

Global Trends in Human Resource Management

This page intentionally left blank

Global Trends in Human Resource Management

Edited by

Emma Parry

Cranfield School of Management, UK

Eleni Stavrou

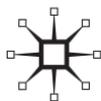
University of Cyprus, Cyprus

and

Mila Lazarova

Simon Fraser University, Canada

palgrave
macmillan



Selection, introduction and editorial content © Emma Parry, Eleni Stavrou and Mila Lazarova 2013

Individual chapters © the contributors 2013

Softcover reprint of the hardcover 1st edition 2013 978-0-230-35483-8

All rights reserved. No reproduction, copy or transmission of this publication may be made without written permission.

No portion of this publication may be reproduced, copied or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting limited copying issued by the Copyright Licensing Agency, Saffron House, 6–10 Kirby Street, London EC1N 8TS.

Any person who does any unauthorized act in relation to this publication may be liable to criminal prosecution and civil claims for damages.

The authors have asserted their rights to be identified as the authors of this work in accordance with the Copyright, Designs and Patents Act 1988.

First published 2013 by
PALGRAVE MACMILLAN

Palgrave Macmillan in the UK is an imprint of Macmillan Publishers Limited, registered in England, company number 785998, of Houndmills, Basingstoke, Hampshire RG21 6XS.

Palgrave Macmillan in the US is a division of St Martin's Press LLC, 175 Fifth Avenue, New York, NY 10010.

Palgrave Macmillan is the global academic imprint of the above companies and has companies and representatives throughout the world.

Palgrave® and Macmillan® are registered trademarks in the United States, the United Kingdom, Europe and other countries.

ISBN 978-1-349-34661-5 ISBN 978-1-137-30443-8 (eBook)
DOI 10.1057/9781137304438

This book is printed on paper suitable for recycling and made from fully managed and sustained forest sources. Logging, pulping and manufacturing processes are expected to conform to the environmental regulations of the country of origin.

A catalogue record for this book is available from the British Library.

A catalog record for this book is available from the Library of Congress.

10 9 8 7 6 5 4 3 2 1
22 21 20 19 18 17 16 15 14 13

Contents

<i>List of Figures and Tables</i>	vii
<i>Notes on Contributors</i>	xii
<i>Acknowledgements</i>	xvii
Introduction: Human Resource Management across Time and Context: Comparative Research and Global Trends in HRM <i>Emma Parry, Eleni Stavrou and Mila Lazarova</i>	1
Section One The Evolving HR Function and Role	
1 'Plus ça change, plus c'est la même chose': A Longitudinal Analysis of HRM Work and the Profile of Senior HR Managers <i>Mila Lazarova, Wolfgang Mayrhofer and Chris Brewster</i>	11
2 New Captain but a Sinking Ship? The Influence of HR Director's Gender on the Status of the HR Department – A Longitudinal Study <i>Astrid Reichel, Julia Brandl and Wolfgang Mayrhofer</i>	35
3 CSR and Responsible HRM in the CEE and the Nordic Countries <i>Rūta Kazlauskaitė, Paul E.M. Ligthart, Ilona Bučiūnienė and Sinikka Vanhala</i>	54
4 HRM Policies and Firm Performance: The Role of the Synergy of Policies <i>Erik Poutsma, Paul E.M. Ligthart and Bart Dietz</i>	78
Section Two Regional Trends in HRM	
5 Human Resource Management in the Central and Eastern European Region <i>Rūta Kazlauskaitė, Ilona Bučiūnienė, József Poór, Zsuzsanna Karoliny, Ruth Alas, Andrej Kohont and Ágnes Szlávicz</i>	103
6 Converging and Diverging Trends in HRM between the Nordic Countries and Estonia <i>Ruth Alas and Sinikka Vanhala</i>	122
7 HRM in Scandinavia – Embedded in the Scandinavian Model? <i>Tina Lindeberg, Bo Månson and Henrik Holt Larsen</i>	147

8	Divergent Norwegian and North American HRM Regimes: Implications for Norwegian MNEs <i>Paul Gooderham, Birgitte Grøgaard and Odd Nordhaug</i>	163
Section Three HRM Practices and Outcomes		
9	The Development of Employee Financial Participation in Europe <i>Erik Poutsma, Paul Ligthart, Andrew Pendleton and Chris Brewster</i>	179
10	Information Technology Systems in the Human Resource Management Area <i>Hilla Peretz</i>	214
11	The Use of Flexible Working across National Contexts and its Relationship to Organizational Performance <i>Michael Koch</i>	237
	<i>Index</i>	257

List of Figures and Tables

Figures

1.1	Relative size of the HRM department	20
1.2	Assignment of HRM responsibilities to the line	21
1.3	Existence of written personnel strategy	22
1.4	HRM representation at senior management level	23
1.5	Strategic integration of HRM	24
1.6	Recruitment of top HR managers	26
1.7	Education of top HR managers	28
1.8	Female top HR managers	29
3.1	Results of hierarchical cluster analysis on RHRM practices	64
3.2	Multi-dimensional analysis of RHRM action programmes and CSR policies for the CEE region	71
3.3	Multi-dimensional analysis of RHRM action programmes and CSR policies for the Nordic region	72
4.1	Conceptual model: HRM policies and business performance	81
4.2	Synergic effects of calculative HR and collaborative HR on business performance (BP)	90
6.1	Trends in SHRM between the Nordic countries and Estonia	134
6.2	Trends in formal line responsibilities between the Nordic countries and Estonia	136
6.3	Trends in HRM practices in the Nordic countries and Estonia	137
6.4	Shares of organizations with high union membership (76–100%) rates in the Nordic countries and Estonia, 2000, 2004 and 2008	138
7.1	Social models, efficiency and equity (Sapir, 2005)	149
7.2	Percentage of labour cost of total operating cost (operating cost accounted for by labour costs)	151
7.3	Percentage of annual payroll cost spent on training and development	152
7.4	Proportion of persons responsible for HR who have a place on board or equivalent top executive team	154

7.5	Proportion of organizations with a personnel/HR strategy	155
7.6	Proportion of organizations that have a value statement, written or unwritten	156
7.7	At what stage is the person responsible for HR in your organization involved in development of the business/service strategy?	157
7.8	Who has the primary responsibility for major policy decisions on recruitment and selection?	158
7.9	Who has the primary responsibility for major policy decisions on industrial relations?	159
7.10	Do you offer bonus based on individual or team goals/performance?	160
9.1	Distribution of observed narrow-based (ESOnb) and broad-based (ESObb) employee share ownership for the eight countries and the three consecutive surveys	192
9.2	Distribution of observed narrow-based (nb) and broad-based (bb) profit sharing schemes for the eight countries and the three consecutive surveys	193
10.1	Description of the study	226
10.2	Interactive effect of stage of HRIS and future orientation on absenteeism	229
10.3	Interactive effect of type of HRIS and collectivism on absenteeism	229
10.4	Interactive effect of type of HRIS and uncertainty avoidance on absenteeism	230
10.5	Interactive effect of stage of HRIS and uncertainty avoidance on absenteeism	230
10.6	Interactive effect of stage of HRIS and uncertainty avoidance on turnover	231
11.1	Proportion of employees for which the most popular FWAs are used	243
11.2	Hypothesized model	244
11.3	Model with standardized direct path coefficients	250

Tables

I.1	Members of Cranet and years of survey	3
I.2	The sections of the Cranet questionnaire	4

1.1	Clusters, countries and survey rounds	19
1.2	Overview of cluster developments – HRM configuration	25
1.3	Overview of cluster developments – profile of top HR manager	30
2.1	Sample size	41
2.2	Mean percentage of female employees in HR departments (staff level)	43
2.3	Percentage of female HR directors based on all HR directors	43
2.4	Percentage of highly integrated HR directors from all HR directors	44
2.5	Mean strategic integration of HR directors	45
2.6	General linear model – strategic integration between years	46
2.7	Mean strategic integration when HR director has changed (panel)	46
3.1	Descriptive statistics of the respondent (company) characteristics	61
3.2	Percentage of companies having responsible HRM Action Programmes (AP) and CSR policies	62
3.3	Spearman’s correlation coefficients among the CSR policies (unwritten/written) and the responsible HRM programmes	65
3.4	Odds-ratios for the determinants affecting the adaptation of the formalized and less formalized CSR policies by organizations	66
3.5	Odds-ratios for the determinants affecting the adaptation of the action programmes for specific groups by organizations	68
4.1	Descriptive statistics of the three HR bundles and business performance	86
4.2	Regression coefficients of the three multi-level models (controls, generic, synergic) predicting firm performance	87
A4.1	Descriptive statistics of the determinants	93
A4.2	Means, scalability and reliability coefficients of the three HR bundles	94
A4.3	Means, scalability and reliability coefficients of business performance	95
5.1	Firm distribution by size (%) and impact of foreign-controlled enterprises, 2004 (% share of total)	107
5.2	Selected economic and demographic indicators	108
5.3	National culture indices	110

5.4	Descriptive statistics of survey participants	111
5.5	HR strategic integration, mean (standard deviation)	112
5.6	HR function evaluation, mean (standard deviation)	113
5.7	Line manager responsibility for major policy decisions (% of firms)	114
5.8	Unionism and CSR (mean)	115
5.9	Cultural factors, means (standard deviation)	116
6.1	Responding organizations according to the size distribution, 2000, 2004 and 2008	131
6.2	The variables/combined variables, numbers of items, scales and Cronbach alphas of combined scales	132
6.3	Means, standard deviations and statistical significance of SHRM measure between the Nordic countries and Estonia in 2000, 2004 and 2008	134
6.4	Correlations between HRM bundles and sector and size, 2000, 2004 and 2008	135
6.5	Means, standard deviations and statistical significance of line responsibilities between the Nordic countries and Estonia in 2000, 2004 and 2008	136
6.6	Means, standard deviations and statistical significance of HRM practices between the Nordic countries and Estonia in 2000, 2004 and 2008	137
8.1	Industrial relations (all cross-national comparisons statistically different at the 95% level)	167
8.2	Calculative HRM (all cross-national comparisons statistically different at the 95% level)	167
8.3	Collaborative HRM (all cross-national comparisons statistically different at the 95% level apart from those marked 'n.s.')	168
8.4	Interview responses to industrial relations	169
8.5	Perceived strengths and weaknesses of collaborative HRM in the North American affiliates	170
8.6	Quotes illustrating local expectations and pressures in North America	171
8.7	Quotes illustrating local adaptations in North America	172
9.1	Incidence rates of financial participation in establishments (>100 employees) in the selected countries	184
9.2	An overview of development and characteristics of financial participation in eight selected countries	185

9.3	Determinants of the use of narrow-based (i.e. management only) and broad-based financial participation in establishments (>100 employees) (employee share ownership (ESO) and profit sharing (PS)) (multi-nomial logistic regression, refcat = No ESO or No PS, N = 5480)	195
A9.1	The descriptive statistics of the determinants and the two schemes of Financial Participation in establishments (>100 employees)	200
A9.2	Share of companies using a communication practice	202
A9.3a	Determinants of the use of Management (a) and Broad-based (b) Employee Share Ownership (ESO) per year (multi-nomial logistic regression, refcat = No ESO)	203
A9.3b	Determinants of the use of broad-based employee share ownership (ESO) per year – see Table 3a for the model statistics	205
A9.4a	Determinants of the use of management (a) and broad-based (b) profit sharing (PS) per year (multi-nomial logistic regression, refcat = No PS)	207
A9.4b	Determinants of the use of broad-based profit sharing (PS) per year – see Table 9.4a for the model statistics	209
10.1	Means, standard deviations, ranges and correlations among organizational level variables (Level 1)	224
10.2	Means, standard deviations, ranges and correlations among national values variables (Level 2)	225
10.3	HLM analysis for HRIS outcomes	226
10.4	HLM analysis for PA practices, national culture and outcomes	228
11.1	Percentage of companies that use Flexible Working Arrangements	240
11.2	Descriptive statistics	248
11.3	Standardized total, total indirect and specific indirect effects	251
A11.1	Countries and communities for which FWAs were analysed	253

Notes on Contributors

Editors

Emma Parry is Reader in Human Resource Management at Cranfield University School of Management, UK. Her research focuses on the impact of contextual factors on human resource management (HRM), specifically the impact of national context and sector in shaping HRM and the impact of demographic and technological change. She is also a Visiting Research Fellow at Westminster Business School. Emma leads a number of global research projects, including Cranet, a worldwide network of over 40 business schools that conduct comparative research into HRM and 5C, which, in collaboration with academics from 30 institutions around the world, examines cultural differences in attitudes towards career development. Emma is a UK representative on the global team for the Center of Aging and Work at Boston College, USA. She is the co-editor of *Managing an Age-Diverse Workforce* (Palgrave Macmillan 2011) and has published in the *International Journal of Management Reviews*, *Long Range Planning*, *International Journal of Human Resource Management* and *Human Resource Management Journal*. She reviews for a number of journals and is on the editorial board of the *Journal of Managerial Psychology*. She speaks regularly at academic conferences.

Eleni Stavrou is Associate Professor of Management at the University of Cyprus. She received her Ph.D. at George Washington University. Her articles have appeared in the *Journal of Organizational Behaviour*, *Journal of Business Ethics*, *Entrepreneurship Theory and Practice*, *British Journal of Management* and *International Human Resource Management Journal*. Her research focuses on work–life issues, strategic and comparative human resource management and intergenerational transitions in family firms.

Mila Lazarova is Associate Professor of International Management and also Director of the Centre for Global Workforce Strategy at the Beedie School of Business, Simon Fraser University, Canada. She received her Ph.D. in Human Resources and Industrial Relations from Rutgers, the State University of New Jersey. Her research focuses on expatriate management, comparative HRM, careers and career management, and the changing role of the HR department in organizations. Mila has published in *Academy of Management Review*, *Organization Science*, *Journal of International Business Studies*, *Journal of Organizational Behavior*, *Journal of World Business* and *International Journal of Human Resource Management*, and has contributed numerous book chapters in edited volumes. She has been awarded the Excellence in Research Award from SFU Business. Mila reviews for over

a dozen academic journals and is currently on the editorial boards of the *Journal of International Business Studies*, *Journal of World Business*, *The International Journal of Cross-Cultural Management* and the *Human Resource Management Journal*. She holds an Outstanding Reviewer Award from the International Management Division of the Academy of Management.

Contributors

Ruth Alas is Head of the Department of Management at the Estonian Business School. Her research focuses on change and innovation management, crisis management, employee attitudes, learning abilities, organizational culture, leadership, business ethics and corporate social responsibility.

Julia Brandl is Professor of Human Resource Management and Work at Innsbruck University School of Management, Austria and holds a doctoral degree from WU Vienna. Her current research focuses on understanding how firms deal with failures in HRM and the feminization of the HR profession. Her work has been published in *Human Resource Management*, *Human Resource Management Journal* and *Journal of Management Inquiry*.

Chris Brewster is Professor of International Human Resource Management at Henley Business School, University of Reading, UK and also a Visiting Professor at Radboud University, Nijmegen in the Netherlands, Vaasa University in Finland and Paris II. He has written or edited more than two dozen books and 175 articles.

Ilona Bučiūnienė is the Vice Dean of Ph.D. Studies, Chairman of the Doctoral Committee, and a member of Senate at ISM University of Management and Economics, Lithuania. She teaches courses in HRM and research methodology. Her research focuses on responsible HRM and leadership, HRM–performance linkage and aging.

Bart Dietz is an assistant professor in the Department of Organisation and Personnel Management, Rotterdam School of Management at Erasmus University. His research focuses on the management of salespeople.

Paul Gooderham is a professor in the Department of Strategy and Management at the Norwegian School of Economics. His research interests are international HRM, multinational companies and transfer of business advice to SMEs.

Birgitte Grøgaard is an assistant professor at the Haskayne School of Economics, University of Calgary. Her main research interests are international strategies and subsidiary roles.

Henrik Holt Larsen is a professor in the Department of Organization at Copenhagen Business School. His research interests are strategic and

international HRM, competence development, career development, managerial and management development and assessment interviews.

Zsuzsa Karoliny is an associate professor at the University of Pécs, Hungary, from where she graduated, obtained her Ph.D. and where she delivers management courses for every level of student attending the Faculty of Business and Economics.

Rūta Kazlauskaitė is a professor at ISM University of Management and Economics, Lithuania. Her research areas include international and comparative HRM, responsible HRM, HRM–performance linkage, employee work-related attitudes and corporate social responsibility. She is the editor of the *Baltic Journal of Management*.

Michael Koch is a Ph.D. candidate at EMLYON Business School. He received a masters in Human Resource Management and Industrial Relations from the University of Paris 1 Panthéon-Sorbonne. Prior to becoming an academic, he worked in an international consultancy.

Andrej Kohont is a researcher and teacher at the Faculty of Social Sciences, University of Ljubljana, Slovenia. He has been involved in a number of Slovenian and international research projects (topics: international HRM, competence management, labour market and public employment services, VET, Bologna reform, quality in higher education, career centres and employability of students). He is a vice-president of the Slovenian HR Association.

Paul E.M. Ligthart is an assistant professor of strategy in the Department of Business Administration of Nijmegen School of Management, Radboud University of Nijmegen. Besides his expertise in research methodology and applied statistical analysis, his main research focuses on the strategy effects of configurations of HRM policies and practices, and configurations of innovation activities in the manufacturing industry.

Tina Lindeberg is a consultant at the IPF Institute of Uppsala University, which is a management institute focusing on research and executive management training. Tina is a major in HRM and has been a member of Cranet since 1996.

Bo Månson is a senior consultant at the IPF Institute of Uppsala University, a management institute tasked with disseminating the results of research to practitioners in both private and public sector organizations, mainly in Sweden. Bo has a masters in political science and has worked on organizational development and HR issues mainly in governmental agencies. He has been a member of Cranet since 1996.

Wolfgang Mayrhofer is Professor of Business Administration and holds a Chair in Management and Organisational Behaviour at WU Vienna, Austria.

Previously, he held teaching and research positions at the University of Paderborn and the Dresden University of Technology, both in Germany. His research interests focus on international comparative research in HRM and leadership, careers and systems theory. He has co-edited, co-authored and authored 26 books and more than 150 book chapters and peer-reviewed articles.

Odd Nordhaug is a professor in the Department of Strategy and Management at the Norwegian School of Economics. He researches career development, competence development, general management, HRM, organization theory and international and comparative management.

Andrew Pendleton is Professor of Human Resource Management at the University of York. He has written widely on employee share ownership, employee ownership and corporate governance.

Hilla Peretz is a senior faculty member in the Department of Industrial Engineering and Management, ORT Braude College, Israel. Her research interests concern HRM, particularly cross-cultural HR. She has written a number of papers on cross-cultural HR published in the *Journal of Applied Psychology* and *Journal of Cross-Cultural Psychology*.

József Poór is Professor of Management in the Faculty of Economics and Social Sciences, Szent István University, Hungary, where he teaches a variety of management courses. He obtained his Ph.D. from the Hungarian Academy of Sciences, Budapest. He is also Professor of Management at Selye Janos University, Komarno, Slovakia.

Erik Poutsma is Associate Professor of Labour Relations in the Department of Business Administration of Nijmegen School of Management, Radboud University of Nijmegen. He has many years of experience conducting research in the areas of technological change, entrepreneurship, HRM and employee participation. His main research interest is in international comparative research of the domains HRM and employee involvement.

Astrid Reichel is an assistant professor in the Department of Management at WU Vienna, Austria. She received her masters and doctorate in business and social sciences from the University of Vienna. Her research focuses on status, power, organization and professionalization of HRM, international and comparative HRM and careers. Her work has been published in *Human Resource Management*, *International Journal of Human Resource Management* and *Human Resource Management Review*.

Ágnes Szlávicz is an assistant professor at the Faculty of Economics Subotica, University of Novi Sad, Serbia, where she lectures on organizational behaviour and HRM. She obtained her Ph.D. at Szent István University, Gödöllő,

Hungary in 2010. Her field of interest is employee satisfaction and topics of IHRM.

Sinikka Vanhala is Professor of Management at Aalto University School of Economics, Finland. She mainly researches HRM, employee wellbeing, and gender in management and leadership.

Acknowledgements

We thank the members of the Cranet Network for their hard work in collecting survey data and in making being a member of the Network such an enjoyable experience. In particular, we would like to thank the contributors of the chapters in this text and those network members who helped us by reviewing chapters. Special thanks are due to Jayne Ashley for her tireless work in editing and formatting the typescript.