The Dominant Logic of Employer-Sponsored Work and Family Initiatives: Human Resource Managers' Institutional Role

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This paper argues that concepts from institutional theory and managerial dominant logic can be used to examine human resource managers' institutional role supporting the adoption of employer-sponsored childcare as a form of organizational adaptation to change. Three components of the dominant logic of employer-sponsored childcare were found: management concern, environmental, and a cognitive component. These components overlap to form an overall management orientation toward employer-sponsored childcare, which is related to management’s demographic backgrounds, and their organizational and industry environments. The extent of adoption of employer-sponsored childcare was found to be positively related to (1) the strength of human resource manager’s global orientation, and (2) their interpretations of favorable executive attitudes toward employer-sponsored childcare.

KEY WORDS: dominant logic regarding childcare, employer values and beliefs regarding human resource practices; human resource innovation; work and family integration; institutional theory.

INTRODUCTION

It is only recently that childcare has been labeled a competitive and strategic issue (cf. Kraut, 1990; Milliken, Dutton, & Beyer, 1990). Less than two decades ago it would have been highly unlikely that key decision-makers at major U.S. companies would be concerned with childcare policies (Milliken, Dutton, & Beyer, 1990). Historically companies have viewed childcare as a “women’s issue,” and not a mainstream personnel matter (Kossek,
Yet, it is currently estimated that over 4000 companies have adopted some form of childcare assistance (Galinsky, 1991) and more than 300 companies have created work-family manager positions (Fowler, 1992).

Inadequate investment in human capital is considered a major reason for decline in U.S. competitiveness (Hitt, Hoskisson, & Harrison, 1991). Therefore, adequate development and use of human resources are important for improving the competitiveness of U.S. firms. Childcare has emerged as a strategic issue due to perceptions of changing workforce demographics and altered family norms (Johnson & Zucker, 1987; Friedman, 1990).

Despite these trends, the increasing employer interest in childcare is more easily attributed to a growing institutional view that work and family issues are a business concern than to empirical evidence that adopting such programs will yield large economic benefits (Kammerman & Kahn, 1987). Although there has been growing enthusiasm of company officials and a widening popular press calling for employer assistance, assertions that childcare improves worker productivity and lowers absenteeism rates have been mixed at best (cf. Miller, 1984; Friedman, 1989; Kossek & Nichol, 1992) and the level of organizational response has been uneven (Families and Work Institute, 1992). While the percent of firms offering childcare grew nearly threefold from 10% in 1988 to 29% in 1992, surveys indicate that few companies initiated services if they were not at least preliminarily exploring childcare in 1988 (Work Family Report, 1992).

It is argued that the recent proliferation of employer-sponsored childcare can be attributed to both institutional pressures (DiMaggio & Powell, 1983) and management dominant logics developed via managers' personal experiences while operating in certain firms or industries (DiMaggio & Bettis, 1986). Institutional pressures emanate from agents, collective actors, and professional norms that socially construct belief systems influencing organizations to respond similarly to their environments (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Institutional theories have been used to explain the adoption of other human resource initiatives such as compensation practices (Fisenberal, 1988; Wotruba, 1991) and training programs (Scott & Meyer, 1991).

Yet social responsiveness need not only be ascribed to the iron cages of organizations' institutional environments, but also to strategic choice (Goodstein, 1993). While a growing body of literature suggests that human resource practices are influenced by organizational contexts (cf. Snell, 1992; Schuler, Jackson, & Rivron, 1989), the influence of the orientations and values of the organizational actors who determine the nature and extent of adoption of human resource innovations also merits thoughtful attention. Inadequate focus has been placed on the role of managerial values in employee relations (Kochar, Katz, & McKenzie, 1986) or on the organizational conditions fostering adoption of HR practices. This paper uses concepts from institutional theory (DiMaggio & Powell, 1983) and managerial dominant logic (Freidland & Bettis, 1986) to examine human resource managers' institutional role supporting the trend of employer-sponsored childcare as a form of organizational adaptation to change, and to demonstrate how this approach can significantly add to our understanding of the adoption of innovative human resource practices.

INSTITUTIONAL PRESSURES AND THE DEVELOPMENT OF HUMAN RESOURCE MANAGERS' DOMINANT LOGIC TOWARD EMPLOYER-SPONSORED CHILDCARE

There is not compelling evidence that companies necessarily adopt the human resource practices that are best for their firm (Snell, 1992). Nor do human resource priorities consistently originate from strategic or structural contingencies as many firms implicitly follow a multiple constituency approach to initiating human resource activities (Tsui & Millochick, 1987). This approach heavily relies on the expectations of organizational stakeholders—both internal and external. Consequently, organizations and in particular human resource (HR) managers, who are typically assigned the responsibility for initiating childcare and other work and family programs, are often very receptive to institutional pressures. Such pressures can include stated executive views favoring the adoption of "leading edge" or innovative HR practices and the rising expectations of employees and union leaders (cf. Patterson, 1991), professional business groups (cf. Conference Board, 1985, 1991), government officials (cf. Blanchard, 1991), and academics (cf. Kammerman & Kahn, 1987) regarding growing employer responsibility for childcare.

Scholars have also noted that organizations adopt innovative programs for many reasons other than the need to improve economic efficiency (Tolbert & Zucker, 1983). Given the lack of rigorous research demonstrating that childcare improves worker productivity, lowers absenteeism, or raises performance (cf. Miller, 1984; Friedman, 1989; Kossek & Nichol, 1992), it can be argued that institutional isomorphic forces have largely shaped management dominant logic toward childcare assistance. Applying DiMaggio and Powell's framework (1983), institutional pressures may be mimetic, normative, and coercive. Beliefs that firms should adopt programs in order to consciously or unconsciously model themselves after competitors considered to be successful or more legitimate reflect mimetic pressures (DiMaggio & Powell, 1983). Normative isomorphism stems from the introduction of professionals and professional knowledge and viewpoints into an organization in order to establish a cognitive base to ensure legitimacy and occupational
autonomy (DiMaggio & Powell, 1983). Coercive **isomorphism** results from political pressures such as state regulations or societal expectations. While all pressures are believed to influence adoption, mimetic and normative pressures are expected to have a more favorable influence on early adoption, while coercive pressures may have an inhibiting influence, since the latter involves sensitivity to negative or forced pressures, which firms may initially resist.

Human resource practices are not wholly pre-determined by environmental forces; rather, they are shaped by the interaction of institutional forces along with the choices and values of decision makers (Kochan, Katz, & McKersie, 1986). Management schema shape these beliefs and values. Schema are general mental structures that reflect the social construction of the firm's organizational environment (Weick, 1979). Prahalad and Bettis (1986) developed the term "managerial dominant logic" to refer to a schema or mindset regarding operating in a specific domain, such as a core business. Dominant logics are developed based on managers' experiences emanating from their own demographic background, and the organizations and industry environments in which they operate. Similarly, previous research has found that managers' beliefs and values toward employee assistance and alcoholism programs were related to personal work histories and organizational and environmental characteristics (Beyer & Trice, 1981; Trice & Beyer, 1984; Weiss, 1986; Weiss & Miller, 1987).

Three components of dominant logic of employer-sponsored childcare are believed to exist: a management control component reflecting sensitivity to normative pressures; an environmental component reflecting mimetic pressures; and a coercive component reflecting coercive pressures. These components are not distinct, but combine to form a global dominant logic or overall management orientation toward employer-sponsored childcare. None of these components can be viewed as ideal or pure types that can be found in isolation; rather, they are overlappingly embedded as an overall dominant logic or global orientation toward employer-sponsored childcare (cf. Snodgrass & Szewczak's 1990 work on strategic control choices). Our notion of components of dominant logic also is not unlike that of the idea of organizational resistance to change where forces favoring and inhibiting change can co-exist (cf. Lewin, 1947). Thus, views favoring proactive adoption as well as those inhibiting adoption can co-exist at the same time.

The Human Resource Manager's Institutional Role

A primary reason organizations differ in their responses to environmental changes is related to the way in which new issues are interpreted by decision-makers (Dutton & Duncan, 1987). Human resource (HR) professionals play a critical role in determining the timing and nature of an employer's actions regarding work/family changes by shaping the firm's interpretations of the environment (Milliken et al., 1990). Childcare policies are largely determined by the HR managers who act based on their perceptions of the need for assistance and their reading of executive views and the institutional sources of change in HR policies. The holding of strong dominant logic favoring employer-sponsored childcare-related initiatives is a necessary but insufficient condition for adoption, as top management attitudes must also be interpreted as being favorable. Given that human resource managers differ in their personal work histories, and their industry and organizational environments, it is believed that components of dominant logic regarding employer-sponsored childcare will vary in the strength of their presence according to demographic and organizational differences. Human resource managers will vary in their receptivity to specific institutional pressures according to their diverse backgrounds.

Proposition 1.0. The dominant logic regarding employer-sponsored childcare relates to several components: (1) management control component, (2) environmental component, and (3) coercive component. These components are developed based on human resource managers' experiences emanating from their own demographic backgrounds, and the organizations and industry environments in which they operate.

Management Control Component

Normative institutional pressures influencing human resource managers are reflected in a management control component. Human resource professionals are highly sensitive to normative pressures to enhance occupational legitimacy having more recently become a line management partner with direct reporting relationships to senior management than other staff functions such as marketing or finance (Walker, 1992). During the past few decades, universities, companies, and professional associations such as the Society for Human Resource Management and the Human Resource Planning Society, have tried to instill a strong sense of professionalism in the field, often emphasizing the need to shift from administrative to professional roles, to develop functional skills and knowledge, and to become more strategic and business-oriented (Walker, 1992). Childcare initiatives are indicative of a new professional focus on developing individually-oriented reward systems, serving to better serve internal customers, and adapting to projected labor shortages for critical skills.

Adopting innovative human resource programs to respond to normative pressures also enables the human resource profession to enhance its legitimacy by serving to uphold the authority of management and preserve
the existing subordinate order of work relations (cf. Bendix, 1956). Beliefs that child care assistance will help improve productivity, efficiency, and morale for bitter management control over workers are relevant here. This component may be rooted in the professional argument that childcare problems interferring with work efficiency can be eliminated via family assistance programs. Based on a paternalistic and “human relations” approach to management, childcare programs help management to appear as if it is attending to employees’ personal and work needs. Attempts to improve morale and satisfaction via childcare are believed to make employees work harder (cf. Edwards, 1979). In sum, through childcare programs, human resource managers can not only enhance management’s control over the workforce; they can also strengthen their own position as a business partner with line management.

Environment Component

Mimetic pressures are reflected in an environmental component. Companies might adopt childcare to mirror the actions of companies they view as successful and leading edge. Evidence that many firms may initiate childcare programs to serve mimetic and symbolic needs is provided by the fact that many prominent firms have adopted the least costly means of aiding their employees, which often are less helpful to employees than more comprehensive measures. Few firms have adopted the most financially-intensive and legally risky program, the onsite center, which is used by less than 1% of all employers nationwide (Friedman, 1989). Instead, most employers have opted for less invasive involvement in the form of short-term unpaid familial leaves, flexible spending accounts, and information and referral services and the vast majority of these programs have been adopted in the last 10 years (Friedman, 1989). Ironically, none of these more frequently offered programs expand the supply of childcare, significantly lower childcare costs, or improve the quality of care—the issues of highest priority for working parents (Sullivan, 1991; Speth, 1991; Marquart, 1988).

The strength of mimetic pressures is demonstrated by the fact that the least costly options are also the most common as many other firms follow the actions of leading competitors. It may be no accident that the leading competitors have chosen to adopt lower cost childcare programs because financially the rate of return on expensive assistance programs such as onsite centers is either not high enough or lower than putting money into employees’ salaries or other initiatives. Regardless of the reasons, it is clear that most employers have adopted programs that cost relatively little money and often reap only limited worker benefits, but generate favorable publicity. This gap between the rhetoric and reality of some childcare programs reflects Guest’s (1990, p. 392) notion of “HRM as the repository of good intentions.” Executives espouse a belief in the progressive management of human resources and attempt to create a sense of activity and change by offering new programs that may be largely ineffective and cosmetic due to their lack of strategic linkage (Guest, 1990).

Adopting childcare programs in response to mimetic forces may also enable firms to signal their progressivism—they have adopted the same programs as successful firms. Indeed, programmatic innovations often function as concrete structural manifestations to “institutionalize” change (Kanter, 1983). Such programs facilitate management’s provision of formal symbols that they care about employees’ needs and that the firm is state-of-the-art (Kossek, 1989).

Coercive Component

The component derived from coercive pressures is reflected in the belief that firms should only adopt childcare initiatives if they absolutely must due to governmental or societal expectations. The federal government’s passage of the 1981 Economic Recovery Act that allows tax advantages supporting dependent care assistance and the development of childcare spending accounts utilizing pretax dollars illustrate governmental pressures on firms, as does the recently passed Family and Medical Leave Act. Views that childcare is needed to comply with regulators’ demands and may demonstrate support of Equal Employment Opportunity laws or Affirmative Action regulation may also apply. Coercive pressures from employees may arise when a company has a large female labor force. The lack of childcare may be perceived to have created severe recruitment and retention problems and a disgruntled workforce. Or a manager might believe that his or her firm has been forced to get into the childcare domain due to changing demographics that have created a new political environment. Escalating concern arises over potential image problems from the risks of not being viewed as “family friendly” or responsive to an increasingly diverse workforce (cf. Cox & Blake, 1991). Coercive pressures may also be reflected in the calculating view that companies should only adopt programs if there are a large group of employees or union members who will be politically receptive.

Links Between Personal, Organizational, and Environmental Variables and Dominant Logic Components

Before examining how the human resource manager’s dominant logic toward child care is linked to adoption, it is useful to first examine rela-
Proposition 1.1: Personal variables of gender and age will be positively related to environmental and management control components and negatively related to the coercive component.

Managers who are women and/or younger are expected to have increased sensitivity to mimetic and normative pressures supporting childcare. These managers are likely to be more conscious of the actions of leading competitors to support work and family issues and new professional calls to adopt childcare, as they personally are either directly or vicariously experiencing work and family integration issues via their families or peers. For example, research has shown that employees who are female, have young children, and are not managers tend to show the greatest concern over childcare arrangements (Kossek, 1990). More than 70% of the women in the workforce are in childbearing years, and most of these will become pregnant during their careers (Kameneman & Kahn, 1987).

Regarding the influence of age, younger managers are expected to be more sensitive to work and family issues. Statistics indicate there has been a dramatic rise in dual income and single parent families since the early 1970s (Ford Foundation, 1985). Older managers (who are also apt to be male) are more likely to have been raised in traditional two parent families with one male breadwinner. They are likely to be less sensitive to mimetic and normative pressures, since they have had less exposure to work and family integration issues. Older managers also may hold the view that since they didn’t get much work and family assistance when their children were young, why should other employees get it now? Consequently, older and/or male managers are likely to favor the coercive component that supports childcare assistance only if labor market, governmental, or societal demands pressure them to do so.

Proposition 1.2: The organizational size of managers’ firms will be positively related to all components of the dominant logic.

Large firms are particularly sensitive to concerns of legitimacy and social responsibility (Goodstein, 1993). The larger the firm, the more likely they will have developed many networks of social exchange and be increasingly vulnerable to the institutionalized pressures from competitors, government, their communities, and society at large (Powell, 1991; Goodstein, 1993). Larger firms tend to have executives who favor progressiveness, hold elite values, and desire their firms to be seen as prestigious (Kanter, 1984; Cappel, 1984). Consequently, large firms are likely to hire managers with formal degrees in human resources that are attuned to the “latest techniques.” Indeed, Morgan and Milliken (1992) note that large organizations are likely to have a greater number of human resource professionals to direct attention to child care concerns and respond to these pressures. They also argue that they may have more organizational slack to devote to more costly benefits such as childcare. In fact, large companies have been among the early adapters of progressive work and family practices (Kanter, 1984), while smaller firms have often voiced political resistance (Morgan & Milliken, 1992). Large organizations are also believed to favor the management control component since large firms are more likely to rely on formal bureaucratic programs to control the work behaviors of large numbers of employees (Hickson, Pugh, & Stey. 1969). Although it can be argued that size is not always positively related to innovation, as large firms tend to also have greater inertia than smaller firms, we believe that their greater sensitivity to institutional pressures and their increased resource sufficiency will foster support of all of the components of the dominant logic of employers providing childcare.

Proposition 1.3: Managers in firms that are high on use of formal administrative organizational control systems will be less predisposed to the management control component. Milliken (1990) has found that organizational characteristics, as perceived by senior administrators, had a significant effect on administrators’ interpretation of changing demographics. Employers tend not to show support for work and family issues unless it is in their interest (Mirnowski, 1993, Kanter, 1977). Given that the management control component is theorized to especially reflect normative pressures that will ensure occupational legitimacy, it is likely that these human resource managers in firms with human resource practices that currently are lower on organizational control will be more sensitive to new humanistic “Theory Y” types of personnel practices such as childcare unlike managers in firms with many formal organizational control mechanisms in place (cf. Khandwalla, 1974). Examples of formalized administrative control mechanisms include highly standardized performance appraisals and the extensive use of measurement systems. Childcare assistance may be viewed as a new tool for regulating the workforce without overtly appearing to do so.

As Child (1981) argues, firms have a choice over the type of control structures they implement. Organizations vary in the degree to which they choose to highlight bureaucratic controls reflected in highly formalized performance operating systems over cultural controls designed to foster the social internalization of the “right way to do things” in the organization (Snodgrass & Szewczak, 1980). By helping employees with their work and family integration problems, childcare programs are implicitly supporting a cultural control system as a substitute for more formal bureaucratic control.
Proposition 1.4. Managers in industries with high environmental uncertainty will favor environmental and coercive components.

Firms are more likely to innovate and alter their structure when environments are rapidly changing than when they are stable (Zaltman, Duncan, & Holbeck, 1984; Kanter, 1983). Managers operating in dynamic environments are more likely to be sensitive to external institutional pressures which will provide cues as to how to respond to environmental pressures. Indeed, a recent review on child care (Milliken, Dutton, & Beyer, 1990) contends that companies operating in turbulent environments with tight labor markets or with competitors that are leaders in child care were more likely to adopt programs. Kraft (1990) also argues that child care is positively correlated with operating in dynamic business environments such as high technology firms, which often experience tight labor markets for professional and managerial talent.

Signaling theory (Spence, 1973), which refers to a process of decision-making when all of the information desired to make a decision is incomplete, also supports the view that managers of firms experiencing heightened uncertainty are more likely to rate highly on the environmental component. Since such firms may be more tuned in to external forces, they are likely to be more sensitive to the cues institutional forces are providing favoring adoption and also may seek to use signals for impression management. Firms may cope with environmental uncertainty by adopting child care in order to send the signal that they are progressive and adaptive to the environment.

Ironically, it is also believed that managers in industries with high environmental uncertainty will also favor a coercive component as well. Human resource managers operating in dynamic environments may face increased pressure to first focus on basic human resource programs of hiring, firing, promoting, and downsizing before they can address their attention to "nonessential" human resource benefit programs such as child care. Managers are likely to refrain from child care initiatives if benefits are seen as limited when compared with other pressing needs for human resource initiatives emanating from the dynamic industry environment (Rahe, 1990). Thus, these managers are likely to believe that employers should respond to child care needs only if they receive coercive pressures from government, the labor market, or their communities.

Proposition 1.5. Managers in service industries will favor the environmental component.

Indicative of its high demand for female labor and tight labor markets, firms in the service industries have adopted more child care initiatives (Morgan & Milliken, 1992; Witkowski, 1993). For example, 70% of on-site centers have been adopted by hospitals (Friedman, 1989), which are service organizations that tend to hire from larger female labor markets and have experienced higher labor shortages than manufacturing organizations (Figeri, 1988). Service firms are also more likely to be non-union, which has been correlated with adoption (Auerbach, 1990).

Given the likelihood of lower profit margins in the service than in the manufacturing sector, service firms also may have a greater propensity to mirror the actions of firms they consider to be successful. There also may be the belief that it is necessary to have a progressive image to differentiate the firm for competitive marketing or recruitment reasons. For example, child care may be viewed as a necessary prerequisite to attract employees in a labor market that is more likely to be tight assuming lower wages for most entry level service jobs than those for manufacturing positions.

Implications of Dominant Logic Component for Adoption

Following Prahalad and Bettis's (1986) argument that several dominant logics can simultaneously exist, it is believed that human resource managers can concurrently be predisposed to multiple components regarding child care to form an overall mindset or management orientation toward adoption. For example, managers in a firm may simultaneously hold the mindset that employer-sponsored child care should be adopted if leading competitors have initiatives (environmental component) and that work productivity will be improved through fewer child care problems, thereby bolstering HR's credibility as a business partner (management control component). A coercive force regarding adoption that may exist with these components is the view that companies should offer direct child care services only if the government or workforce demands it (coercive component); otherwise it is far preferable to "stick to the knitting" of core business operations and basic human resource services (cf. Peters & Waterman, 1982). The following series of propositions are proposed:

Proposition 2.0. Human resource managers' dominant logic or global orientation toward employer-sponsored child care will be related to their demographic backgrounds, and characteristics of their organizational and industry environments.

Proposition 2.1. Human resource managers are more likely to interpret executive attitudes to be favorable if they are female, not supervisors, are in service organizations, with lower formalized organizational control that operate in a decentralized fashion.

Proposition 2.2. The extent of adoption of employer-sponsored child care will be positively related to (1) the strength of human resource manager's dominant logic or global orientation toward employer-sponsored
childcare, and (2) their interpretations of favorable executive attitudes toward employer-sponsored childcare.

Thus, for adoption to occur, not only must a human resource manager hold a strong bundle of components favoring initiation of employer-sponsored childcare supports, but the human resource manager must interpret the attitudes of the executives they serve as supporting adoption. Given that managers enact their environments (Weick, 1979), human resource managers' perceptions of executive attitudes are more relevant here than the actual attitudes held by executives. Managers operate on mental representations of the world (Kiesler & Sproull, 1982). Adoption is most likely to occur under conditions where the human resource manager has a strong favorable global orientation toward adoption and they perceive executive attitudes to also be favorable.

Our prediction is not unlike those of Gómez-Mejía and Balkin (1987), where they found that human resource managers' perceptions of executives' views concerning drug testing, another relatively new human resource policy area, was linked to adoption of drug testing programs. Human resource managers' actions should be very sensitive to perceptions of executive attitudes, since the role of human resources is to support business needs and strategy (cf. Schuler, Jackson & Rivere, 1989) by developing and implementing new policies to support the general direction and guidelines they receive from top management. In effect, senior management is the Human Resource function's chief constituent and policy maker.

Factors Related to Perceived Executive Attitudes

Proposition 2.1 posited a number of factors related to human resource managers' perceptions of favorable executive attitudes, the first being gender. Female managers are likely to be more aware of childcare assistance needs than male managers, since they are likely to have had to juggle childcare and work integration matters to a greater extent than male managers. Consequently, they are more likely to hold the view that executives should favor childcare assistance.

For parsimony in the model, we chose to include only one of the background variables of age and whether one was a supervisor, since both were expected to be correlated (which they were: .31**) and tap into similar background characteristics. It was theorized that being a supervisor was a better predictor of perceiving that executive attitudes would not favor childcare than simply one's age. Supervisors are likely to be closer in demographic similarity to executives than nonsupervisors, which has been linked to attitudinal similarity (cf. Tsui, O'Reilly, & Eagan, 1992). Since childcare assistance is a relatively new human resource area, supervisors are likely to have had to manage their own work and family issues well enough to get promoted into management with little or no company aid. They are also likely to be more aware of the high cost of initiating new human resource programs and be aware of other pressing priorities for employee relations dollars than nonsupervisors. Supervisors are also likely to be personally disadvantaged by managing the headaches of allowing greater company flexibility (e.g., part-time work, parental leaves, flextime) in managing childcare problems than nonsupervisors. Since managers who are supervisors are also likely to hold more organizational power than nonsupervisors (cf. Finkelstein, 1992), they are also more likely to believe that their views on childcare would be more accepted by their executives than nonsupervisors.

Regarding the influence of industry conditions, for reasons that parallel the arguments posited a link between environmental component and service orientation, it was expected that managers in service industries were more likely to believe their executives would favor childcare. As noted, childcare programs are more likely to be adopted by service industry organizations and are more likely to be perceived as giving a competitive edge in attracting the younger and often female workers employed in the service industry (Morgan & Milliken, 1992). Environmental uncertainty was not expected to directly influence the human resource managers' interpretations of executive support for childcare, since it relates to an external force whose immediate impact on the relationship between the HR manager and the executive is difficult to discern. However, the effects of environmental uncertainty are believed to indirectly influence adoption via its link to the holding of the environmental component of the human resource managers' overall dominant logic toward childcare.

Corporate culture has been associated with the adoption of innovative human resource practices (Peters & Waterman, 1982). It was believed that managers in firms with the organizational style of relying less on formal organizational control systems and operating in a decentralized fashion would be more likely to believe that they have the executive latitude to initiate childcare programs than managers who do not. As noted above, managers in firms with lower organizational control are more likely to be in a corporate culture that relies on nontraditional hierarchical control mechanisms to motivate the workforce and hence they are likely to believe their executives will favor new initiatives in this domain such as childcare.

Regarding the influence of decentralization, lower centralization has been positively correlated with the initiation of innovative work practices (Ferice & Delbecq, 1977; Kanter, 1983; Zaltman et al., 1984). Decentralization is particularly relevant to the adoption of childcare programs which typically involves the mobilization of local community as opposed to cor-
porate forces to address local childcare supply and labor market concerns. Since HR managers are lower in the management hierarchy than line executives, they are more likely to interpret they have the freedom to initiate childcare programs than managers in more centralized firms.

**METHODS**

Although decision-makers' portrayals of their own policies can be inaccurate, as stated policies and intentions can vary from what is actually used, creative questionnaires and analyses can be developed to capture a firm's dominant logic (Prasad & Beitz, 1986). The current study was designed to collect qualitative and quantitative data from a national group of individuals employed in the human resources and labor relations fields throughout the U.S. A survey was sent to all 750 graduates of a leading Masters degree program in human resources and labor relations, virtually all of whom were currently working in the human resources field. (Non-deliverable surveys were not included in this figure, and address records were not current for about one-fourth of the graduates.)

**Measures**

Since some existing measures were available, new measures were developed based on discussions with employers, employees, and childcare experts and a review of the literature.

**Overall Dominant Logic or Global Orientation Toward Employer-Sponsored Childcare Scale.** Using a 7-point Likert-type scale, respondents indicated their agreement with 12 items on childcare. The data were factor analyzed (see Table I) using principal components analysis with varimax rotation. Three factors were suggested by Eigenvalues greater than one and sheepp plot criteria. Five items loaded on the first factor, which explained 41% of the variance. They related to normative pressures and were called "environmental component" (alpha = .83). Four items related to normative pressures and loaded on a second factor called "management control component" (alpha = .82), which explained 12% of the variance. Three items related to negative beliefs regarding childcare assistance loaded on a third factor called "coercive component" (alpha = .68), explaining 10% of the variance. Since these items reflected a belief that employers should adopt programs if forced to, they were reversed coded when analyses related to actual adoption were conducted. Recall that while all pressures are believed to influence adoption, normative and normative pressures are expected to have a more favorable influence on early adoption than coercive pressures, since the latter involves responding to negative or forced pressures, which firms may initially resist. Our sample was developed in the early 1990s when the vast majority of U.S. employers had not yet adopted formal childcare assistance programs.

The respective Eigenvalues of the three factors were 4.9, 1.4, and 1.2. Thus, the management control and coercive components were each relatively close to the traditional Eigenvalue cutoff of 1.0 for forming a separate factor. Sheepp plots indicated there was a fall after the first factor. Because it was assumed that the components of dominant logic co-existed in firms, and that all firms exhibit these components to various degrees, to test adoption, a global dominant logic or overall proactive orientation toward employer-sponsored childcare scale was created as a measure influencing adoption. (The coercive component scale was reverse-coded as its items measured the belief that employers should adopt childcare initiatives mainly if they are forced to do so.) The alpha for the 13 item global orientation scale was .88, which is sufficiently high to warrant using it (see variable 12 in Table I). Our methods correspond to those argued by Cortina (1993) that indicates that factor analysis and high correlations can be enough evidence that it is appropriate to combine components to develop unidimensional measures. As Lord and Novick (1968) note, psychological measures often group items into subsets and then group those subset components into a total score for overall psychological measurement.

**Perceived Executive Attitudes Toward Childcare.** Respondents also indicated the prevailing attitudes toward childcare held by management in their organization. A 7-point Likert-type scale was used that had been adapted from a study by Gomez-Mejia and Balkin (1987) on managers' perceptions of drug testing programs. Sample items: "Management doubts that childcare assistance affects the productivity of employees," and "Management feels that the company should not adopt childcare programs because it is too costly." The higher the mean, the less appropriate management views childcare.

Organizational and environmental characteristics were measured via the commonly-used and well-accepted scales taken from Miller and Drage (1986). The environmental uncertainty scale (Miller & Drage, 1986; Khandwalla, 1974) measured the degree of change and unpredictability in market-related and technology dimension (five items). The organizational control scale (Khandwalla, 1974) assessed the extent of use of formalized administrative management control devices (six items). A decentralization measure was taken from the Aston studies and reflected the extent of centralization of decision-making and authority (11 items). Organizational size was measured by taking the natural logarithm of the number of full-time employees, which helped to normalize the data (Blau & Schoenherr, 1971).
<table>
<thead>
<tr>
<th>Scale Items</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
<th>Total Variance Explained (97%)</th>
<th>Comm. (%)</th>
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<td>Should take care of children</td>
<td>0.65</td>
<td>-0.08</td>
<td>0.20</td>
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<td>Improve productivity</td>
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<td>0.01</td>
<td>0.36</td>
<td>36.9</td>
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<td>Reduce employee turnover</td>
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<td>-0.21</td>
<td>0.65</td>
<td>30.9</td>
<td>41.0</td>
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<td>Not enough employees will use</td>
<td>0.18</td>
<td>0.14</td>
<td>0.65</td>
<td>24.6</td>
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<td>Changing demographics makes new employees more</td>
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| Table 1. Factor Analysis of Components of Dominant Logic of Employer-Sponsored Childcare (Principal Components, Varimax Rotation) |
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<p>| Table 2. Means, Standard Deviations, and Pearson Correlations for All Measures |</p>
<table>
<thead>
<tr>
<th>X</th>
<th>Y</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable 1</td>
<td>Variable 2</td>
<td>Correlation</td>
</tr>
<tr>
<td>1. Environmental</td>
<td>2. Workplace</td>
<td>Correlation</td>
</tr>
<tr>
<td>5. Procedural</td>
<td>6. Family</td>
<td>Correlation</td>
</tr>
<tr>
<td>7. Performance</td>
<td>8. Participation</td>
<td>Correlation</td>
</tr>
<tr>
<td>9. Satisfaction</td>
<td>10. Adoption</td>
<td>Correlation</td>
</tr>
</tbody>
</table>

**Note:** Table 2 includes means, standard deviations, and Pearson correlations for all measures.
The extent of adoption of childcare programs was measured by totaling the number of assistance programs that the company had adopted, which ranged from parental leave to dependent care or flexible spending accounts to on-site childcare centers. Respondents also indicated their individual background: age, gender, base salary, supervisory responsibility, and total previous work experience.

Analyses

To test propositions 1.0–1.5, three hierarchical regressions were created to assess the relationship between personal demographic, organizational, and environmental variables and the holding of various schematic dimensions. In the first stage of each model, the personal variables of age and gender were regressed on the dependent variable of either environmental, organizational control, or coercive schema. In the second stage, organizational variables were entered. In the third stage, industry-related environmental variables were entered for the two dimensions (coercive and environmental) where environmental links were theorized. (Recall that no environmental links were hypothesized for the organizational control dimension.)

A two-step three equation ordinary least squares regression was used to investigate the direct and indirect linkages between the context, global management orientation or dominant logic, executive attitudes, and the adoption of work-family programs (cf. Pinder & Rubinfeld, 1981; Anderson & Gerbing, 1988). Given the large number of variables and a sample size of several hundred cases, for parsimony, we used only those variables from Table III, which helped produce the best fitting models. For the first stage of the model two separate hierarchical regressions were used to explore the relationships between the contextual variables and management orientation/dominant logic and perceived executive attitudes. Using two stages and separate equations to predict the global orientation and attitudes helps guard against threats from common method variance, and fits the assumption of the existence of simultaneous influences of the contextual variables on the two attitudinal variables, which in turn help predict adoption.

RESULTS

A total of 266 individuals responded to the survey for a response rate of about 33%. The sample was 95% white, 65% male, had an average age of 34 years (range 25–60 years). Seventy-four percent of the respondents were supervisors with an average organizational tenure of 6.5 years, and an average annual salary of $54,345 that ranged from $15,000 to $125,000. The average organizational current tenure was 6.5 years with a standard deviation of 6 years. Graduates had changed employers a mean of 1.2 times since graduating, with a mode of zero, indicating the tendency of many graduates to join large Fortune 500 firms or governmental employers and to remain with them for most of their careers. Three-fourths of the sample worked for employers with more than 1000 employees, 74% of which were private.
Table IV. Two-Stage Regression Model of the Degree to Which Global Management Orientation Toward Employer-Sponsored Childcare Initiatives and Perceived Executive Attitudes Predict Adoption

<table>
<thead>
<tr>
<th>Model 1: Global management orientation toward employer-sponsored childcare</th>
<th>Beta</th>
<th>T Value</th>
<th>Model R²</th>
<th>Model F value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>-1.15</td>
<td>-1.17*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization size</td>
<td>0.25</td>
<td>2.37*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational control</td>
<td>-0.31</td>
<td>-3.16**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing/service</td>
<td>0.10</td>
<td>1.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental uncertainty</td>
<td>0.02</td>
<td>2.37*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>4.61</td>
<td>2.15**</td>
<td>0.20</td>
<td>5.24***</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model 2: Perceived executive attitudes</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>0.11</td>
<td>.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervision</td>
<td>-0.16</td>
<td>-1.44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational control</td>
<td>0.21</td>
<td>2.05*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing/service</td>
<td>0.21</td>
<td>1.97*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decentralization</td>
<td>0.16</td>
<td>1.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>1.05</td>
<td>1.11</td>
<td>0.10</td>
<td>2.65**</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model 3: Adoption of work and family initiatives</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicted management orientation</td>
<td>0.21</td>
<td>2.06*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Predicted executive attitudes</td>
<td>0.31</td>
<td>2.83**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>-0.25</td>
<td>-2.42*</td>
<td>0.14</td>
<td>3.84***</td>
</tr>
</tbody>
</table>

Of the responding firms, one third had not adopted any programs. For adopting firms, the mean number of programs adopted was 2.42 with a range from 1 to 9 programs. Since the survey data were collected at one point in time, in order to validate the dependent variable of adoption, 2 years later approximately one-third of the sample (85 cases) was called back to validate the number of adoptions. The correlation was between the adoptions reported on the survey and those reported by phone was .77 (p ≤ .001). Given that the adoption measure is not an attitudinal measure, we feel quite confident of the validity of this measure. Regarding demographic measures, Crampton and Wagner (in press) recently demonstrated that the use of a common method does not result in serious distortion of relationships between self-reported demographic measures and affective measures.

As shown in Table III, the human resource manager's personal background, and organizational and environmental variables were good predictors of the components of the dominant logic of employer-sponsored childcare. In all three models, the block of personal background variables significantly helped explain variance for each component. The t value for gender was statistically significant for the environmental component, as female managers were more likely to favor this component. On its own, age was not significant. The block of organizational variables was significant for the management control and the coercive component. As predicted, managers in firms with higher organizational control were less likely to favor an organizational control component. Organizational size and environmental uncertainty were the only significant variables in the model of the coercive component. The larger the firm, the greater the tendency to favor the coercive belief. The block of environmental variables were significant for the coercive and the environmental components. Managers in the service industry were significantly more likely to favor an environmental component. Environmental uncertainty was only significant in the coercive model. The greater the environmental uncertainty, the greater the tendency to favor the coercive component.

Turning to Table IV, global management orientation/dominant logic and interpretations of executive attitudes were significantly linked to the adoption of childcare-related programs. Regarding to the first equation, all of the contextual variables were entered in the first equation to predict overall management orientation. (Age was not included in the model, since it was not significant on its own in any of the schematic component models.) Twenty percent of the variable in management orientation was explained by this model. Size, environmental uncertainty and organizational control were all statistically significant in the first equation. The second equation predicting human resource managers' interpretations of executive attitudes was also significant. Managers in firms with high organizational control and/or who were in the service industry were more likely to believe their executives favored childcare initiatives.

DISCUSSION

This paper demonstrated that concepts from institutional theory and managerial dominant logic can be used to examine the human resource manager's institutional role supporting the adoption of employer-sponsored childcare as a form of organizational adaptation to change. While a growing
body of literature suggests that human resource practices are influenced by organizational contexts and environments (cf. Snell, 1992; Schuler, Jackson, & Rappa, 1989), the influence of the attitudes and orientations and values of the organizational actors who determine the nature and extent of adoption of human resource innovations has largely been overlooked, a gap this study has strived to begin to fill. Our study gives insight into the importance of the human resource manager's role in organizational adaptation to change and the proliferation of new work practices. The research supports previous research on the link between work practices and institutional influences (cf. Tolbert & Zucker, 1982; Eisenhardt, 1988; Weizer, 1991; Scott & Meyer, 1991). We explored linkages between these institutional pressures and the values and mindsets held by organizational actors regarding the forces supporting the inhibiting change.

Three components of the dominant logic of employer-sponsored childcare were found: management control reflecting sensitivity to normative pressures; environmental, reflecting mimetic pressures; and a coercive component pertaining to coercive influences. These components overlapped to form an overall management orientation or dominant logic toward employer-sponsored childcare, which was influenced by the human resource managers' demographic backgrounds, and their organizational and industry environments. The extent of adoption of employer-sponsored childcare was positively related to (1) the strength of human resource manager's global orientation, and (2) their interpretations of favorable executive attitudes toward employer-sponsored childcare.

One of our results was counter to our predictions. Unlike our hypothesis that human resource managers would be more likely to perceive executive attitudes favoring childcare if they were in firms that relied less on formalized control systems, since childcare would be viewed as a cultural control substitute for bureaucratic control, the opposite was found. The greater the use of formalized organizational control systems, the higher the perception that executives favored childcare. Perhaps human resource managers in firms that have adopted many formalized control systems may perceive executives as desiring the initiation of even more forms of control. Snodgrass and Szewczak's (1990) notion that firms substitute cultural control and bureaucratic control may be more applicable to small and medium than for the large firms that comprised most of our sample. Because of the need to manage large numbers of workers, large firms may use as many types of control as possible to regulate employees' behaviors. Recall that organizational control and organizational size were significantly correlated to \((.38**). Thus, human resource managers in large firms, particularly Fortune 500 ones, may be more likely to perceive executives as favoring all forms of control both formal and cultural.

Practical Implications

Our findings also have practical significance by giving insight into the contexts, dominant logics and attitudes that can support or resist adoption of progressive practices. As Moch and Hartnett's (1987) model of first-, second-, and third-order change suggests, incremental change in attitudes and new ways of thinking must occur before change in behavior and actions, and adaptive cultures can develop. With the trend toward decreasing government involvement in social issues, the slowing rate of GNP growth, and the increasing competitiveness of global markets, employers may not perceive that they have the resources or time to effectively respond to the childcare issue, despite increasing employee and societal pressures to do so (cf. Milliken, Dutton, & Beyer, 1990).

Human resource managers need to be aware of the components comprising their dominant logic toward employer-sponsored childcare. If HR managers are simply imitating competitors they view as leading edge, they need to know this so they can follow firms that have programs that really work (i.e., are cost effective and really help employees). If managers are looking for yet another way to control employees, they should understand this situation, so they may evaluate whether childcare programs are really effective in providing control in a cost-effective manner. If HR managers feel they are being coerced into adopting childcare programs, they should understand this view as well. The questions of who is running the company and the proactiveness of human resource management initiatives are raised.

There also needs to be greater dialogue between HR managers and executives on the executives' attitudes toward childcare programs. If the HR managers are making judgments about programs based on the perceptions of executive attitudes, they could either be way off base or pushing programs that executives don't really support, as opposed to pursuing programs with executive support that also may ultimately be more beneficial to employees. If HR managers are pushing programs fostering involvement in work/family issues that executives fail to perceive as being useful, adoption will either not occur or the tendency will be to mainly adopt token programs that have largely symbolic impact. This need to better link human resource initiatives with business objectives is provided by the fact that most human resource innovation is piecemeal and deficient in the key ingredient of strategic integration (Guest, 1990).

Limitations of Study and Implications for Future Research

There are several limitations to this study. First, the reader should be cautioned that our study is based on same source data, which can have
common method variance problems. Our revalidation of our adoption measure 2 years later hopefully ameliorates this problem to some degree. Also, recent scholarly work (cf. Crampton & Wagner, forthcoming) indicates that common method variance may not be as large a problem as historically noted in the literature, particularly for the use of self-reported demographic measures. It should also be noted that our data are not necessarily causal nor sequential. It is difficult to make inferences about the direction of the relationships between attitudes and adoption. It is as plausible that the holding of favorable attitudes may precede adoption as it is that the adoption of childcare programs may lead to a change in attitudes as predicted by cognitive dissonance theory (Festinger, 1957).

Another limitation of the study is its focus on formal policies. This approach overlooks informal changes in culture and climate to accommodate work/family issues. For example, a company might adopt a lot of work family programs on paper, but may not have a culture that is very receptive to accommodating an employee's personal family problems. Given our interest in institutional influences on adoption, however, focusing on formal programs made good conceptual sense for this study.

Future research should focus on refining the components of our dominant logic scale. Our measure should also be applied to a large number of human resource practices. Future work also should examine qualitative data that are designed to continue to delve into the interpretations managers are making of the current childcare assistance situation. Our study did not analyze the effectiveness of childcare programs, and clearly more work should be done in this direction as well. In particular, additional work is needed that links specific dominant logics with the adoption of particular programs and organizational performance. For example, perhaps programs that are adopted largely for reasons of management control may be less effective than programs that are adopted because of adaptation to competitive environmental pressures.

Regarding contextual influences, additional studies are desirable on how the ownership structure of organizations and their cultural milieu relate to dominant logics toward employer-sponsored childcare. Companies with successful employee stock ownership plans might be more sensitive to environmental pressures because they have had experience in sensitive to employees' stakeholder views and needs. Changes in organizational design such as trends toward greater decentralization, increasing integration between task and nontask factors in job design, growing employee ownership and voice, and increasing awareness of employee rights will further influence dominant logic. For example, future research might explore the relationship between organizations that are structured to foster high commitment in the workplace and dominant logic favoring employer involvement in family issues.

Employer-sponsored childcare programs can be considered a form of a general institutional pattern of adopting procedures to formally manage the integration of work and personal lives. Future work should examine the extent to which management dominant logics can be linked to employer views regarding the propriety of involvement in employees' personal lives. Corporate dominant logics toward childcare are changing in response to societal changes such as the increasing participation of women in the labor force, changing family structures, and altered norms regarding the benefit of intermingling work and family worlds.

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Ellen Ernst Kossek is an Assistant Professor of Human Resource Management and Organizational Behavior at the School of Labor and Industrial Relations at Michigan State University. Prior to joining MSU in 1987, Ellen worked on human resource issues for IBM, GTE, and Hitachi in Europe, the US, and Japan. Her articles on human resource innovation, work/family initiatives, and workforce diversity have appeared in such journals as Personnel Psychology, *Journal of Organizational Behavior, Journal of Applied Behavioral Science, Human Resources Management Review, and Work and Family Initiatives*. She currently serves on the editorial board of *Human Resource Management* and has contributed to many Fortune 100 companies. Recently, she edited a book entitled *Child Care Challenges for Employers* that has just been published by LRP Press. Her earlier book is *The Acceptance of Human Resource Innovations: Lessons for Managers* (Quorum Books), Ellen has a PhD from Yale University in organizational behavior, an MBA from the University of Michigan, and an MA in psychology from Mount Holyoke in South Hadley, Massachusetts.

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