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How Top Management Commitment on Diversity Leads to Organizational Innovation: The Evidence from China

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Abstract

Apart from various challenges such as globalization and technological advances, workforce diversity has also been regarded as a central issue in the management field. However, many organizations still have difficulties putting this concept into practical use, even for many Chinese organizations. And diversity management (DM) remains at the theory stage, the implementation of diversity management practices is more an issue of talk than actual activities. In response to this issue, this study aims at exploring the relationships between top management commitment, HR diversity practices, and organizational innovation. Data collected from 195 high-tech companies in China shows that top management's commitment positively impacts the implementation of HR diversity practices, and implementation of HR diversity practices can improve organizational innovation. In addition, the implementation of HR diversity practices mediates the association between top management's commitment and organizational innovation. The findings in our study provide evidence for examining the antecedents and outcomes of HR diversity practices. Finally, the theoretical and managerial implications of our study are discussed.

Keywords

Diversity Management, Top Management Commitment, Organizational Innovation

1. Introduction

With a rapidly changing global business environment, today's organizations have realized that change management is crucial to their development and sur-

vival in a competitive era (Cao et al., 2003). Apart from various challenges such as globalization and technological advances, workforce diversity has also been regarded as the main issue in the business field (Ricco & Guerci, 2014). To respond to this pressure, more and more companies are making great efforts to apply various policies, procedures and practices to manage such demographic changes effectively (Ali & Konrad, 2017). Since DM has been proved to contribute various benefits (e.g., greater creativity and performance), DM is a critical instrument of organizational change management that has been frequently emphasized (Avery & McKay, 2010; Gotsis & Kortezi, 2013).

However, many organizations still have difficulties putting this concept into practical use (Kulik, 2014). Even for many global organizations, diversity management remains at the theory stage, and the implementation of DM practices is more an issue of talk than actual activities (Snape & Redman, 2003). Furthermore, although managing workforce diversity is regarded as a global concern, the limitation is that it is based almost on Western research (Shen et al., 2009; Zhang & Tsui, 2013). As the second-largest economy globally, the economic influence of foreign direct investment (FDI) on China has developed into the process where the business operates through HRM and other procedures over time (Thomson et al., 2019). Considering continuing calls for further study into DM by leading researchers in HRM (e.g., Cooke, 2012), it is becoming increasingly urgent to examine the state of HR diversity practices in China.

Previous studies have proposed a variety of reasons for implementing DM practices and the requirement of laws and regulations (Yang & Konrad, 2011), satisfying the expectations of stakeholders (Ali & Konrad, 2017), and securing legitimacy (Ravazzani, 2016). However, the understanding of how top management influences this process is limited (Ng & Sears, 2020). Top management refers to a group of individuals with superior leading roles in an organization who are obliged to make important decisions that may significantly impact the development and performance of the entire organization (Helfat et al., 2006: p. 45). It has been regarded as the key agent of organizational change, and its support is identified as the determinant of which diversity initiatives are implemented and whether their implementation is successful (Guillaume et al., 2014). In order to shed light on how top management contributes to the implementation of HR diversity practices, we focus on the agency of top management, who assumes the leading role in implementation, which would influence organizational change.

As the important role in managing diversity, an emerging line of research was devoted to investigating the relationship between HR diversity practices and employee's work-related outcomes. For instance, Shen et al. (2014) examined the effect of HR diversity management on knowledge sharing in multilevel designed research. However, earlier studies have rarely focused on the organizational level and used different logics to explain how HR diversity practices affect organizational competitiveness. Additionally, the resource-based lens has suggested that DM can help organizations enhance their advantageous resources through in-

imitability, rarity and value of human capital, thus improving the overall organizational performance (Barney & Clark, 2007). Given innovation that is viewed as the essential capacity for the sustainable development of organizations (Crossan & Apaydin, 2010), the present study also aims to investigate the relationship between HR diversity practices and organizational innovation.

In sum, our article provides several contributions. First, an investigation is conducted to examine how the diversity commitment of top management contributes to the implementation of HR diversity practices. It boards our understanding of top management for the effective transformation of organizations. The theoretical arguments of Yang and Konrad (2011) are verified from an empirical perspective that the top management's commitment may influence the adoption and implementation of DM practices and organizational innovation. Second, examining the mechanism of implementation of DM practices through top management's commitment to DM and organizational innovation adds new knowledge to the literature on organizational change process in top management's commitment-innovation relationship. Third, investigations into the antecedents and outcomes of DM practices extend the HRM theory by throwing light upon the sources of diverse human capital and the beneficial role in promoting organizational innovation.

2. Theoretical Background and Hypothesis Development

2.1. Top Management Commitment to Diversity and Implementation of HR Diversity Practices

It is generally believed that "Diversity management is an organizational approach with the strategic aim of achieving better organizational results by creating an inclusive workplace where people's distinguishing qualities and needs are managed in a diversified, effective, efficient, and equitable way." (Ricco & Guerci, 2014: p. 236). It includes the transformation practice management of an organization, which mainly focuses on the proper right protection of minorities, such as women, LGBT, disabilities (Gonzalez, 2010). According to previous research, the substantive emergence of demographic changes (e.g., age, disability, gender) is highly unlikely when top management does not hold a supportive attitude to specific diversity-promoting initiatives. With the absence of true commitment of top management to an inclusive working environment, DM is very likely to end up as a failure (Moore et al., 2010). As a key agent of the organization, top management is generally composed of on CEO and direct subordinates responsible for the organization's policy (Chu et al., 2017), who play an authoritative role in guiding and leading the entire organization to implement the strategic initiatives they have developed. The authoritativeness, resource access and social connections of top management may be more conducive to implementing organization-wide transformation (Heyden et al., 2017). Besides, in addition to the role of primary implementers, top management shall also take responsibility for various aspects in all HRM adoption stages, including the decision-making,

policy design, and implementation quality monitoring (Boada-Cuerva et al., 2019; Guest & Bos-Nehles, 2013). Furthermore, the successful implementation of DM calls for top management's constant commitment and continuous support, which is critical to arise the long-term attention of the executive levels and keep it on the corporate agenda (Ng & Sears, 2020). Consequently, top management's commitment to DM seems more important when implementing diversity practices.

The Upper Echelons Theory (UET) also has its interpretation of how diversity practice implementation is impacted by the commitment of top management, which suggests that top management reflects an entire organization (Hambrick & Mason, 1984). More specifically, this theory suggests that top management plays an essential role in creating and giving sense to all organizational members. The change process through sense-making/sense-giving reflects a top-down change effort (Kezar, 2013). When top managers develop a vision for change caused by external and internal signals, they ordinarily communicate to organizational members. Organizational members assess the motives of top management and then implement these change initiatives (Ng & Sears, 2020).

According to the study, the supportive attitude of top management can positively impact the perceptions of employees, thus facilitating the smooth implementation of all kinds of new policies (Chadwick et al., 2015). A large number of previous researchers have also studied the role of top management support in implementing HR initiatives. For example, Tootell et al. (2009) indicated that support from CEO and top management team might increase the acceptability of HR systems used to inform the organization of the operational and strategic decisions. With a quantitative study, Chadwick et al. (2015) conducted a quantitative study and pointed out that managers of the middle level have higher chances of implementing HR systems when they perceived emphasis on SHRM from the CEO. Given the shreds of evidence by previous studies, it is reasonable to infer that the commitment from top management (i.e., support, emphasis) is expected to impact the adoption and implementation of diversity management practices positively. This line of reasoning leads the current study to propose the hypothesis that follows:

*H*1. Top management's commitment to DM has a positive influence on implementing HR diversity practices.

2.2. Implementation of HR Diversity Practices and Organizational Innovation

So far, there have been different views on DM components and various managerial initiatives, such as work-life programs, diversity leadership practices and LGBT-supportive corporate policies (e.g., Ali & Konrad, 2017; Pichler et al., 2017). Nevertheless, from an HRM perspective, it is widely recognized that diversity practices include selecting and recruiting, developing and training, appraising and rewarding (Shen et al., 2009). Compared with Equal Employment Opportunity (EEO), which emphasizes equality in employment, HR diversity

practices also aim at valuing and making use of diversity. Therefore, besides minimizing diversity's negative influences, effective HR diversity practices also help the organization improve the competence of leveraging diversity (Shen et al., 2014).

The ability-motivation-opportunity (AMO) theory expresses performance as a function of three variables, namely, opportunity, motivation and ability (Appelbaum et al., 2000). It suggests that HR practices should be designed to yield positive outcomes in the HR domain, which will eventually enhance productivity, improve quality, facilitate innovation, and be conducive to other positive outcomes (Alharbi et al., 2019). These outcomes will also be reflected in increasing financial performance of the organization (Jiang et al., 2012). Applying AMO theory to the background of current research, we assert that diversity practices are likely to improve organizational innovation. Concretely speaking, using fair characteristics as hiring and section criteria provides a platform where talents and individuals with diversity can work in joint efforts. Innovation is likely to increase when heterogeneous individuals apply diverse knowledge and information to the existing opportunities and problems of the organization (Bassett-Jones, 2005). Diversity-related training and development can reduce prejudice and discrimination also facilitate positive intergroup interactions (Pendry et al., 2007). These practices provide a platform where employees can share different thoughts and, in turn, may motivate employees to generate more innovation (Bezrukova et al., 2012).

Meanwhile, the adoption of objective appraisal criteria on performance management and rewards may reinforce the motivation for employees to participate in creative activities to help companies obtain satisfactory outcomes (Jiménez-Jiménez & Sanz-Valle, 2005). Besides, a clear and fair rewarding mechanism shall also be established to provide incentives for employees to stimulate more of their innovative thinking (Chen & Huang, 2009). In this respect, diversity practices do not normally exist alone. Instead, they are generally an important element of an HRM system (Armstrong et al., 2010). Accordingly, diversity practices may contribute to retaining a diverse workforce, creating a diversity climate and providing a talented human capital pool, which have a significant role in organizational goals (Ali & Konrad, 2017). Thus, we assume that HR diversity practices could account for the improvement in organizational innovation.

*H*2. Diversity practices are conducive to organizational innovation.

2.3 The Mediating Role of HR Diversity Practices

Previous studies demonstrate the critical impact of top management on organizational diversity practices. For instance, Moore et al. (2010) found that the supportive attitude of top managers towards disability diversity has a significant role in implementing diversity initiatives, further enhancing employment with disabilities. Ng and Sears (2020) also indicated that the degree to which top management is committed to diversity determines the extent to which diversity

initiatives can be properly implemented. These findings suggest the facilitating effect of top management support on diversity initiatives.

However, these studies have failed to investigate how HR diversity initiatives mediate the relationship between top management commitment and organizational innovation. When top managers' commitment serves as a promoter to initiative implementation, the linkage implies that senior managers have supportive views of DM and a sharpened vision of the actions. Top management will spread the values created by diversity policies in a top-to-bottom manner, and they will also provide strong support to the establishment of an equality system that ensures a pool of diverse HR resources (Ali & Konrad, 2017). The commitment to diversity by top management is conducive to an environment where employees embrace diversity and are thus empowered for value creation. As a result, the increased variety of knowledge, perspective and ideas via a diverse talent base enhances the attainment of organizational goals.

Furthermore, empirical evidence also shows that HRM initiatives, with the solid commitment of top management, are conducive to a variety of desirable outcomes, such as enhanced productivity, reduced turnover rate, improved financial performance etc. (e.g., Chadwick et al., 2015). Thus, we expect that top management's commitment to diversity is conducive to the stimulation of employees' innovative thinking. Given the arguments regarding the significant role of top management's commitment to implementing diversity practice, we assume that HR diversity practices will serve as a mediator between top management's support and organizational innovation.

*H*3. Diversity practices play a role of a mediator between top management's commitment to diversity and organizational innovation.

3. Methodology

3.1. Sample and Collection

With the different historical, institutional, social and cultural contexts, DM as a management concept has rarely been heard and featured in China (Lee Cooke & Saini, 2012). Following the suggestion by a prior study (Collins & Smith, 2006), this study selected high-tech firms were located in the People's Republic of China. Compared with traditional industry (e.g., manufacturing industry), high-tech firms provide support-focused management, which includes selecting employees based on competencies, offering large autonomy and negating stereotypes. With a proactive business strategy, high-tech firms are likely to anticipate a change in the environment, especially opportunities and changes. Furthermore, with the increasingly fierce competition in the technology industry, companies in this industry are trying to convert their competitive advantages from market-power-dependent and tangible-resource-dependent to intangible-resource-dependent, such as human resources (Collins & Smith, 2006).

Following the recommended method of estimation of sample size (Bartlett et al., 2001), we contacted 300 companies. Eventually, 210 companies allowed our

research to be conducted. After inducing the purpose of this study with a cover letter, questionnaires were sent to each firm. Given the main purpose of the current study, middle managers working in the HR department were requested to report top management's commitment to DM, HR diversity management and organizational innovation. After completing the whole investigation, we provided E-coupons to thank the participants. 300 questionnaires were sent by email during two months, and 210 questionnaires were collected totally. After removing some invalid questionnaires, 195 valid questionnaires were included in this research for a response rate of 65%.

Table 1 lists the demographic characteristics of the respondents. 54.4% companies are foreign-owned companies; the other 45.6% are domestic. They are distributed among computers (21.5%), medical equipment (39.5%), electronics (15.9%), pharmaceuticals (22.6%), and aircraft and spacecraft (0.5%). In terms of the companies age, 32.8% of companies set up for 3 to 5 years, 45.1% set up for 6 to 15 years and 22.1% more than 15 years. As for companies' size, the smallest company size is 100 - 299 employees and the highest size is 1000 employees. 300 - 499 employees companies account for 12.8%, 500 - 599 employees companies account for 11.3%.

Table 1. The characteristics of sample.

Categories	Classifications	Frequency	%
Onwership	Domestic	89	45.6
	Foreign-owned	106	54.4
Industry	Computers	42	21.5
	Medical equipment	77	39.5
	Electronics	31	15.9
	Pharmaceuticals	44	22.6
	Aircraft and spacecraft	1	0.5
Firm age	3 - 5 years	64	32.8
	6 - 15 years	88	45.1
	Above 15 years	43	22.1
Firm size	100 - 299 employees	119	61
	300 - 499 employees	25	12.8
	500 - 999 employees	22	11.3
	Above 1000 employees	29	14.9

3.2. Measurements

A five-point Likert scale, which ranges from 1 (strongly disagreement) and 5 (strongly agreement), was applied to the measurement of identified variables.

The original survey was written in English, the questionnaires were first translated into proper languages before being handed to respondents and translated back into English after being collected (Brislin, 1986).

Top management's commitment to diversity. Five items from Sabharwal (2014) were applied to assess the commitment of top managers to diversity. A sample item is "Our firm's diversity and inclusion initiatives received full support from our top management." The Cronbach's α for this scale was 0.90.

Diversity practices. HR diversity management was assessed using 16 items modified from D'Netto et al. (2014). This scale contains 16 items that assess HR diversity management, with every four items in selection and recruitment, development and training, performance assessment and reward and compensation (four items). Sample items are "No discrimination in the recruitment process," "Induction program includes gender equality issues", "Appraisal ratings focus on performance, not background," and "Equal job security." Followed the study by Armstrong et al. (2010), four components were combined into an overall measure of HR diversity management system. The Cronbach's α for this scale was 0.90.

Organizational innovation. Three items modified from Choi et al. (2017) were applied to measure innovative performance. A sample item is "In recent 3 years, your company developed and introduced new products." The Cronbach's α for this scale was 0.88.

Control variables. Several company traits, which are deemed to impact companies' innovation performance, were selected as control variables, including the size, age and type of the company. The size of a company indicates the possible resources available to this company, which is of great importance when it comes to corporate innovation (Tornatzky & Fleischer 1990). According to an earlier study (Xiu et al., 2017), companies with a short history tend to find frequent strategy shifts acceptable and usually do not have sound systems of HRM and are positively related to investment in R & D (Heeley et al., 2007). Previous studies have verified the important role of firm type in applying HRM initiatives and yielding innovative outcomes (Sun et al., 2007).

4. Results

4.1. Confirmatory Factor Analysis (CFA)

Afterward, CFA was applied to explore the model fit of these variables. Based on the results, the statistics are as follows: Tucker-Lewis index (TLI) = 0.90, comparative fit index (CFI) = 0.91, χ^2/df = 1.64, and root mean square of approximation RMSEA = 0.06. As these values are all greater than the threshold suggested (Hooper et al., 2008), it is safe to say that these variables all have a high model fit in this study (Table 2).

4.2. Descriptive Analysis

Table 3 has demonstrates all descriptive results, including Pearson correlation

Table 2. Comparison of measurement models.

Models	Factors	χ^2	df	χ^2/df	RMSEA	CFI	TLI
Model 1	TMCD + DP + OI	567.32	347	1.64	0.06	0.91	0.90
Model 2	(TMCD + DP) + OI	1417.65***	353	4.02	0.12	0.55	0.52
Model 3	(TMCD + DP + OI)	1641.52***	354	4.64	0.14	0.46	0.42

Notes: TMCD, top management's commitment to diversity; HRDP, HR diversity practices; OI, organizational innovation.

Table 3. Descriptive statistical analysis

Variables	Mean	SD	1	2	3	4	5	6	7
1. Ownership	1.46	0.50							
2. Industry	2.41	1.08	−0.11						
3. Firm age	1.89	0.74	−0.10	0.08					
4. Firm size	1.80	1.13	−0.10	0.11	0.14				
5. TMCD	3.06	1.18	−0.22**	0.02	−0.02	0.026	(0.90)		
6. HRDP	3.20	0.81	−0.52**	0.07	0.20**	0.24**	0.28**	(0.90)	
7. OI	3.23	1.34	−0.24**	0.03	0.18*	0.20**	0.33**	0.50**	(0.88)

Notes: TMCD, top management's commitment to diversity; HRDP, HR diversity practices; OI, organizational innovation. *$p < 0.05$; **$p < 0.01$.

statistics, mean values and standard deviation. In the parenthesis, there are these variables' Cronbach's α. Recommended cut-off of the internal consistency coefficient is 0.70 (Nunnally & Bernstein, 1994). It can be seen from the information in Table 3, the commitment of top managers has a positive impact on both diversity initiative implementation ($r = 0.28$, $p < 0.01$) and innovative outcomes of the organization ($r = 0.33$, $p < 0.01$). Besides, diversity initiative implementation also positively impacts the organization's innovative outcomes ($r = 0.50$, $p < 0.01$).

4.3. Test of Hypotheses

The hypotheses were examined via multiple linear regression analysis. Control variables were used during the hypothesized correlations between variables. As shown in Model 3, top management's commitment to diversity has a positive influence on organizational innovation ($\beta = 0.19$, $p < 0.01$). It supported H1.

H2 proposed that the implementation of diversity practices would positively impact the innovative outcomes of the organization. As shown in Model 4, the implementation of diversity practices positively impacts organizational innovation ($\beta = 0.47$, $p < 0.001$). Therefore, H2 was also supported.

For testing H3, we applied the method suggested by Preacher and Hayes (2004), which other scholars have also used. According to Preacher and Hayes (2004), mediating effect hold when the results satisfy three conditions: the inde-

pendent variable is directly related to the dependent variable, the independent variable is related to the mediator, and the independent variable is related to the dependent variable through a mediator. It can be seen from Model 5 that the relationship of top management's commitment to diversity with organizational innovation was fully mediated by the implementation of diversity practices (β = 0.42, p < 0.001). In addition, a bootstrap estimation approach, which included 5000 samples, was used to test the indirect effect (Hayes, 2013). The indirect of top management's commitment to diversity on organizational innovation was 0.09, with confidence intervals of 99%, except for zero (0.04, 0.16). Thus, diversity practices are proven to have a role as a mediator between the diversity commitment of top managers and organizational innovation. Our study supported H3 (Table 4).

Table 4. The regression results.

Variables	Model 1	Model 2 (DP)	Model 3(OI)	Model 4 (OI)	Model 5 (OI)
Control variable					
Ownership	−0.02**	−0.45***	−0.15*	0.02	0.04
Industry	−0.02	−0.02	−0.02	−0.01	−0.01
Firm age	0.14	0.14*	0.15*	0.08	0.09
Firm size	0.16*	0.17**	0.16*	0.08	0.09
Main variable					
TMCD		0.19**	0.29***		0.22***
Mediator					
DP				0.47***	0.42***
R^2	0.33	0.60	0.44	0.51	0.55
ΔR^2		0.27	0.11	0.18	0.22
F	5.73***	20.78***	8.81***	13.20***	13.483***

Notes: TMCD, top management's commitment to diversity; HRDP, HR diversity practices; OI, organizational innovation. *p < 0.05; **p < 0.01; ***p < 0.001.

5. Discussion

5.1. Theoretical Implications

Our study contributes to several theoretical implications. First, the results suggest that with top managers' commitment to diversity, HR diversity practices can be better implemented. The findings support the arguments of previous research, which theoretically indicated that top management is required to invest necessary resources for the effective implementation of diversity initiatives (Ricco & Guerci, 2014; Shen et al., 2009). This study empirically demonstrates how top management mobilizes critical actors of the organization to implement diversity-related initiatives. As the agent of organizational change, top management's attitude and involvement towards diversity may shape diversity practices and

contribute to the strategic planning process. In this regard, our results provide an important contribution to DM literature by proposing that top management engagement in diversity bears the implementation of diversity initiatives. Thus, our study extends the understanding of top management playing an important role as primary implementers that is in turn conducive to the initiation and execution of the organizational transformation.

Second is the implementation of diversity practices as a mediator. Our results show that the implementation of diversity practices serves as a mediator between top management's commitment to diversity and organizational innovation. Top management conveys their support for diversity management through visible behaviors that can influence the initiation of HR diversity practices. These HR diversity practices can create a competitive advantage that ultimately improves organizational innovation (Cox & Blake, 1991). Compared to the previous studies, which mainly focused on the relationship between demographic characteristics of the top management team and diversity practices, this study focus on top management's commitment, which is viewed as an explicitly conscious character (Chadwick et al., 2015). Taken together, the current study not only provides valuable insight into how top management contributes to the implementation of HR diversity practices but also highlights their impact on organizational effectiveness. Therefore, this study provides an integrated framework to illustrate the antecedent and outcome of HR diversity practices.

Third, the significant impact of the implementation of diversity practices on organizational innovation supports AMO theory. The findings strengthen the argument that the adoption and implementation of diversity practice may attract employees with diverse competence, increase a sense of fairness, enhance the motivation of employees and offer great opportunities for development for these employees (Ali & Konrad, 2017). Ultimately, these human capital resources can facilitate organizational innovation. Our research enhances the understanding of how organizational outcomes are influenced by HR diversity practices. The current study makes adequate evidence to support prior studies on the positive effect of HR diversity practices and respond to the call for examining the HR diversity's influence on organizational outcomes (Shen et al., 2009). Moreover, our study also contributes to broadening the knowledge about the effectiveness of HR diversity practices by conceptualizing diversity practices as bundles. By examining the validity of bundles, we develop a new perspective regarding the benefit of HR diversity practices. Hence, the present study has deepened the understanding of the extent of HRM and DM literature.

5.2. Practical Implications

Our study also provides profound implications for practitioners and organizations. Our findings suggest that the commitment of top managers to diversity is conducive to the implementation of diversity practices. In order to establish HR diversity practices, the organizations must perceive their top management to be

truly committed to diversity. However, there is a need to know that top management may not always form positive beliefs about diversity, especially when the cost of DM practices exceeds the operating budget (Ng & Sears, 2020). In addition, as suggested by a prior study, top management is required to foster an organizational culture that to implement diversity policies (Shen et al., 2009). Therefore, we suggest that the organizations should provide learning opportunities for them to foster their pro-diversity beliefs that, in turn, promote organizational change (Ricco & Guerci, 2014). Finally, organizations should be aware of the fact that effective implementation of diversity practices is a promising tool for improving organizational innovation. The present study recommends a great investment of resources in the establishment of an HR diversity management system to improve organizational innovation. Especially when formulating HR diversity practices, HR managers should put emphasis on the elements of such practices are neutral recruiting policies, equal access to development and training, objective assessment of performance, and a transparent and fair rewarding mechanism. Moreover, given the significant role of middle managers in implementing organizational change, the organization should equip middle managers with diverse mindsets to fulfill these functions (Abramovic & Traavik, 2017). For example, Kulik and Roberson (2008) suggested that diversity awareness training could improve overall individual attitudes toward diversity.

5.3. Limitations and Future Directions

There are also several limitations in the present study. First of all, the study is limited by the common method variance (CMV), considering the measurement of all variables was conducted at the same time, and the data were collected from the same source. Also, the social desirability response bias may be another factor to limit the present study in collecting these data with a self-reporting method (Randall & Fernandes, 1991). Thus, future research that aims to address the causality issue may collect data from different sources and take a longitudinal perspective to examine the relationships. Second, this study merely focused on the viewpoint of HR managers. However, how employees perceive HR initiatives is considered as central to understanding implemented and actual practices in the organizations (Piening et al., 2014). Therefore, the future study can investigate the relationship between how employees perceive HR initiatives and the related organizational outcomes. Third, this study only investigates how diverse HR practices and the eventual innovative outcomes are impacted by top management. Nevertheless, studies in the future are expected to provide explanations for the boundary conditions of top management's commitment to diversity, such as industrial environment and institutional environment. It may provide a comprehensive understanding of top management's significance and organizational outcomes.

6. Conclusion

This study aims at exploring the significant role of top management in HR di-

versity management. Specifically, we find that top management's commitment to DM has a positive impact on implementing HR diversity practices. We also identify that diversity practices are conducive to organizational innovation. Finally, our study examines a mediator role of diversity practices between top management's commitment to diversity and organizational innovation. Therefore, our study advances the diversity of sources of human capital and its beneficial role in promoting organizational innovation.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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