate will not only enhance the

understanding, but also give the option to intervene to a certain extent and discuss the desired outcomes (Niu, 2014). Therefore, it is argued that the employees have the opportunity to share ideas and that their opinions are valued. Additionally, this will also have a motivational impact since employees' will feel more committed towards the company if their opinions are valued and if they have a solid understanding of the valued behavior and desired outcomes. Moreover, performance management and the connected decision-making opportunities shape employees' involvement at the implementation phase as they are actively involved and can discuss the desired performance and outcomes extensively (Niu, 2014).

Both practices involve employees and include them in decision-making and thus increase their willingness to share their ideas and knowledge. Employees will seek to express their opinions and ideas more often if they are faced with the opportunities and are encouraged to do so. Thus, the following proposition can be made:

Proposition 3: In a HCWS participation and performance management increase employees' opportunities to be involved and share knowledge, ideas and opinions.

3.2 AMO and Innovative Behavior

The AMO factors are critical to achieve the desired outcome, which in this case is not commitment, but innovative behavior of employees. As elaborated in the previous section the various HR practices support the individual AMO factors. This section focuses on the influence of employees' ability, motivation and opportunity on innovative behavior. First, the individual factor's influence on the three innovative behavior steps will be evaluated and then the impact of AMO as a system will be discussed.

3.2.1 Ability and Innovative Behavior

The abilities of employees consist of skills and knowledge acquired by the individual based on education, training and development and experiences (Boselie, 2010). Farr and Tran (2008) believe that a company that follows an innovative strategy is dependent on the intellectual and the human capital of its workforce. Nowadays work has become more knowledge based (De Jong & Den Hartog, 2007) and therefore employees need to be able to understand the products, processes, operations and methods to be able to improve them (Tan & Nasurdin, 2011). This is also in line with the research of Boxall and Purcell (2003) who state that a company that wants to increase innovative behavior needs to increase the abilities (skills and knowledge) of employees, as those will help them to identify opportunities and possible improvements. Thus, the abilities of an employee will enable him/her to recognize possible enhancements or opportunities to innovate through e.g. the identification of connections between divergent stimuli (Shipton et al., 2005). This means that already established abilities and the chance to develop new ones will increase employees' competences and capabilities to improve their performance. Companies need to recruit and select individuals with strong and diverse abilities and provide them with sufficient training and development programs to increase innovative behavior and employees' competencies (Katou, 2008). Furthermore, the chance to develop themselves increases employees' commitment as they interpret these opportunities as organizational commitment and support towards them. This will also increase employees' willingness to use these abilities to repay the

organization with increased innovative behavior. Most importantly, employees need to possess the relevant knowledge and skills to discover possible innovations and generate ideas about improvements. However, abilities to persuade others of the valuable contribution of the innovation or the skills and knowledge for the final implementation are also crucial. Consequently, the following proposition can be made:

Proposition 4: Employees' abilities (skills and knowledge) increase the recognition of possible improvements and innovations, their promotion and their implementation.

3.2.2 Motivation and Innovative Behavior

According to Boxall and Purcell (2003) employees need to be motivated to expand innovative behavior and direct individual and group efforts at organizational goals. Intrinsic motivation of employees is increased through commitment as they feel valued and rewarded for their efforts and support the organization's goals (Eisenberger et al., 2002). Hence, employees' intrinsic motivation leads them to repay the organization with the desire to see the company succeed (Blau, 1964; Emerson, 1976; Kehoe & Wright, 2013). Financial rewards are extrinsic motivation and are, therefore, a good way to compensate employees for innovative behavior. Katou (2008) argues that an innovative strategy requires rewards to shape employees' perceptions and direct discretionary efforts. Furthermore, internal promotion opportunities increase outcome-oriented motivation (Katou, 2008; Ling & Nasurdin, 2010). Without commitment or motivation employees' will not spend time or energy to innovate or improve products or processes to repay the company. Through the HR practices employees recognize the behavior and contributions that are valued and rewarded, which again increases their willingness to adapt their behavior (Kuvaas, 2008). Additionally, internal promotion opportunities stimulate the long-term orientation of employees (Schuler & Jackson, 1987) towards innovative behavior. Therefore, employees need to be rewarded or promoted for innovative behavior e.g. constantly seeking new ideas or improvements.

Motivation is critical for all phases of the innovative behavior process. The idea generation step is only the beginning and the process can be long-winded because of continuous improvements and feedback requirements. Another important aspect is that employees need to stay motivated since not all innovations are successful or implemented. One challenge can be that employees are not motivated enough to share their ideas and find support for them even though this is vital for innovative behavior. Thus, motivation is fundamental for all three phases, which supports the following proposition:

Proposition 5: Motivation increases all three innovative behavior steps by guiding and focusing employees' discretionary efforts towards innovative behavior.

3.2.3 Opportunity and Innovative Behavior

Finally, the opportunity to participate can occur on different levels within the company. As aforementioned, knowledge sharing is important for innovative behavior and a horizontal communication structure and free idea sharing have a positive effect on it (Dodgson, Gann & Phillips, 2013; Katou, 2008). The internal assessment raises employees' awareness of the targets and the different steps to attain them in addition to the opportunity to discuss and improve products and processes from the beginning onwards. Most importantly, if there are no possibilities to share ideas and make use of innovative behavior

Table 1. AMO and the Innovative Behavior Stages

High-Commitment HR Practices	AMO Framework	Innovative Behavior Stages
<ul style="list-style-type: none"> - Recruitment & Selection - Training & Development 	Ability <ul style="list-style-type: none"> - The practices and the derived commitment increase employees' their abilities in a discretionary manner to improve and innovate in order to reciprocate 	<ul style="list-style-type: none"> - The skills and knowledge of the employees' help them identify and communicate possible improvement and innovations - Abilities are needed to understand the principal of a process/product, to identify weaknesses and to be able to model or build a prototype of the innovation - New employees and their existing abilities as well as newly developed skills and knowledge can be a valuable addition to share new insights - Different abilities can be combined and shared, which is crucial for ideas and their implementation
<ul style="list-style-type: none"> - Rewards - Career Management 	Motivation <ul style="list-style-type: none"> - The practices and the derived commitment motivate employees to participate and dedicate a discretionary effort towards innovative behavior 	<ul style="list-style-type: none"> - Motivation is vital throughout all innovative behavior stages - Increases employees' willingness to use their individual resources to improve/innovate to benefit the company - Not all ideas will evolve to successful innovations - motivation to continuously develop ideas and learn from 'failures' - Employees need to be motivated to seek innovative ideas, find support for them and finally be motivated to collaborate and further share knowledge and ideas for the final implementation
<ul style="list-style-type: none"> - Participation - Performance Management 	Opportunity <ul style="list-style-type: none"> - The practices and the derived commitment increases employees' willingness to be involved and participate in improvements and innovations 	<ul style="list-style-type: none"> - Opportunities need to be provided to signal employees that their contributions are valued and desired - The understanding of the KPIs will further guide their discretionary efforts towards innovative behavior - The involvement arising from these opportunities supports the all three innovative behavior stages (knowledge sharing, open communication structure, mutual decision-making etc.) - Opportunities reflect that employees' input is valued, which increases their willingness to participate, be involved and enhances innovative behavior
HCWS	AMO <ul style="list-style-type: none"> - Increased commitment and thus an enhanced willingness to devote a discretionary effort and reciprocate with innovative behavior 	All of the AMO factors are simultaneously supported this leads to: <ul style="list-style-type: none"> - Employees possess the necessary skills and knowledge to be involved throughout all the stages - Employees are sufficiently motivated to participate and innovate - Employees have enough opportunities to be innovative and participate along the process

employees will not seek to do so (Anderson & West, 1998). To increase employees' innovativeness their opinions and suggestions should be visibly valued so they can actively contribute in different parts of the organization. This increases the likelihood of innovative behavior as employees have a clear understanding of the desired outcomes and are used to openly contribute and express ideas and opinions. Open communication is crucial for all innovative behavior stages as it supports knowledge sharing (idea generation) (Katou, 2008), idea promotion (communicating ideas) (Ling & Nasurdin, 2010) and involvement in decision-making (implementation) (Wright & Kehoe, 2008). Therefore, the following proposition is made:

Proposition 6: Opportunities to participate for employees increase their willingness to communicate their ideas and be involved throughout the entire innovative behavior process.

All in all, the AMO factors show a positive or increasing effect on employees' innovative behavior when they are supported by commitment enhancing HR practices (see Table 1). As mentioned before, the AMO framework is designed to work as a system, meaning that to effectively increase the different phases of the innovative behavior process all three AMO factors need to be supported. Abilities of employees cannot only identify possible innovations, but also convince others and ease the implementation stage (Shipton et al., 2005). Sufficient motivation is needed for all steps, and a lack of such is unlikely to lead to successful implementation (Wright & Kehoe, 2008).

Opportunities need to be provided at all times and steps so that employees' can participate and be involved (Katou & Budhwar, 2009; Wright & Kehoe, 2008) from the beginning (idea generation) or along the process. Therefore, another proposition can be made:

Proposition 7: Employees' abilities, motivation and opportunities to participate increase all phases of the innovative behavior process when the AMO factors are supported by a HCWS.

Subsequently, Table 1 gives an overview of the combined effect of the factors on innovative behavior of employees at its different phases.

3.3 Innovative Organizational Climate and Innovative Behavior

An organizational climate can have different dimensions, which together shape the perception of employees about the organization's policies, practices and procedures (Schneider & Reichers, 1983). Several authors argue that an innovative climate will support employees' innovative behavior by using the right dimensions to create commitment, engagement and encouragement to innovate (Shadur et al., 1999; Yu et al., 2013; Porzse et al., 2012). This will ensure that the employees understand which attitudes and behaviors are valued. According to Neal et al. (2005) an internal and positive fit between the strategy and climate will motivate employees to allocate a

discretionary effort towards an organization's goals. The argument of a supportive climate is also in line with the social exchange theory (Blau, 1964; Emerson, 1976). This theory states that the parties involved should treat each other favorably, which in turn will maximize the reciprocal benefits for both parties, because a mutual feeling of obligation to recompense the other party will be established (Rhoades & Eisenberger, 2002). The perceived organizational support theory (POS) is based on the social exchange theory, and states that employees develop a common understanding and beliefs about the extent that their work, contribution and welfare is valued by the organization (Eisenberger et al., 2002). In addition, Eisenberger et al. (2002) argue that employees consider the organization to have a positive or negative orientation towards their contribution and well-being. This means that the behavior of an employee is influenced by his/her perception of organizational support. Hence, an employees' perception of the organizational support is important for the mutual benefit of employer and worker and can be increased by rewards and bonuses for employees' efforts and contributions (Rhoades & Eisenberger, 2002). A positive perception of organizational support leads to commitment of employees and a desire to repay the organization by attaining better outcomes and increased performance (Eisenberger et al., 1986). Employees' innovative behavior increases if they perceive the necessary support by the climate. Hence, both parties can benefit from an innovative climate that encourages and values individuals' innovative behavior (Xerri & Brunetto, 2011). Risk and ambiguity tolerance (Tesluk, Farr & Klein, 1997), task orientation, challenges, team work, open communication and knowledge sharing, trust and support are all elements of an innovative climate (Porzse et al., 2012; Yu et al., 2013). Farr and Tran (2008) argue that the innovative organizational climate increases the likelihood that all steps of the innovative behavior process are realized.

Employees' innovative behavior can be critical for a company. However, not every innovation is necessarily successful or suitable. Therefore, the climate needs to generate and stimulate a common feeling of support, trust and tolerance among the workforce (Hammond, Neff, Farr, Schwall & Zhao, 2011; Yu et al., 2013), where mistakes are not handled as failure and will therefore not directly result in criticism and punishment, but are rather seen as part of the learning experience (Xerri & Brunetto, 2011). Innovative behavior can be supported by an innovative climate at the three different phases by aiding an internal, innovation supporting fit between procedures, systems and norms (Farr & Tran, 2008). Firstly, the challenging, task oriented and knowledge sharing climate can lead to innovative or improvement ideas. Secondly, the open communication structure and risk tolerance in combination with a secure atmosphere have a positive effect on employees' willingness to share their ideas and find supporters and allies. Thirdly, the support and trust can help with the final implementation of the idea. Therefore, the following proposition can be made:

Proposition 5: An innovative organizational climate directs employees' discretionary efforts towards increasing innovative behavior.

3.4 HCWS and Innovative Organizational Climate

The relationship between the organizational climate and HR practices or systems have increasingly been studied. However, so far no real consensus has been reached on whether HR

systems have a moderating effect on organizational climate or vice versa. The mediator role of innovative organizational climate in this study is based on the following argumentation. HR practices are believed to have a strategic value for the business as they can help to rapidly generate a mutual understanding of the climate (Boselie, 2010). This is based on the assumption that employees perceive HR practices and interpret them to shape their understanding of the organizational climate (Bowen & Ostroff, 2004; Nishii, Lepak & Schneider, 2008; Sanders, Dorenbosch & Reuver, 2008). Eisenberger et al. (1986) also argue that employees try to personify the organization by evaluating its actions and the HR practices used. Further, Nishii et al. (2008) highlight that employees use the evaluation of the HR practices to understand the underlying philosophy of the management. To guide their behavior towards organizational goals, Kim and Wright (2011) believe that the HCWS is more effective when there is an internal fit with the strategy, which would also favor the overall performance of the business. This means that the most effective implementation of HR practices needs to be in line with the strategy, culture and climate to create a mutual support between them. Consequently, to achieve the desired outcome (innovative behavior) an organization needs to implement suitable practices in a strategic way to 'send the right message' and ensure shared perceptions among employees. To achieve this, Bowen and Ostroff (2004) said that the applied HRM system needs to be strong, which can be achieved by distinctiveness, consistency and consensus. The authors also argue that only a strong HRM system has a chance to be perceived equally by employees. To increase innovative behavior it is necessary that the workforce understands the climate and the values uniformly. For example, a weak work system can disorient the employees with the consequence of not reaching a consensus about the climate among the workforce. Bowen and Ostroff (2004) stress that HR practices need to be visible and send a clear message so employees can share their perceptions and develop a common climate according to the outcomes of the work system. This is also important because Nishii et al. (2008) and Whitener (2001) suggest that employees perceive organizational support through the help of HR practices. Especially HR practices combined as a system will result in employees having a positive perception of organizational support (Kehoe & Wright, 2003). As outlined previously, positive (perceived) organizational support enhances employees' willingness to adapt their behavior towards organizational goals. Eisenberger et al. (1986) identify that rewards and internal promotion have a positive effect on perceived organizational support. They do not only enhance motivation but are also strong and clear indicators for the values and importance of employees' contributions, which is therefore connected to the perception of the organizational climate. In line with the social exchange theory, the HCWS's individual practices have a positive or enhancing effect on an innovative organizational climate. Employees' perception of the organization's goodwill towards them is increased through commitment enhancing HR practices, which is also important for the trust, knowledge sharing and challenges especially faced by teams in an innovative climate. The general feeling of working together on a challenging task will further be supported if the necessary skills and knowledge are available (recruitment & selection and training & development). In addition, successful outcomes need to be compensated with monetary and/or non-monetary rewards and promotion opportunities, which are

perceived as common practices, procedures and policies within the company and belong also to the organizational climate. The involvement stimulated by participation and performance management signals a desire for employees' ideas and knowledge sharing. These HR practices will increase employees' perception about organizational support and guide their orientation and efforts towards innovative behavior. Finally, performance management and participation match the innovative climate if there is enough trust and security between the two parties and an open communication and decision-making structure.

A High-commitment work system aiming at sending clear signals about innovative behavior thus needs to focus on distinctiveness, consistency and consensus to effectively shape employees' perceptions. The HCWS needs to signal that innovative behavior is the desired outcome, which can be achieved through e.g. rewards for innovativeness. As mentioned before, commitment is an important and fundamental element for increasing discretionary efforts, but employees need to realize how to recompense the company. The innovative climate will eventually shape the perception of the employees', which ensures that they understand that innovative behavior is desired and valued. Hence, a positive perception of the climate and sufficient support from the company and the HCWS are critical to guide employees towards innovative behavior.

Therefore, the following proposition can be made:

Proposition 6: A HCWS has a supportive influence on employees' positive perception of an innovative organizational climate.

4. CONCEPTUAL MODEL AND DISCUSSION

The conceptual model was derived from the propositions and hence shows the positive relationship between the High-commitment work system and innovative behavior with the two mediators (AMO factors and innovative organizational climate). First, the model shows a supportive relationship between the HCWS's practices and the AMO factors, which then have an increasing effect on employees' innovative behavior. Second, the High-commitment work system shows a supporting influence on the innovative organizational climate, which also has an enhancing effect on innovative behavior. Conclusively, a positive relationship can be seen in both cases.

The findings derived from this literature review show that a High-commitment work system has a stimulating effect on innovative behavior of employees. However, in this case the relationship was only studied by including two possible mediators. It can be concluded that in both cases the commitment generated through the HCWS is necessary to stimulate employees' willingness to devote a discretionary effort

to benefit the company. The first relationship shows that AMO as a mediator is needed to enable, encourage and provide employees' with the opportunities to be innovative. In addition, the individual AMO factors support the different steps of the innovative behavior process, which ensures that the discretionary effort is directed towards innovative behavior. To support the AMO factors, a holistic system is most effective at enhancing innovative behavior since all stages need to be supported.

The other possible relationship discussed in this literature review is that the innovative organizational climate is perceived by employees and steers their understanding, which results in a common awareness that innovative behavior is valued and desired. Furthermore, the findings show that the dimensions of this climate need to support and enable employees' to actively innovate. The HCWS and its practices ensure that employees correctly perceive the innovative climate.

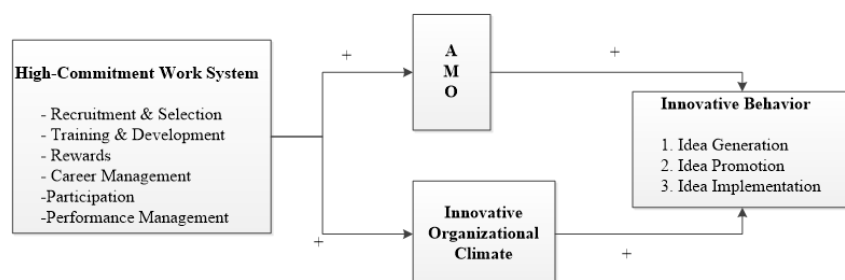
The most important underlying assumptions of these two relationships are that commitment is necessary and that perceived support and investment from the company will result in beneficial reciprocal behavior of employees. Companies need to implement and accustom the HR practices in an innovation stimulating way as highlighted before. This can then result in the desired positive perception of employees and thus foster their innovative behavior as this can be perceived as the appropriate behavior to repay the company.

As mentioned, no consensus exists about the composition of the High-commitment work system. Another theory that was challenged in this literature review was the best-practice approach developed by Pfeffer (1995), which states that the same practices ensure good performance regardless of the context. This limits the generalizability of the findings as the practices, their design and implementation are likely to vary. This is based on two underlying assumptions. First, different innovations and improvement require different abilities. For example, administrative knowledge can be important for improving a process by reducing administrative work (Davenport, Jarvenpaa & Beers, 1996). Second, industries require different skills and knowledge. A company can therefore recruit individuals with both a broad knowledgebase and very specific knowledge while also accommodating training and development to achieve and support the desired knowledge and skills.

With regards to the practical contributions of this study it needs to be mentioned that the fundamental assumptions are not dependent on the firm or industry's requirements. The HCWS and the practices can vary as long as they increase commitment and either the AMO factors of an employee or his/her perception about the climate. This means that the findings are generalizable to some extent, as managers can use them to adapt their HR strategy or more specifically their practices to develop a High-

commitment work system suitable to their internal and external context. Regardless of the approach used, the HR practices need to be in line with an organization's strategy. For example, rewards should support process innovations if the company wants to improve their processes.

The findings are critically speaking very general. However, this is partly due to the fact that the practices themselves are not the key but



their compatibility and the synergistic effect. Managers should understand the value of employees' commitment and the resulting discretionary effort when following an innovative strategy. Therefore, the knowledge generated about the relationships and possible influences has the greatest relevance for managers, who want to foster innovative behavior. This means that managers, who use AMO as a mediator might also design their HR practices accordingly, which then again can differ from the innovative organizational climate approach. Thus managers can use the findings and gain a better understanding of the concepts and use this knowledge in combination with their firm specific requirements and strategy.

In addition, the findings also have theoretical relevance. This literature review and its results contribute to the 'black box' research as it shows to possible mediators between HRM and desired performance, which in this case was defined as innovative behavior. More importantly, this literature review contributes to the current body of knowledge as it highlights the strategic value of HRM. Additionally, the positive influence of the High-commitment work system on the organizational climate is relevant because the majority of studies have used organizational climate as a moderator instead of a mediator. Therefore, this perspective is not entirely new, but it supports a different viewpoint on the topic and can hence be used as a base for other studies.

5. LIMITATION AND FURTHER RESEARCH

Even though the practical and theoretical relevance of the findings have been stated the outcomes cannot be recognized without considering the limitations.

The biggest limitation of this literature review is that the findings are rather general and thus do not provide managers with a specific step-by-step guideline. This means that e.g. creative employees are important for innovative behavior, however, specific knowledge can be more important for a company and it is possible that an individual does not hold both characteristics. Therefore, it is hard to distinguish how to design the practices without testing outcomes as there is still a lack of literature in this field. Nonetheless, the practices can be easily adapted and this can also be an interesting topic for further research to study which attributes of the practices and their implementation are most supportive of innovative behavior.

Additionally, the findings have not been empirically tested and are solely based on theory. The review is entirely based on a selected but restricted number of articles due to scope and the time limitations. Even though the theory and literature used are mostly predicated on empirical findings the propositions and model of this study need to be validated through practical tests. This can also be interesting for possible further research.

Furthermore, the outcomes are only applicable in combination with a High-commitment work system without considering the possible influence of a High -involvement or -performance work system. Although commitment has been defined as highly important for innovative behavior other factors could have an equal impact on it.

Due to the limited scope of this paper and the time restrictions (10 weeks) internal or external variables that can have an influence were not considered. Alternative factors could include: industry specific employment situations, such as short-term employment, where establishing commitment will be a

challenge, different cultures that are likely to perceive the HR practices in various ways, which means that for example monetary rewards are not equally important across nations. The inclusion of external variables or other elements that have not been considered here can be used for further research, which will also help to reflect on these findings even more. Another limitation is that only six HR practices have been used, whereas there are many more, which can have the same or a completely different effect on innovative behavior. This also links to the importance of the implementation of the practices. Again, due to the limited scope this has not been considered here and could be interesting for further research. The internal factors include the actual implementation and the support by line managers, which also have an effect on employees' perceptions. In addition, the actual fairness, trust and justice of the work system can also be perceived differently by employees and be dependent on their implementation by line managers and consistency across the company. All of these factors will have an impact on the High-commitment work system or on the employees' perception of it. As a majority of the argumentation in this study is based on perception, their implementation will be perceived subjectively. Perceptions of practices are likely to vary (Wright & Kehoe, 2008), because of personalities or factors such as cultural differences.

In summary, the practices chosen as well as the mediator roles are solely based on theory. However, it needs to be mentioned that there was no consensus throughout the literature and other possible combinations or even a moderator role of innovative organizational climate are highly possible. Consequently, even within the limited variables used there can still be alternative combinations and outcomes, which could not be considered due to the formal restrictions. These limitations can be used for further research and to generate an even more profound understanding of the key concepts and their relationship to another.

6. CONCLUSION

The goal of this literature review was to answer the research question: *How can a High-commitment work system increase employees' innovative behavior?*

According to the findings a High-commitment work system can either foster employees' innovative behavior by supporting their abilities, motivation and opportunity to participate or by shaping employees' perception through an innovative organizational climate. Consequently, a High-commitment work system can increase employees' innovative behavior by creating a positive perception of organizational commitment and strengthen the feeling of obligation to repay the company for its support and commitment. Additionally, innovative behavior of employees will be increased if their ability, motivation and opportunity to participate are supported by the HCWS. Employees will not only be enabled, encouraged and involved but also use this as a chance to recompense the organization with innovative behavior for its commitment and investment.

The model derived from the theoretical findings of this literature review can be used as a guideline or overview for managers. A company can therefore develop a strategic plan to align its Human Resource practices with its climate to support the overall strategy and can also enable, encourage and involve employees by supporting the AMO factors. Employees should be involved in this process as much as possible. This would not only provide

managers with feedback about the perceptions of employees, but it will also enable them to adapt quicker to necessary changes. Furthermore, the model can also be used to detect imbalances within the systems and dimensions. In addition, today's circumstances and environments are relatively unpredictable, which requires a flexible adaptation of a company's strategy. The model suggests that the practices used can be balanced according to the business's needs with the only condition being that commitment must be increased to trigger employees' willingness of using a discretionary effort. Therefore, managers need to consider practices that complement each other and work as a system to shape employees' perception and hence their behavior.

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