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Mixed signals in HRM: the HRM role of hospital line managers[1]

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Recently, Haggerty and Wright suggested that HR could be reconceptualised as signals sent to employees rather than practices. We examine this novel approach and consider how it fits in the practice. In hospitals, ward managers are intermediaries in relation to signals that are passed between upper managers and their staff. We discuss to what extent ward managers have the analytical and functional skills required to interpret and convey complex signals to the staff under their jurisdiction. We draw conclusions about the role of ward managers in the HR function of hospitals. There are theoretical and practical implications for the role of line managers more generally, beyond the hospital context.
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INTRODUCTION

It has been suggested in the past that there are two key functions of HRM in enterprises. HR practices should *elicit* and then *reinforce* the kinds of behaviours that the upper management requires or prefers (Jackson *et al*., 1989). However, in many employing organisations, it is often unclear who, in practice, has the main responsibilities for eliciting and reinforcing these behaviours. Several strands of research have demonstrated that in organisations there are many roles that contribute to the HR function, including upper management's (the executive's) strategic direction, through the corporate hierarchy, including HR specialists, to the line manager's practical role in managing the workplace's human resources (Sisson, 1994; Renwick, 2003, 2004, 2009). We infer from earlier research that many complex organisations struggle to operationalise HR practices (Thornhill and Saunders, 1998).

Against this background, Haggerty and Wright (2009) argue for a reconceptualisation of HRM not as *practices* but as *signals* that management sends to employees. Haggerty and Wright suggest that in complex organisations, HR specialists should operate at a conceptual level, as well as at a more specific level of operational practices. These HR specialists will require analytical capabilities and intuitive capacities in addition to functional knowledge to perform this role effectively. Where HR specialists perform these duties effectively and consistently, signals are sent to employees constituting a 'strong situation' (Bowen and Ostroff, 2004). In a strong situation, employees have reasonably consistent interpretations of signals, and this subsequently helps them to provide more positive performance outcomes. It is important to recognise that HR policies and practices are only one set of signals among the many signals that are sent by the upper management to the other staff. In hospitals, the prime conveyors of signals to most staff are ward managers.

Ward managers are typically skilled and experienced clinicians, not HR specialists. This article considers what happens when hospital executives disseminate varied and contradictory messages, and line managers are left to interpret these messages in order to 'selectively

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operationalise' those messages to line staff. We use Haggerty and Wright's conceptualisation of signalling theory to help us explore this question. This is appropriate because first, it is a relatively novel approach to HRM; second, there is not yet a full-established theory available to explain HRM and the roles of managers; and, third, as Haggerty and Wright suggest, the management of people tends to involve various managers conveying signals, which may be inconsistent or sometimes difficult to interpret. It may involve interpretations that some signals are conveying mixed messages, for example, managers emphasise to their staff, on the one hand, that quality is most important but, on the other, aim to reduce costs. Such apparent contradictions need to be interpreted by employees on the ground.

This article then contributes to theory while also including practical implications for managers. We discuss a study of an Australian hospital (The Hospital) where we analyse the consistency of the signals being relayed to the frontline employees. The employees, in this case, ward-level staff, receive signals from a variety of sources. Corporate announcements from the executive, various upper and middle managers (including HR specialists), and other staff are sources of such signals. It has long been recognised that immediate supervisors play a vital role in employing organisations in general (Child and Partridge, 1982; Snape *et al*., 1994). In a health-care context, in particular, the ward managers' role is crucial in interpreting and disseminating the many signals sent to first-line ward-level employees. Yet, as Hutchinson and Purcell (2010: 357) point out: 'little is known about this body of managers who have been generally neglected by academics and practitioners'.

The next section of this article considers the literature surrounding HRM as it can be conceptualised as signals. This will be followed by an explanation of our methodology. In the third section of this article, we summarise notable contextual information that has influenced the signals that managers relay to employees. Next, we discuss the experience of ward managers acting as intermediaries or interpreters of signals as the signals are passed between upper managers and frontline employees. Then we draw conclusions about the role of ward managers in the HR function of hospitals. These conclusions have implications for the role of line managers in both theoretical understanding and practice. We suggest our findings are relevant in other contexts as well as in hospitals.

RECONCEPTUALISING HR PRACTICES AS SIGNALS

Practitioners and scholars have been developing the HR field for several decades, but until the mid-1990s, the primary research focus was on HR practices (Huselid, 1995). Since then, there has been a shift towards trying to explain how HRM functions actually worked, rather than the focus on specific practices. Analysts began to link bundles of HRM practices to enterprise-level outcomes such as labour turnover, productivity and financial results. Haggerty and Wright (2009) argued that many earlier studies tended to offer inadequate explorations of the role of the HRM function or neglected it altogether.

Much literature offers an array of typologies, frameworks and models for understanding HRM (*e.g.* Storey, 2007). Some HR functions are similar only in name, and much variety reflects the differing contexts of each enterprise (*e.g.* product/service, economic environment, institutional and regulatory frameworks). As such, it is not easy to agree on a generalisable theory of HRM.

Haggerty and Wright (2009) suggest a reconceptualisation of HRM. Rather than seeing HRM through complex understandings of practices, or systems, or bundles in combination with hard/soft or high-road/low-road dichotomies, for example, we can see HRM as signals sent from management to employees in groups or individually. In complex employing

organisations, HR specialists require not only functional knowledge of their responsibilities but also analytical and intuitive capacities to ensure that employees are receiving the appropriate signals.

Bowen and Ostroff (2004) suggest that where there is a strong situation, the range of possible employee responses to stimuli is reduced. Organisational climate is a key mediator allowing 'employees to understand the desired and appropriate responses and form a collective sense of what is expected' (p. 204). To understand employment relationships, Bowen and Ostroff consider individual employees and the employing organisation. The individual employees' experiences and interpretation of those experiences are powerful. Their shared perception of what is important in relation to the policies, procedures, practices and rewards of an organisation constitutes the organisational climate. HR policies and practices are vital in influencing climate perceptions, which are linked (related, if not clearly causal) to organisational performance indicators (Bowen and Ostroff, 2004). When disseminated to those people for whom the policies and practices may have little or no perceived relevance, the strength of signal is diluted. Efforts to make all policies and practices available to all employees mean that much of the communication is in the form of 'white noise' or background interference, much of which is ignored by many employees (Haggerty and Wright, 2009).

Bowen and Ostroff (2004) and, subsequently, Haggerty and Wright (2009) base their argument on the work of Mischel (1973, 2004), who in turn, uses Lewin's (1939) concept of situational strength. According to this earlier work, individual conscientiousness measures vary as situational factors change. Weak organisational situations allow greater levels of inconsistency of employee actions through varying individualised interpretations and responses to signals. For a situation to be strong, 'employees must hear the message as it was intended, and must accept it prior to choosing an appropriate response' (Haggerty and Wright, 2009: 104). According to this argument, strong situations will lead to a more uniform interpretation of signals and, as a result, more positive performance outcomes.

Such strong situations reflect earlier conceptualisations of organisational culture (Brown, 1998) or corporate culture (Peters and Waterman, 1982). In the 'culture' research there is a proposed link between the 'culture' and a range of performance outcomes (Cheyne and Loan-Clarke, 2008). It is arguable that Haggerty and Wright's distance from, or intentional lack of acknowledgement of, the culture literature reflects the realisation that although managers might try to 'control' an organisation's culture, it is not easy for them to do so. Rather, employees can develop their own interpretation of what the culture is, perhaps in spite of managerial views and expectations (Kunda, 1992; van den Broek, 1997). Rather than framing our research within the 'culture' literature, we seek an alternative framework in the signals metaphor. We see Haggerty and Wright's more novel thesis as providing an alternative way of analysing HRM, which is potentially worthwhile.

Many managers assume that they have a high deal of control over the signals that their enterprise conveys to employees. Haggerty and Wright are suggesting that a 'top-down' driven culture of *clear signals* leads to a *strong situation*. This contrasts with an organisational culture that is influenced also by a range of other actors and factors. Haggerty and Wright aim to contribute to the HR performance–outcomes link. We suggest that their 'reconceptualisation' also includes some elements of 'relabelling'. Nevertheless, their work is a helpful addition to the debate, and we see the empirical evidence in this article as contributing further to that debate. Our work highlights the need for a greater understanding of the 'black-box' aspects of the links between HRM and organisational performance (Purcell and Kinnie, 2007). Our research looks inside the black box to consider the role line managers play in interpreting and

mediating signals from upper management in an attempt to understand some of the causal links in relation to employee behaviour at The Hospital and elsewhere.

One of the key components of the 'black box' of HRM is the role of line managers to whom more responsibilities are delegated (Guest, 1987; Legge, 1989; Renwick, 2003, 2004, 2009). Much of the HR literature highlights the importance of the line managers' role. It considers aspects of their role including ambiguous processes and practices (Currie and Procter, 2005), inadequate training (Cunningham and Hyman, 1999; Townsend *et al*., 2011b), a lack of support from the HR department (Whittaker and Marchington, 2003) and a lack of consistency in implementing HR matters (Renwick, 2009). Employee experiences of HRM are significantly influenced by their line manager; hence, researchers point to the importance of studying the employee/line manager relationship (Hyde *et al*., 2006; Townsend *et al*., 2011c).

There has been increasing discussion about different models of HRM, for instance, hard/soft and loose/tight (Guest, 1987) and Storey's (1992) similar version of hard/soft and weak/strong. Such contributions share the key distinction that 'human resource' systems can be differentiated depending on the emphasis on either the *human* or the *resource* aspects (Truss *et al*., 1997). Soft HRM has an emphasis on humanism and the individual's development while 'hard' HRM has a focus on the quantitative measuring – a 'head-count' approach to aligning HRM to the enterprise goals. Other contributions have demonstrated that opposing views about HRM are akin to a continuum rather than dichotomous approaches. However, Storey (1992) makes the observation that the term 'HRM' is 'capable of *signalling* diametrically opposite sets of assumptions' (emphasis added). Lewin (2005) demonstrates the requirement for a 'dual theory of HRM' in explaining circumstances when an organisation has two distinct groups of employees who must be managed in different ways, for example, core versus periphery staff (in a hospital context, *e.g.* key clinical staff versus cleaners). Again, this is problematic and incomplete. How do managers provide the signals to the most appropriate categories of employees without the 'white noise' interference referred to by Haggerty and Wright?

We discuss a case study where the executive level of management sends the employees mixed signals; consequently, there is a 'weak' situation at The Hospital. The notion of HRM as a series of signals provides a framework for understanding the experience of ward staff at The Hospital. Haggerty and Wright contend that strong situations will lead to the desired enterprise outcomes, for instance, financial outcomes. To what extent do our data support Haggerty and Wright's thesis?

We argue that the role of ward managers is critical in interpreting, diffusing and disseminating signals from upper management to frontline workers. Seen as a whole, The Hospital appears to be a 'weak situation'. However, if we focus on the ward we see a different picture. A large part of the ward managers' role is managing human resources even though ward managers are not HR specialists. This aspect of their line management role allows ward managers to develop strong situations within their wards in spite of the broader organisational context.

METHODOLOGY

Our research included semi-structured interviews with a sample of ward staff. This research focused on the ward staff and generally did not include the other support personnel in The Hospital who were not in the wards. The ward staff is at 'the front line'. They have constant contact with patients; their daily experience includes many 'moments of truth' – where the health and well-being of patients are determined by the ward staff member's actions. In view of this interface between patients and staff, the ward is an important level of analysis (Currie

et al., 2005). To clarify our use of terms, we use the hospital-specific term 'ward manager' when we refer to our data. We use the more general term 'line manager' when we refer to the wider literature on the role of such managers.

The data collection for this project took place in two main stages. First, 10 interviews were undertaken with a selection of senior executives at The Hospital. These people included the general manager and four directors including the heads of the HRM, medical services, support services and nursing functions. In addition, a range of other managers were interviewed including the assistant director of nursing. These interviews were conducted by one or more experienced interviewers in the office of the interviewee. Interviews at this stage of the research were broad-ranging and typically lasted for about an hour.

At the second stage, more focused interviews were conducted at a ward level with operational staff on an individual basis. At this stage, the questions were focused on the views of the staff members towards various factors including the role of HRM in The Hospital, the way in which The Hospital's approach to HRM influences an employee's commitment (exploring notions of multiple commitment), intent to leave, experiences of discretionary effort and the role of ward managers. In this second stage of data collection, 22 staff members were interviewed. In the first instance, we drew a sample of four wards in The Hospital – two medical wards and two surgical wards. In each ward we interviewed the ward manager, two nurses, an orderly and an administrative staff member. Following this, we interviewed the ward managers from another two wards. Each interview lasted between 30 minutes and 1 hour. All interviews were transcribed and analysed using NVivo. We began to code the data with broad *a priori* themes, for example, *employee participation*, *HR practices*, *ward managers' role*, *senior management perspectives* and so on. Once we began to code data we engaged in an iterative process to add more nodes as more complex and nuanced themes emerged. In addition, we used a range of secondary sources including The Hospital's website, files and other organisational documents for supplementary information.

THE HOSPITAL CONTEXT

The delivery of HRM in hospitals is a complex process throughout the world (Townsend and Wilkinson, 2010). In Australia, the centralised industrial relations (IRs) framework has limited the development of the HRM function of hospitals (Barnett, 1996). However, the decentralisation of the Australian IR system has provided more opportunities for hospitals to develop their own HR systems and in some cases to try to introduce ideas of high-performance HR systems. In a labour-intensive context where there are highly educated, skilled employees, where fiscal pressures and 'new public sector management' principles tend to prevail, hospitals are likely to try innovative approaches to HRM (Bartram, 2007; Townsend *et al*., 2011c). This was also the case at The Hospital.

The Hospital is a medium-sized private, but not-for-profit, hospital with almost 500 beds, approximately 2,400 staff and a substantial but varying number of volunteers. It serves more than 75,000 people each year and offers a comprehensive range of medical services. The Hospital is recognised externally through performance indicators as a leading employer and health-care provider. It has won several awards and is seen as a hospital that is able to attract and retain highly qualified and capable workers. The majority of employees are union members.

Since the 1990s, The Hospital has faced serious economic pressures that have required managerial strategies that might appear to be contradictory. This has given rise to mixed signals sent to the line staff. Pressures include a change of emphasis for this faith-based organisation

to use more aspects of a corporate approach to management, as well as a national change of arrangements for funding such hospitals (Bloom, 2002). Other pressures include the expansion plans for The Hospital, international shortages of nurses (Townsend and Allan, 2005) and a prevailing tight labour market for all categories of employees (O'Brien *et al*., 2008). Hence, the HR department was seen as more integral to The Hospital's strategic planning. Simultaneously, there were also considerable pressures on budgets leading to centrally imposed constraints. These latter pressures tended to counter the implementation of notions of high-performance HRM.

In the last decade, the HR department has aimed to move from a traditional hospital style of personnel administration, which had long prevailed in Australia. There is a spectrum of approaches to people-management practices from personnel administration to high-performance HRM (Marchington and Wilkinson, 2008). The Hospital's HR policy makers were in the early stages of shifting along the spectrum towards models more akin to high-performance HRM. The HR director suggests that The Hospital was doing some things very well, for example, work–life balance policies, and other things not so well, for example, performance management (see Figure 1). However, when considered in relation to the list of nine 'best-practice' high-performance HR components (Marchington and Wilkinson, 2008), the above-mentioned pressures on budgets tended to counter the attempts to introduce notions of high-performance HRM.

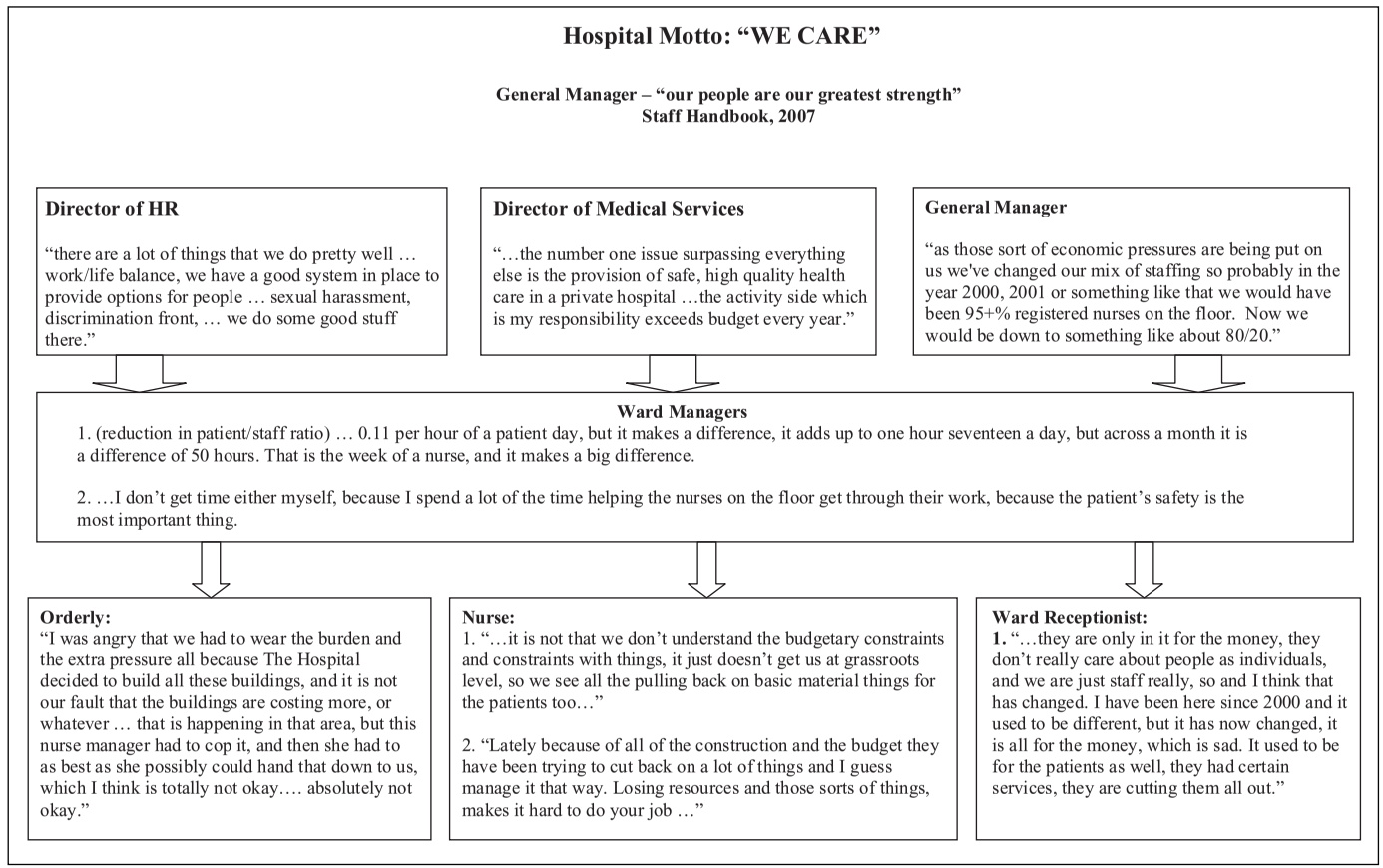
Senior managers may attempt to use HRM policies as a set of clear signals. However, there are many points in the complex organisational hierarchy and communication chain in The Hospital where signals can become 'mixed' as they are diffused. Line managers interpret and relay the signals from the senior managers to the frontline workers. The changing role of ward managers has often been reported (*e.g.* Willmot, 1998; Bolton, 2003, 2005; Perry and Kulik, 2008; Veld *et al*., 2010; Townsend *et al*., 2011a).

The Hospital's change in its approach to HRM coincided with a major change to The Hospital's funding arrangements. As with other private, not-for-profit hospitals, it receives most of its revenue from private health insurance funds, while the rest of its revenue comes from patient 'out-of-pocket' cost-recovery arrangements and revenue from government or statutory agencies (Bloom, 2002). The reliance on renegotiating contracts every couple of years with the private health funds has placed enormous pressure on The Hospital's budget. According to the general manager,

> the dynamics of the private hospital world have changed significantly from probably around about 1999 where we started to have contracts with private health insurance funds . . . Each time that we've gone into that negotiation with private health insurance companies we really haven't got any major gains. As a result of that the hospital industry is not as buoyant as it used to be, the margins we operate on are far less than what it would have been in the mid-nineties and as a result of that terms and conditions of employment right across our group now are fairly tight . . . So if hospitals, say their rates are going (up) or their costs are going up by five per cent (the health funds) give them four per cent. As a result of that our margins have gone down.

Since the start of the present century, the HR department has attempted to shift from a decentralised system of policies and practices across The Hospital campus to a coherent, organisational-wide approach to HRM. The Hospital formally maintains its faith-based approach to patient care. This reflects it being founded and still owned by a church organisation, which promotes Christian values. Against this background, it is also developing

FIGURE 1 *A flow chart summary of mixed signals at The Hospital*



an increasing degree of financially oriented business acumen. As we will show later, this change has meant changes for ward staff in two areas: first, a focus on growth of The Hospital; and second, a greater awareness of budgetary constraints leading to the perception among employees that finances are more important than the patients or the staff. This perception contributes to the workers' inference that there are mixed signals.

During The Hospital's development as a church-owned enterprise, which subsequently developed a business orientation, the executive began to pay greater attention to the role of the HR department in influencing strategic goals and planning. The executive's acceptance of the importance of HRM as a key function was ad hoc and faltering. Nevertheless, the HR department's role did grow. For example, in 2006, the former HR manager was promoted to be the HR director. Henceforth, she was included in The Hospital's executive, and the HR department had more success in focusing the executive's attention on strategic HR issues.

Nevertheless, in such a competitive business environment where there is a competitive labour market for high-skilled staff, the improvement of HR policies and practices may be little more than keeping up with the market. According to the HR director,

> I wonder if anyone skilled in planning and strategic plans looked at ours and thought . . . they are really going to achieve a lot in a short period of time, you seem to have so many HR initiatives . . . we have tried very hard not to have a scatter gun approach, but we know just to keep up with the industry, we have to have a broad ranging approach on a number of different fronts. If we don't have a wellbeing program, if we don't have support for certain educational activities, if we don't have good car parking facilities, or child care facilities, we are just not in the game, because that is what the baseline expectation is, and it makes it a real challenge then in terms of how we differentiate ourselves, because everyone is trying everything.

As already indicated, there are many factors that have contributed to the current experiences of ward staff in The Hospital. The changed funding arrangements have meant that The Hospital sought areas to reduce expenses including the cost of frontline ward staff such as nurses. At the time of research, the hospital was undergoing a substantial programme of expansion costing more than $140 million.[2] This expansion has placed financial pressures on The Hospital's management that have reverberated throughout the organisation. According to the director of medical services, the expansion means that

> we've got a $750,000 interest bill every month and we've got to make money, The Hospital has got to make money in a not-for-profit environment.

The general manager concedes that, along with the current health funding arrangements, the reductions in government contributions and the pressures from building costs create problems for managing the balance between current and future service delivery:

> We can either decrease our margin or we actually reduce the amount of labour we use in delivering our service so it's sort of a fine balance between the right amount of labour, the quality of the staff and then the quality of the service and then the actual volume of labour that you have working on a daily basis.

The Hospital's income reductions, combined with its capital expenditure costs, have resulted in tough pressures on budgets and a reduction in patient/nurse ratios. As such, there are competing mixed signals from senior executives. Two important examples of mixed signals are the primacy of patient care, on the one hand, and the financial imperative to reduce costs, on the other. We are not providing a critique of the strategy to 'grow' The Hospital. Rather, we are

recognising that when such decisions are made, the dynamics within the organisation change and the signals sent to employees may become complicated and may potentially appear to ward-level staff to include contradictions. The following paragraphs illustrate the responses from ward managers and staff to the mixed signals.

MANAGING THE MIXED SIGNALS

Factors mentioned above are apparent in the data collected from ward staff. Our data suggest that the combined thrust of The Hospital's growth and pressures on costs led to a growth in the HR role of ward managers. Ward managers recognise that they play an important role in the decentralised HR function of The Hospital; for example, one ward manager sees the role as a 'go-between'

> I am probably a go-between from the staff at ward level who are going to HR if they have any particular queries to do with pay roll, leave entitlements, further studies, access to grants, that sort of thing. . . . I would liaise often for them with HR and get information for them.

In addition, some ward managers find a chasm between the HR specialists and the reality of the ward; for example,

> I found with the HR that we have here, I just found that they are sort of a world away from the wards.

Ward managers recognise the complexity of the competing pressures that they must manage, and that their actions as frontline HR managers send signals to the workforce. They may also find their role frustrating. The following vignettes from ward managers illustrate this:

> You just end up being the sandwich in the middle sometimes. Keeping to budget I am in between, keeping the relationship to my boss on a good keel because I am sticking to my budget, but then I get the flack from the nurses, and then there are times when I think, well, stuff the budget, we need this amount of people, saying to the nurses we need this many people.

> I don't know whether the Executive really understands the lack of resources at times. I don't know whether it's intentional or, I don't believe it is, I believe they've had restrictions put on them so it's like a domino effect down.

The staff tend to say that the ward is not The Hospital and The Hospital is not the ward. There are important, distinct differences between the two domains. This is a common theme among employees suggesting that despite sometimes being attracted to work at The Hospital because of its reputation in both the clinical and the personnel–management realms, their commitment is not to The Hospital but, rather, to the ward and the ward manager. As one ward receptionist who has been employed at The Hospital for more than 15 years says,

> The Hospital as an organisation I haven't got a lot of time for. The nurse manager here is fantastic, the (ward) staff are fantastic . . . Personally, I don't do anything for The Hospital, I am happy to do extra hours, you don't put in for overtime, you don't put any of that, it is just normal and you are happy to do it, because the ward functions better, and that is the nurse manager, so all the staff put in that little bit extra, but then she gives a little bit extra to the staff.

An orderly who has worked in The Hospital for more than 10 years says,

> I feel The Hospital is going backwards, just based on what it was like when I first came here, and it may be for a number of reasons, financial constraints, costs and all the rest of it.

However, such views are not just the domain of long-term employees. At the time of the interviews, there was some alarm over job security. The view that 'people are losing their jobs' can counter attempts to move to more of a high-performance HR management style that aspires to provide employment security and promotion via internal-labour markets. According to the HR director, there is a high level of job security for employees and, recently, when budget pressures required some changes:

> in our food services area, just recently they had to lose twelve positions out of the department. They have done that through changing hours, some casuals have lost hours, but they have done that actually through no forced redundancies, not even any voluntary redundancies, it has been through juggling hours, changing rosters, changing days, it means it is an inconvenience to people of course, and some part timers have lost a few hours here and there, some people have had to go into different jobs, but they have done it with no one losing their job, which is what we aim to do.

While the food services employees were not ward based, the fear for job security had spread to the wards. Perhaps inevitably there are pockets of gossip and miscommunication that, because of the 'mixed signals' from upper management, leave employees to interpret what they hear in alternative ways. This would be less likely in a climate that Haggerty and Wright (2009) would refer to as a 'strong situation'. The role of the ward manager is central as a communication link between management and staff. If the ward manager does not agree with all of the executive's policies, then a selective distribution of managerial messages about such policies is likely. Typically, ward managers say that they will pass on the messages and information that *they* think employees need to know, while providing access for employees to find the other information the employees might want. Such 'filtered' communication provides access to information, but it also means that the ward manager is in a key position to determine what signals reach employees and how they are delivered. Bearing in mind the ward manager's scope for discretion in judging which information is 'important' and then providing an interpretation, it is not surprising that there may be mixed signals for employees.

Despite most interviewees saying that they did not have a commitment to The Hospital as a whole, they did not imply that they were likely to leave their employment soon. By contrast, employees voiced a commitment to their employment through their relationship with their ward manager. The ward manager appears to be a conduit that provides employees with a high level of proximal commitment in place of organisational commitment. As one registered nurse says,

> it is more the ward manager in the area that you are working. In fact I am sure that has got the biggest influence on whether people here stay or don't stay.

When asked specifically about why employees decide to stay employed at The Hospital, a ward manager suggests that

> I think it comes down to individual wards, and the relationships that they make on the wards, and how well they get on with their manager.

This tends to reinforce Becker's (1992) suggestion that people have a commitment to what is closest – *i.e.* the supervisor – before their commitment to the organisation. This is apparent also in our study. Redman and Snape (2005) suggest that 'there may . . . be a general tendency for the more cognitively proximal focus (*i.e.* supervisor or team) to exert greater influence over employee behaviour'. The ward managers generate this commitment not solely through proximity but through the HR aspects of their role. Although many of the ward managers we interviewed implied that they felt ill-prepared for a line manager role, according to their ward staff, they tend to be seen as good managers.

The following comments tend to support our finding that the proximal commitment of employees is focused at the ward level rather than the wider enterprise level. As an orderly suggests:

> Sometimes if it has been a real hectic week, I have known (my ward manager) to just say to me on a Friday . . . 'you are good for finishing at 12 today', and I will say 'no I don't think so', and she will say, 'yes you will be, make sure you sign off at 3pm'. That is her recognition of hard work, so if for instance, she says one day can you stay back. . . . to help with beds or helping patients . . . you go the extra mile for her, and that is why I think she is a good . . . manager.

Figure 1 presents a flow chart that provides vignettes from managerial staff and employees to show that a 'strong situation' is not apparent at The Hospital level. The Hospital's rhetoric includes statement motto like *We Care!* The comments in formal documents from The Hospital and interviews with key senior executives indicate that there are many different and opposing things that the executive 'cares' about. The mixed signals from the executive result in a weak situation and in a lot of white noise interfering with the clear signals that could be sent. The approach to HRM is just one group of signals sent from the executive. In The Hospital, mixed signals confuse, irritate and frustrate the staff, and their commitment is not to The Hospital but rather to the ward manager, ward-level colleagues, and patients. Perhaps importantly for The Hospital's reputation, the employees generally seem to think that they provide good patient care; however, they also acknowledge that the patient care could be significantly improved with additional resources.

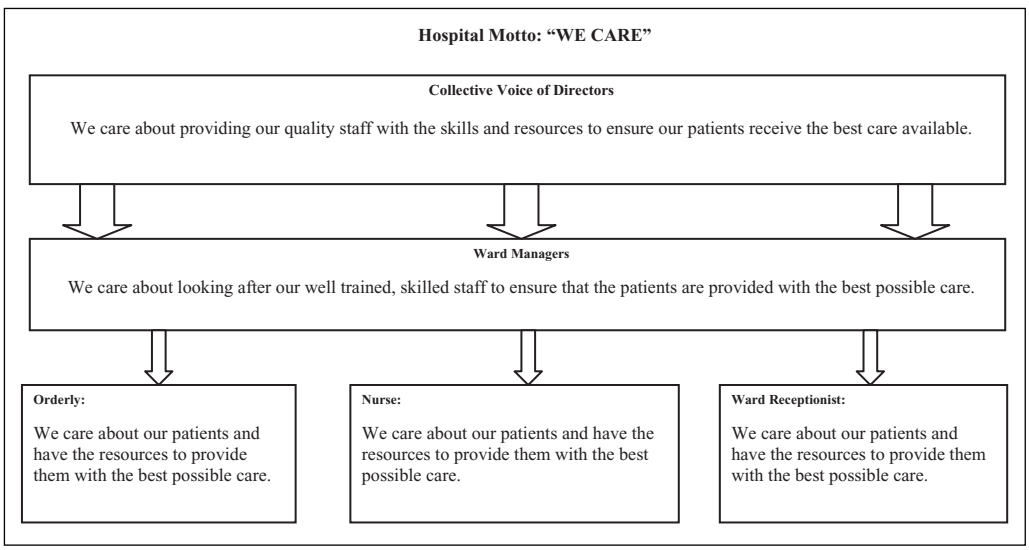
Figure 2 is a hypothetical example of how an idealised 'strong situation' might be summarised in the context of this case in a flow chart that is parallel to that summarised in Figure 1. Bearing in mind the motto 'We Care', the focus of the message throughout all levels of The Hospital would be consistently to 'care' about ensuring that the staff members have the skills and resources to ensure the highest standard of patient care. This would ensure a strong situation with the subsequent opportunity to benefit from the oft-claimed potential of a successful HR system.

DISCUSSION

Rather than framing our research in, for example, the 'culture' literature, we applied a relatively novel framework: a signals metaphor. This contribution is an empirical exploration of Haggerty and Wright's idea. We find that this provides a fruitful form of analysis and helps us to consider theoretical and practical implications from the research.

At The Hospital, a range of people provides signals about different matters, for example, patient care, budgetary issues and HRM policies. Furthermore, the interpretation of these signals has been devolved from (just as Haggerty and Wright suggest) specialist HR managers to the ward managers (whose training was as clinical specialists). These signals are then

FIGURE 2 *A hypothetical example as a flow chart of idealised consistent 'strong situation' signals at The Hospital*



diffused and disseminated to a large number of people: the ward staff, who each interpret the signals. This can create a 'weak situation', and the consequences could be unfortunate in a hospital context because decisions can have life and death implications.

In relation specifically to workplaces that aim to promote a high-performance paradigm, Truss (2001) provides a rich study of Hewlett–Packard demonstrating the importance of exploring the difference between the management expectations and viewpoints and the lived experiences of employees. Truss' research demonstrates that even in successful organisations with 'excellent' reputations in HR practices, there are disconnections between the HR department, the executive and the shop floor. At The Hospital, much of the rhetoric from the executive is aimed at the frontline staff, even though most of the executives are located far from the reality of the working lives of staff on the wards. The ward managers play an important role in mediating and relaying the signals to the frontline staff.

One of the paradoxes of management is apparent in hospitals (as in many other types of enterprise) when skilled clinicians are promoted to manager positions and away from the front line (bedside), where they are experts (cf. Storey, 1992). Such line managers then have a major practical responsibility to implement their role as the 'signaller' in managing people (Thornhill and Saunders, 1998). As HRM is a component of most managerial jobs, in practice, line managers are the people who deliver HRM to the most workers (Renwick, 2009). Employee's perceptions of HR practices are primarily the practices that are applied by line managers (Purcell and Hutchison, 2007). Thus, line managers are critical intermediaries in shaping performance at work (Currie and Procter, 2005). In short, the line manager is a critical role, which interprets and disseminates the signals from senior executives and conveys them to frontline staff. Furthermore, in spite of the mixed signals from above, ward managers in hospitals may be in positions to create relatively clear and constant signals to construct a strong situation and reap the performance benefits accordingly in their own wards.

The ward manager role in The Hospital is crucial in conveying HR signals. This critical role requires the interpretation and dissemination of signals from the upper levels of management (the executive) to the ward-level employees. Furthermore, the ward managers are placed into a role that requires people-management skills, as well as other administrative and clinical skills. All too often, however, they are not selected with the skills needed for such a role or provided with adequate training and support specifically to fulfil their new role. They tend to develop themselves almost through trial and error. Unfortunately for The Hospital, such trial and error can sometimes lead to poor HR outcomes (for example, staff dissatisfaction, absenteeism and turnover).

At The Hospital, there appears to have been a lack of investment in developing the HRM and other management skills of ward managers. Although the role and expectations of ward managers have grown substantially, The Hospital has tended to neglect the development of competencies for those who occupy this key role. Nevertheless, most of the ward managers we interviewed seemed to have grown into their roles, making mistakes and learning by doing. They had developed their own skills including managing upward and downward in the hierarchy and generally seem to have developed the capacity to offer relatively clear signals to their own ward staff about what is important on their ward. Furthermore, the ward staff realise that they and their ward managers are facing conflicting pressures that are illustrated by the mixed signals from the upper managers. The ward managers have usually developed strong situations within their wards, and most of the 'shop-floor' workers collectively support each other in the face of the various pressures from the upper managers. These observations indicate that there is an opportunity for The Hospital executive to invest more resources in the ward managers' role, especially because it is this role that conveys most of the HR signals sent to staff. In practical terms, such an investment would improve the scope for HR specialists to help improve organisational performance.

This study also indicates that a signals approach can help to shed light into the HR black box of line manager/employee relationships. When mixed signals are received from upper management, a challenge is presented for line managers to confront, compared with if there were a consistent signals and a strong situation across a whole organisation. To an extent, our data support Haggerty and Wright's thesis of strong situations; however, our support is qualified and modifies their thesis. We found mixed signals emanating from The Hospital executive and consequently an associated weak situation for the HR department as signallers. Nonetheless, we found that ward managers were generally distilling these mixed signals to provide much clearer signals to their ward staff. In practice, most such line managers were developing a relatively strong situation at the ward level.

We found that the ward managers in this workplace are receiving mixed signals. Patient care is central to their professional clinical ethic. HR functions are involved in their people-management role. Managing budgetary issues are involved in their administering in accord with The Hospital's financial strategies. All three domains are part of their job, and all three domains include competing pressures and constraints. Perhaps this is an industry sector where the complexities of multiple performance indicators, rising expectations, constrained funding, tight labour markets and product markets tend to make it difficult to develop strong situations for the whole organisation. Nevertheless, in view of the complexities, it is appropriate to invest more in developing the ward mangers, so that they are more likely to be able to cope, ensuring in their wards a pattern of clear signals and a strong situation. Such investments should help The Hospital and similar enterprises to reap the rewards that some earlier studies of HRM and high performance have promised.

CONCLUSION

Returning to our research question, from this study we infer that the ward managers were generally neither recruited with nor explicitly developed to have the necessary skills to interpret the various messages for frontline workers under their jurisdiction. Supporting earlier research that recognises the importance of the line manager in the HR function (Renwick, 2003, 2004; Armstrong-Stassen and Schlosser, 2010), we have found that the hospital equivalent – the ward manager – has a vital role in The Hospital's delivery of HR signals. Interestingly, while the mixed signals delivered by upper management lead to a 'weak situation' in the organisation as a whole, we find that the key role of ward managers can enable their wards to become a 'strong situation'. The role of the ward manager means that these individuals are in a position to deliver clear signals to the staff on their ward. The performance outcome of this strong situation can be a commitment to stay employed in the ward (rather than The Hospital in general). This commitment means that The Hospital could benefit significantly through investing in the ward managers' role. A practical implication is that there may be unintended consequences if hospitals continue to assume that such people-management aspects of the role are merely 'incidental operational matters'. Hospitals and other organisations should give a higher priority to selecting, developing and supporting their first-line managers.

Hospitals are especially complex organisations. This article draws from a single case study so we are cautious about generalising from it. Nonetheless, there may be some scope for generalisation because parallel challenges are faced by frontline managers in other types of enterprises and sectors, including our observations of other hospitals, as well as in educational institutions and factories (Child and Partridge, 1982). Meanwhile, more empirical research would be helpful in organisations where the signals are clearer, and the situation could be seen as strong. We would propose more research on such issues in other contexts, as well as in hospitals. This could generate more theoretical and practical conclusions to reinforce those that we offer here.

Notes

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2. Amounts of money cited in this article are expressed in Australian dollars. At the time of writing, AUD$1 = USD$1 or GBP£0.63.

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