



Robin Kramar

Australian Catholic University,

Jawad Syed

University of Kent, UK

HUMAN RESOURCE MANAGEMENT IN A GLOBAL CONTEXT

A CRITICAL APPROACH

藏书章

palgrave macmillan



© Robin Kramar & Jawad Syed 2012 Individual chapters © Individual contributors 2012

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 2012 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: 978-0-230-25153-3

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 21 20 19 18 17 16 15 14 13 12

Printed in China

About the authors

The editors

ROBIN KRAMAR is Professor of Human Resource Management at the Faculty of Business, Australian Catholic University, Australia. Professor Kramar is the co-author of Human Resource Management in Australia (McGraw-Hill), now in its 4th edition, and she has also authored or edited five other books on aspects of human resource management.

JAWAD SYED is Senior Lecturer in Human Resource Management and Industrial Relations at Kent Business School, University of Kent, UK, and co-founder of the South Asian Academy of Management (SAAM). Dr Syed is also the co-author of Managing Cultural Diversity in Asia: a research companion and Managing Gender Diversity in Asia: a research companion (Edward Elgar).

The contributors

FIDA AFIOUNI Assistant Professor, Suliman S. Olayan School of Business, American University of Beirut, Lebanon

TINEKE CAPPELLEN Researcher, Faculty of Business and Economics, Katholieke Universiteit Leuven, Belgium

JULIA CONNELL Professor, Curtin Business School, Curtin University, Australia

MARK W. GILMAN Senior Lecturer in Industrial Relations and Human Resource Management, Kent Business School, University of Kent, UK

PETER HOLLAND Senior Lecturer in HRM and Employee Relations, Faculty of Business and Economics, Monash University, Australia

DIMA JAMALI Associate Professor, Suliman S. Olayan School of Business, American University of Beirut, Lebanon

MADDY JANSSENS Professor, Research Centre for Organization Studies, Katholieke Universiteit Leuven, Belgium

NICOLINA KAMENOU Senior Lecturer, School of Business and Management, Heriot-Watt University, UK

CHRISTINA KIRSCH Senior Researcher and Consultant, Change Track Research, Australia

OLIVIA KYRIAKIDOU Assistant Professor, Athens University of Economics and Business, Greece

DIANNAH LOWRY Principal Lecturer in HRM, Bristol Business School, University of the West of England, UK

JANE MALEY Lecturer, Macquarie Graduate School of Management, Australia

PETER A. MURRAY Associate Professor of Business, University of Southern Queensland, Australia

DK NUR'IZZATI PG OMAR Research student, Kent Business School, University of Kent, UK

AMANDA PYMAN Senior Lecturer in Human Resource Management and Employment Relations, Monash University, Australia

SIMON O. RABY Research Associate, Kent Business School, University of Kent, UK

CATHY SHEEHAN Senior Lecturer, Faculty of Business and Economics, Monash University, Australia

JOHN SHIELDS Professor and Associate Dean, University of Sydney Business School, University of Sydney, Australia

EBRAHIM SOLTANI Reader in Operations Management, Kent Business School, University of Kent, UK

TRACY WILCOX Lecturer, Australian School of Business, University of New South Wales, Australia

PATRIZIA ZANONI Associate Professor, Faculty of Business and Economics, Katholieke Universiteit Leuven, Belgium

Acknowledgements

I would like to acknowledge all the contributors to the book for their engagement with the spirit of the book, my colleagues at ACU for their dedication and support of excellent education and research, and my very special daughters, Claire and Ingrid, who inspire and enthuse me.

Robin Kramar

First and foremost, I would like to thank all the expert contributors, without whom this book would not exist. Their commitment to the quality of content, consistency of structure and blending of theory and practice and their patience in responding to editors' and reviewers' comments are highly appreciated. I also take this opportunity to thank Joanna McGarry, our Development Editor at Palgrave Macmillan, for unwearyingly and persistently coordinating the editing and publishing of this book. Ursula Gavin, publisher at Palgrave Macmillan, liked the original idea and encouraged me to translate that idea into the tangible product that is this book. Thanks to all at Aardvark Editorial, especially to Carrie Walker for copyediting, Jo Booley for page layout and Linda Norris for project management. Last but not least, I want to thank my mother Khalida, wife Faiza and two little angels Haider and Pernian, who tolerated my ever-increasing hours on the computer and generously accepted a few days' vacation in compensation.

Jawad Syed

Publisher's acknowledgements

The Publishers are grateful to the organisations listed below for permission to reproduce material from their publications:

John Wiley for Figure 7.2. Original source is Oldham, G. (1996) Job design. In Cooper, C. L. and Robertson, I. T. (eds), International Review of Industrial and Organisational Psychology. New York: John Wiley, 11: 33–60.

Emerald Group Publishing for Table 15.1. Original source is Wilkinson, A., Marchington, M. and Dale, B. G. (1993) Human resource's function. TQM Magazine, 5(3): 31–5.

The Academy of Management for Table 15.3. Original source is Blackburn, R. and Rosen, B. (1993) Total quality and human resource management: lessons learned from Baldrige Award-winning companies. Academy of Management Executive, 7(3): 49–66.

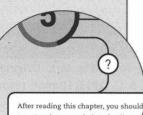
Taylor and Francis Group for Figure 16.1. Original source is Goss, D. (1991a) Small Business and Society. London: Routledge.

Every effort has been made to trace all copyright holders, but if any have been inadvertently overlooked, the publishers would be pleased to make the necessary arrangements at the first opportunity.

Tour of book

Key objectives

At the start of every chapter, key objectives guide your reading and provide a useful reference for revision



Develop a vocabulary for discus

- resources practices from an eth
- Identify how and why huma activities have an ethical d Recognize the connecti uman resource

Critical Thinking boxes

Look for the lightbulb to develop your critical thinking skills, by exploring contemporary debates in HRM and some of the issues facing human resources managers

in the global workplace

Thus, For and job design dominance as th (Lipietz, 1987).

Critical thinking 7.1 The case of Schmidt

In Taylor's most famous experiment, he studied in shovelling pig iron. He noted that one particular r Schimdt - finished the day's work and jogged h finish building his own house. Taylor therefore Schimdt for his experiment. After restructuring shovel and how the work was to be undert eliminating all superfluous activity), Tay en to shovel and when to rest. Fro as able to demonstrate

Exercises

Exercises in many chapters give you the chance to test your understanding and apply your reading to your own experiences

more endur 245-51) asserts non-cash award t

. When it comes to recognizing and rewarding individual performance, what are the three main advantages and three chief disadvantages of using non-cash recognition plans?

Collective pe

non

win

edly

(wh

In certain

For discussion and review

Assignments, revision questions and topics for discussion at the end of each chapter help guide your class discussion and revision

surrounding in

For discussion and re

Questions

- 1 How has globalization cha 2 How does performance an
- 3 What are the challenges
- different culture?
- 4 How can leaders influe MNC?

Exercise

Go to the

Case studies

At the end of each chapter, extended case studies give insight into HRM in practice in companies and countries around the world

Case Study The design of a

On Monday morning at 7.30 am leaving his apartment, one specifical expatriates, and was heading towards Kuala Lumpur's central business distr way, he listened to the voice messages of phone, one of which was from the assi firm's owner, Frank. The message state was expected to call back before his n the human resources (HR) team leading. The team meeting was sche to bring together Hans and Chines form a crossfunctional project tear the development and implemy personnel process within structuring, in order

Mini case studies

There are also mini case studies throughout the book, providing a glimpse into real-world HRM in a global context.

high ethic be successful

Mini Case Study 9.1

Ethics: performance appraisal at Travelscenc

In 2004, Keith Gavin became financial controller a member of the executive committee of Travelsce medium-sized, family-owned travel agency in the Hunter valley, 2 hours' drive north of Sydney, Aus Keith sold his home in Sydney and relocated to Hunter valley with his wife and two young chi 8 and 10 to take up the position. He was th from outside the family running the comp ior position in it or to be included e and he took the job

Brief contents

		480
Cas	e study matrix	х
About the authors		xi
Ack	nowledgements	xi
Tou	ar of book	xv
Inti	roduction	
Pai	rt 1 The human resource management arena	
1	Contextualizing human resource management	1
2	A critical perspective on strategic human resource management	3
3	Human resource management in contemporary transnational	
	companies	5
4	Diversity management	7
5	Human resource management and ethics	9
Dat	rt 2 Human resource management in practice	12
6 6		12
7	Human resources planning	14
8	Job and work design Recruitment and selection	17
_		21
	Performance management	24
	Reward management	28
ΙI	Training, development and learning	20
Pa	rt 3 Human resource management and contemporary issues	31
12	Change management and human resource management	31
13	Human resource management, productivity and employee	
	involvement	34
14	Work-life balance in the 21st century	37
15	Managing human resources and quality	39
16	Human resource management in small to medium-sized enterprises	42
Cor	nclusion	44
Ind	Index	

Contents

Case study matrix
About the authors
Acknowledgements
Tour of book
Introduction

Part 1 The human resource management arena

Chapter 1 Contextualizing human resource management

Introduction

Contextualizing HRM in a global village

Contextual influences on HRM

Critical discussion and analysis

Conclusion

For discussion and revision

Further reading

References

Chapter 2 A critical perspective on strategic human resource management

Introduction

From personnel management to SHRM: an evolutionary road map Differentiating attributes, key contributions and underlying theories

Critical analysis and discussion

Conclusion

For discussion and revision

Further reading

References

Chapter 3 Human resource management in contemporary transnational companies

Introduction

The global context

Overview of classical theories and key concepts

The contentious nature of HRM in transnational companies

Critical analysis and discussion

Conclusion

For discussion and revision

67

68

69

	Politica de l'ac	70
	Further reading References	72
	References	
Chapter 4	Diversity management	75
	Introduction	76
	Key concepts of diversity management	76
	The diversity management discourse and its limitations	77
	A relational framework for diversity management	80
	Advantages of diversity	80
	From positive discrimination to positive action	82 83
	Strategies to manage diversity	63
	Methodological considerations in conducting research on diversity	86
	management: the case of ethnic minority women	90
	Conclusion	91
	For discussion and revision	91
	Further reading	94
	References	
Chapter 5	Human resource management and ethics	98
	Introduction	99
	Ethics and human resources	100
	Ethical thinking and behaviour	103
*	Ethical theories and frameworks	105
	Critical business ethics: the problem of being 'charmed'	114
	Where to next?	116
	Conclusion	119
	For discussion and revision	120 121
	Further reading	121
	References	123
Part 2 Hu	man resource management in practice	125
		127
Chapter 6	Human resources planning	128
	Introduction	128
	Approaches to HRP	134
	The strategic role of HRP	142
	Conclusion For discussion and revision	143
	Further reading	144
	References	146
Chantar 7	Job and work design	149
Chapter 7	Introduction	150
-	The classical theory of job and work design – the mechanistic era	151
	The foundations of contemporary theory of job design – the	
	sociotechnical era	153
	Contemporary theory of job and work design – the human relations school	156

	Contemporary theory of job design – the neo-human relations or motivational theorists	159
	Contemporary theory of job and work design – the concertive era	166
	Conclusion	169
	For discussion and revision	170
	Further reading	170
	References	173
Chapter 8	Recruitment and selection	175
	Introduction	176
	Stages of recruitment and selection	177
	Critical analysis and discussion	199
	Benefits of studying HRM from a critical perspective	200
	Conclusion For discussion and revision	201 202
	Further reading	203
	References	206
Chapter 9	Performance management	211
	Introduction	212
	The strategic importance of performance management in a global context	213
	Characteristics of performance management The criteria of an effective performance management system	214
	Ethics in performance management	218
	Main approaches to performance appraisal	224
	Multisource feedback	227
	Identify strategies to improve international performance	230
	Performance management in an international context	232
	Conclusion	235
	For discussion and revision	237
	Further reading	238
	References	240
Chapter 10	Reward management	243
	Introduction	244
	Employee rewards: nature and purpose	245
	Intrinsic versus extrinsic rewards: which are more motivating?	246
	Taking a critical perspective on reward management	249
	Base pay	252
	Benefits plans	257
	Performance-related reward plans	258
	Reward communication	268
	Employment relations and reward management	270
	International reward management	272
	Conclusion	274
	For discussion and revision	276
	Further reading	277
	References	282

		40000
Chapter 11	Training, development and learning	285
	Introduction	286
	Training, development and learning concepts	286
	Remaking history: from training to learning	28
	Learning for international environments	30:
	Conclusion	30
	For discussion and revision	30
	Further reading	30
	References	31
Part 3 Hur	man resource management and contemporary issues	31
Chapter 12	Change management and human resource management	31
	Introduction	31
	Change management in review	32
	Change and HRM	33
	Conclusion	33
	For discussion and revision	33
	Further reading	34
	References	34
Chapter 13	Human resource management, productivity and employee involvement	34
¥	Introduction	34
	SHRM and employee involvement	34
	Theories and concepts of employee involvement	34
	Employee involvement and productivity: examples from Europe	35
	Critical summary of employee involvement	35 35
	Employee involvement in a global context: macroenvironmental influences	36
	A critical analysis of employee involvement	36
	Benefits of studying HRM from a critical perspective for managers	36
	Conclusion	36
	For discussion and revision	36
	Further reading	37
	References	
Chapter 14	Work-life balance in the 21st century	37
	Introduction	37
	The changing face of employment	37
	Work-life balance initiatives and flexible working arrangements	38
	The legal framework	38
	Employee well-being and health	38
	International and contextual considerations in work-life balance debates	38
,	Conclusion	38
	For discussion and revision	38
	Further reading	39
	References	39

Chapter 15	Managing human resources and quality	396
•	Introduction	397
	TQM and HRM: definitions and underlying assumptions	397
	TQM and HRM: an integrated perspective	400
	Integrating TQM and HRM	410
	Conclusion	415
	For discussion and revision	417
	Further reading	417
	References	420
Chapter 16	Human resource management in small to medium-sized enterprises	424
<u> </u>	Introduction	425
	Defining SMEs	425
	The importance of SMEs	427
	A critical analysis of employment relations in SMEs	430
	A critical analysis of HRM and high performance: an SME phenomenon?	435
	Conclusion	439
	For discussion and revision	441
	Further reading	441
	References	445
	References	
	Conclusion	449
	References	454
	Index	455

Case study matrix

		Signay Valle
Chapter 1	HRM in Brunei's public sector Country focus: Brunei	27
Chapter 2	Strategic human resource management: insights from Deloitte ME's experience Region focus: Middle East	51
Chapter 3	View Corporation Country focus: Belgium, United Kingdom	71
Chapter 4	Samina's experiences in Retail Co. Country focus: United Kingdom	93
Chapter 5	Global working hours at HDS Country focus: United States, Germany, Australia, Dubai	122
Chapter 6	The Australian Cladding Company Country focus: Australia	145
Chapter 7	Job design at TechCo Country focus: Australia	172
Chapter 8	The design of a new multinational personnel selection system at MobilCom Country focus: Malaysia, China, Australia, Germany	204
Chapter 9	Performance appraisals in the not-for-profit sector Country focus: United States	239
Chapter 10	The strategy and practice of rewards in Chinese MNCs Country focus: China	280
Chapter 11	Sanyo Country focus: Japan	310
Chapter 12	Change management in TV Middle East Region focus: Middle East	341
Chapter 13	Employee involvement at Paper Co Country focus: Sweden, United Kingdom, United States	368
Chapter 14	Balancing work and life in a non-Western economy Country focus: Nigeria	391
Chapter 15	ABC Country focus: South Korea	419
Chapter 16	HPWSs in a European context Country focus: United Kingdom, France	442

Making critical sense of human resource management in a globalized world

Jawad Syed and Robin Kramar

Welcome to the first edition of *Human Resource Management in a Global Context*: A Critical Approach. The book has been written with the aim of developing our understanding and practice of human resource management (HRM) in an increasingly globalized world of work. The book uses a critical lens to develop an approach to HRM that is not only business-focused but also context-sensitive and socially responsible – we will explain our rationale for this below.

The emergence of HRM in the 1980s was accompanied by a sustained theoretical assault on its pretensions, highlighting the gap between the rhetoric of HRM and the reality, which was focused on impersonal economic rationalism. The reconstruction of the employment relationship as a singularly individual market exchange did not go uncontested in management education. However, whereas the proponents of HRM once felt the need to engage and respond to critique, the field now seems to have narrowed as the major concerns relate merely to strategic 'fit' and identifying mechanisms to facilitate 'high-commitment' and 'high-performance' organizations.

We consider the overemphasis of HRM on strategic performance to be problematic in view of the considerable gap between the policy and practice of strategic HRM. Vaughan (1994) argues that although organizational mission statements usually hold that employees are their most important asset, organizational reality is characterized by impersonal economic rationalism. Wilmott (1993) asserts that the rhetoric of HRM tends to turn employees into 'willing slaves' who negate their own interests, assuming the organization will take care of them. Seen from this angle, HRM's unitary rhetoric may compromise the individual and collective needs of employees and may instill an HRM culture

that advantages organizations at the expense of employees. This is particularly true in periods of economic recession and instability. Although the economic gains for the organization are always a priority, issues related to individuals and societies remain subject to various concerns and tensions. Furthermore, a number of changes have occurred in factors influencing the way people are used in organizations, for example globalization, migration, environmental sustainability, governance, ethics, work–life balance and workforce diversity.

Bringing together eminent international scholars, this book places a premium on the critical thinking and analytical abilities that can be successfully applied to HRM. We take a different view of HRM theory and practice from that of often mechanically prescriptive orthodox texts. Our take on the theory and practice of HRM is far from US- or UK-centric: our choice of the topics as well as geographies covered in the text (that is, continental Europe and Asia-Pacific) is an attempt to situate the critical issues facing HRM in a global context.

Each chapter in this volume addresses a core topic and reflects the current state of critical scholarly activity in the field, highlighting some enduring theories and approaches, and then pushing the boundaries of HRM beyond those ideas. Our approach differs most widely when we consider that the practice and theory of HRM involves a number of key issues, including but not limited to managing diversity, ethics, corporate social responsibility, national context, knowledge management, relationship between work and non-work, implementing HRM (which often requires managing change), understanding the expectations and motivations of individuals and groups, and the role of external factors, for example legal and regulatory requirements, in influencing HRM. We consider these topics to lie at the heart of real-life HRM situations, and we believe that a critical approach offers a more effective outcome. We identify and challenge assumptions, develop an awareness of the context, seek alternative ways of seeing a situation and relate these to real-world examples in contexts as diverse as Europe and the Asia–Pacific region.

Each chapter follows a common structure by first identifying learning outcomes, and then moving on to a discussion of fundamental theories and key concepts related to the chapter, an integration of contextual and critical insights with the HRM literature, and one or more case studies exemplifying the application of theory to the world of HRM practice.

Each case study is designed for students who are taking a course in HRM with a significant international component. The aim is to provide a dynamic example and critical illustration of the HRM theory that readers are studying. As a learning tool, Clegg et al. (1984) and Hoffman and Ruemper (1991) identify several advantages of the case study approach:

- ☐ For students, case studies provide an opportunity to think logically and imaginatively, to experiment and to debate ideas free of risk.
- □ Cases provide an opportunity for experiential learning with particular reference to interpersonal skills and group work.
- ☐ Cases provide an opportunity to evaluate critically some of the theories covered in the textbook and on the course.