



Sixth Edition

CONTEMPORARY HUMAN RESOURCE MANAGEMENT

Text and Cases

EDITED BY
ADRIAN WILKINSON
TONY DUNDON
AND TOM REDMAN

online
resources





CONTEMPORARY HUMAN RESOURCE MANAGEMENT

Sara Miller McCune founded SAGE Publishing in 1965 to support the dissemination of usable knowledge and educate a global community. SAGE publishes more than 1000 journals and over 800 new books each year, spanning a wide range of subject areas. Our growing selection of library products includes archives, data, case studies and video. SAGE remains majority owned by our founder and after her lifetime will become owned by a charitable trust that secures the company's continued independence.

Los Angeles | London | New Delhi | Singapore | Washington DC | Melbourne



Sixth Edition

CONTEMPORARY HUMAN RESOURCE MANAGEMENT

Text and Cases

EDITED BY
ADRIAN WILKINSON
TONY DUNDON
AND TOM REDMAN



Los Angeles | London | New Delhi
Singapore | Washington DC | Melbourne



Los Angeles | London | New Delhi
Singapore | Washington DC | Melbourne

SAGE Publications Ltd

1 Oliver's Yard
55 City Road
London EC1Y 1SP

SAGE Publications Inc.

2455 Teller Road
Thousand Oaks, California 91320

SAGE Publications India Pvt Ltd

B 1/I 1 Mohan Cooperative Industrial Area
Mathura Road
New Delhi 110 044

SAGE Publications Asia-Pacific Pte Ltd

3 Church Street
#10-04 Samsung Hub
Singapore 049483

Editor: Ruth Stitt

Assistant editor: Jessica Moran

Assistant editor, digital: Sunita Patel

Production editor: Sarah Cooke

Copyeditor: Catja Pafort

Proofreader: Salia Nessa

Indexer: Martin Noble

Marketing manager: Lucia Sweet

Cover design: Naomi Robinson

Typeset by: C&M Digitals (P) Ltd, Chennai, India

Printed in the UK

© Adrian Wilkinson and Tony Dundon 2021

Sixth edition published 2021

Previously published by Pearson 2017

Apart from any fair dealing for the purposes of research, private study, or criticism or review, as permitted under the Copyright, Designs and Patents Act, 1988, this publication may not be reproduced, stored or transmitted in any form, or by any means, without the prior permission in writing of the publisher, or in the case of reprographic reproduction, in accordance with the terms of licences issued by the Copyright Licensing Agency. Enquiries concerning reproduction outside those terms should be sent to the publisher.

Library of Congress Control Number: 2020947266

British Library Cataloguing in Publication data

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

ISBN 978-1-5297-5826-9

ISBN 978-1-5297-5827-6 (pbk)

At SAGE we take sustainability seriously. Most of our products are printed in the UK using responsibly sourced papers and boards. When we print overseas we ensure sustainable papers are used as measured by the PREPS grading system. We undertake an annual audit to monitor our sustainability.

To Erin and Aidan

and

Diane, Liam and Kate

and

Rachel and Rosie

CONTENTS

<i>Editors</i>	ix
<i>Contributors</i>	x
<i>Acknowledgements</i>	xiii
<i>Case Studies</i>	xiv
<i>Online Resources</i>	xvii
Part 1 Fundamentals of Human Resource Management	1
1 Human Resource Management: A Contemporary Perspective	3
<i>Tony Dundon and Adrian Wilkinson</i>	
2 Human Resource Management and Organisational Performance: In Search of the HR Advantage	31
<i>Nicholas Kinnie, Juani Swart and David Cross</i>	
3 Recruitment	72
<i>Scott Hurrell and Dora Scholarios</i>	
4 Selection	97
<i>Dora Scholarios, Deborah L. Whetzel and Julia A. Leaman</i>	
5 Training and Development	125
<i>Irena Grugulis</i>	
6 Reward Management	148
<i>Flora F. T. Chiang and Thomas A. Birtch</i>	
7 Performance Appraisal	176
<i>Anthony Rafferty</i>	
8 Employee Relations	200
<i>Geraint Harvey and Peter Turnbull</i>	
Part 2 Contemporary Themes and Issues	223
9 International Human Resource Management—Historical Developments, Models, Policies and Practices In MNCs	225
<i>Michael Dickmann</i>	

10	Comparative Human Resource Management <i>Geoffrey Wood and David G. Collings</i>	259
11	Managing Diversity and Inclusion <i>Catherine Cassell and Juliet Kele</i>	278
12	Downsizing <i>Tony Dobbins and Adrian Wilkinson</i>	299
13	The Challenge of Change Management and the Role of HRM <i>Aoife M. McDermott and Edel Conway</i>	320
14	Employee Involvement and Participation <i>Tony Dundon and Adrian Wilkinson</i>	345
15	Engagement <i>Elaine Farndale and Maja Vidović</i>	363
16	Ethics and Human Resource Management <i>Lorraine Ryan</i>	386
17	Emotion at Work <i>Jo Cartwright and Gail Hebson</i>	402
18	Flexibility <i>Clare Kelliher</i>	421
19	Well-Being <i>Ria Deakin</i>	443
20	HRM In Small and Medium-Sized Enterprises <i>Robert Wapshott and Oliver Mallett</i>	469
21	Human Resource Analytics <i>Caroline Murphy and Jean McCarthy</i>	486
22	HRM and Technology: From Socio-Technical Systems to Social Media <i>Di van den Broek and Paul Thompson</i>	509
23	Talent Management: Contemporary Issues <i>Agnieszka Skuza, Monica Zabarie and Hugh Scullion</i>	532
24	The Future of Work: Facing the Challenges of New Technologies, Climate Change and Ageing <i>Damian Grimsbaw and Uma Rani</i>	557
	<i>Index</i>	586

EDITORS

Adrian Wilkinson is Professor at Griffith University, Brisbane, Australia as well as a Visiting Professor at the University of Sheffield and an Academic Fellow at the Centre for International Human Resource Management at the Judge Institute, University of Cambridge. Adrian has authored, co-authored and edited some 30 books, over 150 articles in refereed journals and numerous book chapters. Recent books (with co-authors) include: *The Oxford Handbook of Management* (OUP, 2017), *A Very Short, Fairly Interesting and Reasonably Cheap Book about Employment Relations* (Sage, 2017), *The Routledge Companion to Employment Relations* (Routledge, 2018), *The Sage Handbook of Human Resource Management* (Sage, 2019), *The Future of Work and Employment* (Elgar, 2020), *Case Studies in Work, Employment and Human Resource Management* (Elgar, 2020) and the *Handbook of Research on Employee Voice* (Elgar, 2020). Adrian is a Fellow of the Chartered Institute of Personnel and Development in the UK and a Fellow of the Australian Human Resource Institute. He is a Fellow of the Academy of Social Sciences and the Australian Academy of Social Sciences.

Tony Dundon is Professor of Human Resource Management and Employment Relations at the Kemmy Business School, University of Limerick, Ireland; and Visiting Professor at the Work & Equalities Institute (WEI), Alliance Manchester Business School, University of Manchester, UK; and a Visiting Honorary Professor at University of St Andrews Management School. Tony's research areas include employment relations, human resource management and organisational performance, employee voice and trade union organising. He is a Fellow of the Academy of Social Sciences (FACSS), former Chief Examiner for the Chartered Institute of Personnel and Development (CIPD), Consulting Editor for the *International Journal of Management Reviews* (IJMR) and International Advisory Board Member of *Work, Employment and Society* (WES). Tony has held visiting positions at Sydney University; Deakin University, Melbourne; Toulouse Business School, France; and Queensland University of Technology. His books include: *Understanding Employment Relations*, (2nd edition, McGraw Hill, 2011); *A Very Short, Fairly Interesting and Reasonably Cheap Book about Employment Relations* (Sage, 2017), *The Routledge Companion to Employment Relations* (Routledge, 2018), *Case Studies in Work, Employment and Human Resource Management* (Elgar, 2020), and *Handbook of Research on Employee Voice* (2nd edition, Edward Elgar, 2020).

Tom Redman was Professor of Human Resource Management. Before joining Durham Business School, Tom was a Professor of Human Resource Management at the University of Sheffield. Prior to this he was Professor of Human Resource Management at the University of Teesside. Tom also spent 10 years in industry, in quality, production and HR management positions (mainly with Royal Worcester Porcelain) prior to re-entering academic life. His books include: *Managing Managers* (Blackwell, 1993), *Managing with TQM: Theory and Practice* (Macmillan, 1998) and *The SAGE Handbook of Human Resource Management* (Sage, 2009). He was a Fellow of the Chartered Institute of Personnel and Development. RIP.

CONTRIBUTORS

Thomas A. Birtch	Associate Professor, University of Exeter Business School, University of Exeter
Aline Bos	Researcher/Assistant Professor, Utrecht School of Governance Consulting, Utrecht University, The Netherlands
Paul Boselie	Professor, Utrecht School of Governance, Utrecht University, The Netherlands
Jo Cartwright	Head of Business and Community Engagement, London Metropolitan University
Catherine Cassell	Dean Birmingham Business School
Jenny Chan	Lecturer and Junior Research Fellow, School of Interdisciplinary Area Studies, Kellogg College, University of Oxford
Flora F. T. Chiang	Professor of Management, China Europe International Business School
David G. Collings	Professor of Human Resource Management, Dublin City University
Edel Conway	Professor of Human Resource Management, Dublin City University
David Cross	Lecturer in Organisational Behaviour and Human Resource Management at the University of Southampton
Ria Deakin	Senior Lecturer, Manchester Metropolitan University
Michael Dickmann	Professor of International Human Resource Management and Program Director MSc in Management, Cranfield University
Tony Dobbins	Professor of Employment Relations, Birmingham Business School
Elaine Farndale	Professor of Human Resource Management, School of Labor and Employment Relations, and Center Director, Center for International Human Resource Studies, The Pennsylvania State University
Damian Grimshaw	Professor of Employment Relations, Kings College London
Irena Grugulis	Professor of Work and Skills, Leeds University Business School
Geraint Harvey	DanCap Chair of Human Organization, Western University, Canada
Gail Hebson	Honorary Senior Lecturer, University of Manchester
Louise Hopper	Company HR Manager, Herts for Learning Ltd
Scott Hurrell	Senior Lecturer in Human Resource Management and Organisational Behaviour, Adam Smith Business School, University of Glasgow

Clare Kelliher	Professor of Work and Organisation, Cranfield School of Management, Cranfield University
Juliet Kele	Research fellow in HRM, Birmingham Business School
Nicholas Kinnie	Emeritus Professor, School of Management, University of Bath
Julia A. Leaman	Director, Personnel Research and Assessment Division, Office of Human Resources Management, U.S. Customs and Border Protection
Oliver Mallett	Professor of Entrepreneurship, University of Stirling
Jean McCarthy	Lecturer, Department of Work and Employment Studies, Kemmy Business School, University of Limerick
Steven McCartney	Adjunct Lecturer and PhD Research Scholar, Human Resource Analytics, Trinity Business School, Trinity College Dublin
Aoife M. McDermott	Professor of Human Resource Management, Cardiff Business School, Cardiff University
Paula K Mowbray	Lecturer in Human Resource Management, Griffith University
Caroline Murphy	Lecturer, Department of Work and Employment Studies, Kemmy Business School, University of Limerick
Anthony Rafferty	Professor of Employment Studies, University of Manchester
Uma Rani	Senior Economist, ILO Research Department
Lorraine Ryan	Lecturer, Department of Work and Employment Studies, Kemmy Business School, University of Limerick
Dora Scholarios	Professor of Work Psychology, Strathclyde Business School, University of Strathclyde
Hugh Scullion	Professor in Organisational Behaviour and Human Resource Management, University of Hull
Agnieszka Skuza	Professor of Management, Poznan University of Economics and Business
Juani Swart	Professor of Human Capital and Mentor to the Future of Work Research Centre, School of Management, University of Bath
Paul Thompson	Professor of Employment Studies, University of Stirling
Katharina Thüsing	Lecturer, International Human Resource Management and HR Analytics, Saxion University of Applied Sciences
Peter Turnbull	Professor of Management and Industrial Relations, School of Management, University of Bristol

Di van den Broek	Associate Professor, Work and Organisational Studies, The University of Sydney Business School
Maja Vidović	Assistant Teaching Professor, Center for International Human Resource Studies, The Pennsylvania State University, USA
Steven Vincent	Professor of Work and Organisation, and Head of Leadership, Work and Organisation, Business School, Newcastle University
Adrian Walker	Executive and Board Support Officer at the Disasters Emergency Committee
Robert Wapshott	Associate Professor in Entrepreneurship and Innovation, Nottingham University
Deborah Whetzel	Human Resources Research Organization, Alexandria, Virginia
Geoffrey Wood	DanCap Chair of Innovation and Head of DAN Management at Western University in Canada
Monica Zaharie	Associate Professor Babeş-Bolyai University, Faculty of Economics and Business Administration

ACKNOWLEDGEMENTS

As with any book, the list of acknowledgements is extensive, but these are the most important. Thanks to our editor, Ruth Stitt. As usual, our family and friends make a major contribution, and we are grateful to our families for their support while the book was being written. Tom and Adrian began this series in 2001 but prior to the previous edition Tom sadly passed away. He is missed.

CASE STUDIES

1.1	HRM in China's New Global Economy	17
	Tony Dundon and Jenny Chan	
1.2	HRM and Private Equity in a Hospital	19
	Aline Bos and Paul Boselie	
2.1	Mother London	54
	Nicholas Kinnie and Louise Hopper	
2.2	Disasters Emergency Committee	58
	Juani Swart, Adrian Walker and David Cross	
3.1	Recruitment Issues in the Global Hospitality and Tourism Industry: The case of China	88
	Scott Hurrell and Dora Scholarios	
3.2	New Recruitment Methods for No. 10 Downing Street	90
	Scott Hurrell and Dora Scholarios	
4.1	Competency-Based Assessments for Leadership Selection	113
	Julia A. Leaman	
4.2	'Abercrombie Hot': Selecting for the Brand	115
	Dora Scholarios	
5.1	Soft Skills at Work	138
	Irena Grugulis and Steven Vincent	
5.2	Jobs, Discretion and Skill	139
	Irena Grugulis, Steven Vincent and Gail Hebson	
6.1	Innovative Rewards at Haidilao International Holdings	166
	Flora F. T. Chiang and Thomas A. Birtch	
6.2	Rewarding Innovation at Huawei	168
	Flora F. T. Chiang and Thomas A. Birtch	
7.1	Ditching Annual Reviews at Accenture	189
	Anthony Rafferty	
7.2	Performance Management and Organisational Culture at Facebook	191
	Anthony Rafferty	
8.1	Is Ryanair the Southwest Airlines of Europe?	212
	Geraint Harvey and Peter Turnbull	

9.1	International HRM: Aiming to Practice Transnational People Management, Achieving Cognofederate IHRM Michael Dickmann	249
10.1	HRM in Mozambique Geoffrey Wood and David G. Collings	271
10.2	Ireland and the Multinationals David G. Collings and Geoffrey Wood	272
11.1	Eurozone Catherine Cassell	290
11.2	CMC Retailing Catherine Cassell	292
12.1	Nowa Huta/Arcelor Mittal (Poland) Tony Dobbins and Adrian Wilkinson	312
12.2	The Irish Ferries Dispute Tony Dobbins	313
13.1	HR as a Change Agent Aoife M. McDermott	336
13.2	Avoiding a Digital Backlash: How to Generate Commitment to Change? Aoife M. McDermott and Edel Conway	337
14.1	Re-Designing Employee Involvement in a Small Family-Run Business Tony Dundon	355
14.2	Managing Participation—Easier Said Than Done Paula K. Mowbray	357
15.1	Engagement in a Shared Service Centre in India Elaine Farndale	376
15.2	Tackling Employee Engagement in a Startup Maja Vidović	377
16.1	Employment Ethics in the Skies Lorraine Ryan	396
16.2	A Case for Sustainable HRM Lorraine Ryan	397
17.1	Emotions and the Changing HR Profession Jo Cartwright and Gail Hebson	413

17.2	Adding the Customer into an Analysis of HRM and Emotions in Electrical Retailing	415
	Jo Cartwright and Gail Hebson	
18.1	Uber Eats – Working in the ‘Platform Economy’	435
	Clare Kelliher	
18.2	A Four Day Work Week at Perpetual Guardian, New Zealand	436
	Clare Kelliher	
19.1	Bronze Standard: Well-Being at a Local Authority	459
	Ria Deakin	
20.1	Retro Records	482
	Robert Wapshott and Oliver Mallett	
20.2	Joanna’s Textiles	483
	Robert Wapshott and Oliver Mallett	
21.1	Stakeholders of HR Analytics	499
	Katharina Thüsing	
21.2	Ethics, Privacy, and Workforce Data	501
	Steven McCartney	
21.3	Competencies, Skills, and HR Analytics	502
	Steven McCartney	
22.1	Australian Fire Fighters Caught in the Net – Cyberloafing and How HR Might Pre-empt Legal Action	522
	Di van den Broek	
22.2	A Case of Surveillance and HR Practices in a Call Centre	524
	Paul Thompson	
23.1	Talent Management in Elect Co.	545
	Agnieszka Skuza, Hugh Scullion and Monica Zaharie	
24.1	‘Jordan’ the Automated Virtual Assistant	579
	Damian Grimshaw and Uma Rani	
24.2	Wipro’s New Strategy to Develop HR Capabilities and Innovate in the Era of Digital Platforms	581
	Damian Grimshaw and Uma Rani	

ONLINE RESOURCES



FOR LECTURERS:

Visit <https://study.sagepub.com/wilkinson6> to set up or use your instructor login to access the following resources:

- An **instructor's manual** with detailed case study notes and guidance.
- **PowerPoint slides**, including useful figures and diagrams from the book, which can be adapted and edited to suit your own teaching needs.
- A wide range of **Additional Case studies** relating to the key topics and issues in the book.



PART 1

FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT

1

HUMAN RESOURCE MANAGEMENT: A CONTEMPORARY PERSPECTIVE

Tony Dundon and Adrian Wilkinson

INTRODUCTION

This book is about Human Resource Management (HRM) and is concerned with the way in which organisations manage their people. In this introductory chapter we discuss the approach taken to the study of HRM in this book and the rationale underpinning the ordering and presentation of material. Our aim is to chart the broad terrain of a rapidly developing field of study in order to prepare the reader for the more finely grained treatment of specific HRM topics to be found in the individual chapters. The chapter concludes by considering the audience at which the book is targeted and some thoughts on how it may best be used.

THE DEVELOPMENT OF HRM

The roots of HRM can be found in the emergence of industrial welfare work from the 1890s, as organisations driven by a mix of humanitarian, religious and business motives began to provide workplace amenities such as medical care, housing and libraries. In addition, employment offices were established to deal with hiring, payroll and record keeping. When scientific management emerged, the principles of science were also to be applied to the management of people as well as the management of production. We see here the shift from direct systems of management (personal supervision, traditional paternalism and simple piecework systems) to more technical design systems of management and bureaucratic forms of control (Gospel, 2019). From the seeds of scientific management, more contemporary ways of managing personnel came to life (Cullinane and Cushen, 2019), along with a growing professionalisation of the role (Kaufman, 2010b). HRM was originally seen as largely an administrative function dealing with the 'labour problem', rather than contributing to strategic goals.

The past 20 years or so have seen the rise of what has been positioned as a more strategic orientation to managing people at work (Bacon, 2003; Guest, 1998; Wilkinson et al., 2019b). In the mid-1980s in the UK, and earlier in the US, the term 'HRM' became fashionable and gradually started to replace others such as 'personnel management', 'industrial relations' and 'labour relations'. The practitioners of people management are no longer personnel managers or industrial relations

officers, but are human resource developers, with HR responsibilities increasingly residing with line managers. The 1990s saw the launch of new journals and the flourishing of university courses in HRM; many of these in the UK are now endorsed and professionally accredited by the Chartered Institute of Personnel and Development (CIPD). A new HRM bandwagon was well and truly rolling.

Early contributions were concerned to define HRM and to compare it with the more traditional approach to personnel management (e.g. Guest, 1987). HRM was in turn both heralded as ‘a new era of humane people oriented employment management’ (Keenoy, 1990: 375) and derided as a ‘blunt instrument to bully workers’ (Monks, 1998), especially with the decline of collective bargaining and the reduced influence of trade unions. There has been considerable ambiguity in some of the terms used to define the subject, with various commentators using ‘HRM’ as simply a more modern label for traditional personnel management, as a ‘re-conceptualising and re-organising of personnel roles’, or as a new and distinctive approach, attempting to develop and utilise the potential of human resources to the full, in pursuit of an organisation’s strategic objectives. It is the promise that is held by this latter view that has most excited practitioners and attracted the attention of management academics (Boxall and Purcell, 2016; Charlwood and Hoque 2017; Marchington et al., 2020).

Traditionally, personnel management was characterised as having little focus on broader business links and being overly concentrated on the activities of personnel professionals, unions and a range of operational techniques. Thus personnel management was seen as a low-level record-keeping and ‘people maintenance’ function. The HRM stereotype, in contrast, is characterised as being much more concerned with business strategy, taking the view that HR is *the* most important organisational resource. Thus there has been much talk of an HRM ‘revolution’ with a transformation from administrative efficiency to the role of HRM as a fully-fledged strategic business partner. HRM, say Ulrich and Dulebohn (2015), has been on a journey with the purposeful singular direction which is to ‘add value to the firm’.

THE NEW HRM?

Boxall and Purcell (2016) point out that defining HRM is important and should not be rushed. Definitions specify and clarify the intellectual space under discussion and uncover the different perspectives from which to examine the subject as a field of study. An earlier definition of HRM by Storey (1995) emphasised a particular set of policies identified with ‘high-commitment management’ or ‘high-performance work systems’:

Human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personnel techniques. (Storey, 1995: 5)

However, as Bacon (2003) points out, if HRM is defined exclusively as high-commitment management, then the subject marginalises itself to the discussion of a relatively small number of distinct companies, since many organisations pursue a ‘low-wage path’. The above ‘exclusive’ definition from Storey (1995) identifies HRM as very different to other forms of people management (e.g. industrial relations or traditional personnel management), whereas we follow Boxall and Purcell (2016) and Marchington et al. (2020) and develop a more ‘inclusive’ definition of HRM to cover all forms of people management, among a wider pool of firms operating across different contexts, and recognising external forces and different regulatory regimes. We thus define HRM as follows:

the formation and enactment of policies designed to manage the employment of people in an organisation

There are a number of key features of HRM, which can build an understanding of how policies are enacted and of the values of managers who are implementing HR arrangements. These include 'beliefs and assumptions', 'strategic qualities', the 'critical role of line managers', and finally 'key levers' (see Table 1.1).

TABLE 1.1 The new HRM model

1 Beliefs and assumptions
<ul style="list-style-type: none"> • That it is the human resource which gives competitive edge. • That the aim should not be mere compliance with rules, but employee commitment. • That therefore employees should, for example, be very carefully selected and developed.
2 Strategic qualities
<ul style="list-style-type: none"> • Because of the above factors, HR decisions are of strategic importance. • Top management involvement is necessary. • HR policies should be integrated into the business strategy – stemming from it and even contributing to it.
3 Critical role of managers
<ul style="list-style-type: none"> • Because HR practice is critical to the core activities of the business, it is too important to be left to personnel specialists alone. • Line managers are (or need to be) closely involved as both deliverers and drivers of the HR policies. • Much greater attention is paid to the management of managers themselves.
4 Key levers
<ul style="list-style-type: none"> • Managing culture is more important than managing procedures and systems. • Integrated action on selection, communication, training, reward and development. • Restructuring and job redesign to allow devolved responsibility and empowerment.

Source: Storey, 2007: 9

Slippage between meanings and definitions – the new HRM according to Storey or HRM as a more generic term associated with managing employment – is not without debate. Torrington et al.'s (2017) view that HRM is merely the next stage in the development of personnel management is persuasive, suggesting that much of what is now labelled 'HRM' may be seen much more simply as longstanding good people management practice, while what was less effective has been relegated to remain, rather unfairly it seems, with the 'personnel management' brand.

Much of HRM has an aspirational quality that connects with competing perspectives to elaborate on concepts such as employee motivation, performance, commitment, managerial power and legitimacy and ideology. Even an inclusive definition of HRM about the management of employment can have its origins in one or more competing perspectives to the study and practice of HRM (see Harney et al., 2018). Table 1.2 summarises five such competing approaches.

The first approach can be labelled as '*Matching HR Models*'. An early and influential Matching Model was that known as the Michigan School of HRM, developed by Fombrun et al. (1984) and regarded as displaying 'hard' outcomes. The approach is to stress a very tight calculative (hard) fit between business needs and the way people are managed to ensure optimum employee effort and performance. The latter is measured by strict rules to select, reward, train and/or replace employees. Hard HRM is often seen as an approach that views employees as akin to any other factor of production to be hired and fired at will. In contrast, another Matching Model was developed by Harvard Business School and became known as a 'soft' variant of HRM. Pioneered by Beer et al. (1985), the starting point was to consider stakeholder interests – including employee

well-being – relative to business and context factors. It was known as an approach that sought to stress the word ‘human’ rather than the word ‘resource’. While considered to be richer and more analytically fruitful than its harder variant, it was also more difficult to specify and assess such softer human attributes (Guest, 2015b).

TABLE 1.2 Alternative approaches to the study and practice of HRM

Approach	Beliefs and Assumptions	Strategic Qualities	Role of Line Managers	Key Drivers
Matching Models (Hard)	Compliance	Calculative efficiency	Rule-bound	Product demand
(Soft)	Nurturing commitment	People-supportive policies	Coaching	Training and development
Organisational Performance	Performance-enhancing	Bundles of complementary HR policies	Strategic and measured KPIs	Internal and external fit (integration)
Employee-Centric Approach	Critical of cause-and-effect assumptions	Balance of opposing interests	Significant and active agents	Integration of individual- and collective-orientated processes
Psychologisation of HRM	Organisational improvement	Individual traits/I&O behaviours to affect policy choices	Enactors of policy options from above	Individual behavioural fit
Radical (Critical) Perspective	Exploitation of people at work	Global business model (capitalist) sources of power	Authority agents of owners	Peer surveillance/ Control of labour process

Developed from Storey, 2007; Sisson, 2010; Kaufman, 2015, 2020; Godard, 2014; Budd, 2020

A second approach to the study and practice of HRM can be described as the ‘*Organisational Performance*’ school. For some, HRM is presented as ‘the’ key driver of sustainable competitive advantage and improved organisational performance. The Organisational Performance school has its roots in the Matching Models approach; however, contemporary perspectives seek to present something of a universal scientific approach to quantify and measure bundles of HR practices that predict causal impact on profit, performance, productivity and employee effort (Huselid, 1995; Pfeffer, 1998). The guiding principle is that performance is the priority and primary objective, with employee interests or considerations of well-being and justice of lower order importance or significance (Guest, 2017; Guthrie et al., 2011).

A third perspective is the ‘*Employee-Centric Approach*’. This perspective may be defined as more pluralist in seeking to manage and mediate divergent interests that are both cooperative but also antagonistic when managing people at work (Dobbins and Dundon, 2017). It recognises collective as well as individual practices to manage people (Marchington et al., 2020). As a perspective it is critical of normative cause-and-effect claims about HRM leading to improved organisational effectiveness, or as a system premised on an overly simplistic view of mutual cooperation between employer and employee (Boxall, 2013; Marchington, 2015; Purcell, 1999). A key feature of an ‘Employee-Centric Approach’ to the study and practice of HRM is how employees experience work and react to management policy and action. To this end, both workers and line managers are not assumed to be passive recipients, but active agents embedded in a system to balance opposing interests and objectives. As such, HRM involves a process of management–employee mutuality, or the balance of the need to both

control employee effort while simultaneously seeking workforce cooperation and partnership (Johnstone and Wilkinson, 2018).

A fourth approach can be labelled as the '*Psychologisation of HRM*'. While psychology as a discipline may be observed to some extent in a number of the above approaches (e.g. hard and soft HRM, and especially the organisational performance school), contemporary debates have surfaced concerning a particular unitarist Organisational Behaviour (OB)/Industrial and Organizational (I&O) psychology view of HR (Farndale et al., 2020a, b; Kaufman, 2020). A series of provocation arguments, claims and counter-claims, followed by replies to replies and responses to misunderstandings, show how competing perspectives can colour how the field is viewed and how knowledge informs (and mis-informs) practice (Budd, 2020; Godard, 2014; Troth and Guest, 2019). Two core issues about the psychology of HRM include the dominance of a particular strain of OB/I&O view of the practices used to manage people and methodological ontology that relies almost exclusively on large quantitative data instruments. Regarding an OB/I&O dominance, the concern is that other social science approaches are neglected (e.g. sociology, industrial relations, legal scholarship, economics etc.) in favour of particular micro (individualised) personality traits to determine and shape organisational HR practice. For example, pursuing an OB psychology view of worker voice, Morrison (2014: 180) suggests that voice is only legitimate when it supports positive organisational change and improvements for managers. Thus under this particular psychology interpretation, voice arrangements that may democratise the workplace or allow workers to express a grievance or disagreement are not defined as worker voice behaviours (Barry and Wilkinson, 2016; Wilkinson et al., 2020). The criticism of a dominant I&O psychology view of HRM is that wider macro (collective) forces affecting labour market regulations, employment rights and concepts of justice in the workplace are neglected. Regarding the second issue, that of a positivistic methodology, the critique is that other research traditions including ethnography, mixed method case studies or inductive theories are crowded out as being less scientific, simply because they do not share the same ontological assumptions as positivistic hypothesis testing.

To some extent, the nature of these polarised debates may be the result of scholars speaking to the same concepts but using a different language to examine the same practices. Troth and Guest (2019) point out the discipline of psychology has a long-established pedigree that is more than individualism, contributing to, among other areas, a much broader multi-stakeholder form of analysis about people, organisations and society. Examples include the early Quality of Working Life (QWL) movement with pioneering research into psychology of motivation and work behaviour (Herzberg et al., 1959). Similarly, the Tavistock Institute of Human Relations (TIHR) led ground-breaking research with a more collectivist and macro-orientated social psychology tradition, with a very specific aim to better work and human life. The Tavistock Institute's journal, *Human Relations*, is ranked amongst one of the world's foremost academic and critical thinking outlets for research about human behaviour on work and employment issues, and includes contributions from a broad church of researchers trained in approaches other than psychology. For Kaufman (2020), the key issue is not psychology itself as a robust disciplinary field, but the notion of its 'ization' of the HRM space and agenda. It is this idea of presenting psychology as an 'ization', which means the study of macro forces affecting HRM are reduced to individualistic interpretations of differences, and it is this narrower approach that can then result in more harmful effects because HRM is seen as the preserve of only improved organisational behaviours. A further aspect to the 'psychologisation' of the HR debate is whether this is 'good or bad', or rather less loaded, 'what are its consequences?' Godard points out:

The problems of motivation and control, and the dysfunctions to which they may give rise, tend to be attributed to individual or interpersonal phenomena that can be avoided through careful selection and training/socialisation procedures if not more directly through

‘performance management’. Often, the assumption is not that these practices and innovations are flawed, or that it is the institutional design of the employment relation that is the problem, but rather that they are just not being implemented properly (2014: 7).

In a further contribution to the debate about the psychology of HRM, Kaufman (2020: 64) argues:

The defect in the [psychologisation] logic is that managers do not see requests to work less as constructive, procompany suggestions, in part because their evaluations and bonuses are tied to getting employees to work more ... [one] sees a fatally flawed research programme headed towards a dead end due to the harmful influence of psychologisation, scientism, and normative promotionalism.

A fifth and long-standing stream of literature engaged with the way people are managed at work is a ‘*Radical*’ or ‘*Critical*’ school of thought. Scholars such as Legge (1995), Keenoy (1997; 2014), Thompson (2011) and Willmott (1993), among others, have a suspicion of what HRM claims to be from the start, even when they differ in terms of structural or post-structural explanations. The core intellectual contribution is rather than view HRM as a particular discursive model which may be performance-enhancing for the good of the firm, and by association good for employees and society, the radical perspective is much more critical and seeks to unpick employer motives and underlying consequences of HR practice within the stages of capitalist development. The Radical school is concerned with power relationships at the workplace and across society, often explained by a global neo-liberal economic and political agenda that engenders exploitation. Thus, HRM is not seen as a positive universal performance-enhancing arrangement. Thompson articulates the critical agenda to HRM thus:

Employees do not expect a ‘champion’, but within the constraints of the capitalist employment relationship and organisational power structure, they would prefer to not be fed crap in the name of communication and to be treated with a degree of fairness. (Thompson, 2011: 364)

Overall, some of these competing approaches can overlap across issues and debates. For example, some psychologists may be found adopting a pluralist approach that is critical of individualism (Guest, 2017; Troth and Guest, 2019). Equally, economists may be more tolerant of political discourses while management scholars may draw from sociological and institutionalist analysis. To understand various tensions associated with the management of the employment relationship, it is more inclusive to look at multi-disciplinary paradigms that capture a broad set of forces of influence, including actor motivations, institutions of regulation, public policy debates, political narratives and issues of equality and inequality which are all embedded in wider societal structures (Nechanska et al., 2020). Students and future managers need perspectives that incorporate micro, meso and macro level context explanations which requires more than a narrow aspect of just one disciplinary domain.

THE IMPORTANCE OF CONTEXTUAL FORCES ON HRM

Things are happening in employment that are neither a cause nor an effect of HRM but which could have some impact on it. These include the intensification of work, the choices of work location provided by technology and the divisive nature of a society in which many are idle and impoverished while many others are seriously over-worked. (Guest, 1998: 51)

Even the more ‘upbeat’ HRM work such as that of Storey (1992), Pfeffer (1998) or Ulrich et al. (2007) indicates that changes in the arena of HRM did not come from initiatives designed directly to do this. Thus in part HRM can be seen as a consequence of managing in ‘uncharted territory’ with new rules governing the employment relationship (Wilkinson and Barry, 2020a). Developments in HRM have been driven as much by the role of the state and government approaches to regulation and deregulation (Barry and Wilkinson, 2019; Martinez Lucio and MacKenzie, 2018), as they have by large-scale organisational changes as employers adjust to a more competitive external neo-liberal global economic environment (Sisson, 2010). To meet some of the challenges posed by intense competition, organisations have been downsized, delayed and decentralised (Nolan, 2011). Many organisations claim to be less hierarchical in nature; have adopted more flexible forms and have been subjected to continuing waves of organisational change programmes such as total quality management, business process re-engineering, performance management, modernisation, lean production, outsourcing and off-shoring of core activities resulting in a seemingly relentless pressure on employees and line managers to push through culture change initiatives (Taylor et al., 2014; Townsend and Dundon, 2015).

There is a danger that, because of external forces or wider economic contexts, accounts of new managerial initiatives are portrayed as somehow neutral and inevitable and as such they can represent a major paradigm-shift, when the reality might be rather different (Dundon and Wilkinson, 2020). The rhetoric of organisational change often relies too heavily on hype from unrepresentative examples or evidence extrapolated from data sets that are far removed from the actual business and management context (Wilkinson and Barry, 2020b). Crouch (2013), for instance, argues that the power of large corporations has remained relatively intact if not, paradoxically, increased through the financial crisis. Corporate governance models project an image that some corporations or banks are assumed to be ‘too big to fail’ with a power resource to shape and control their own markets, dominate supply chain networks and influence how smaller firms manage their workers. Managers, it seems, often perceive themselves to be in the midst of massive organisational change (Wilkinson et al. 2015, 2017). Eccles and Nohira’s (1992) historical account of post-Second World War management traces how it has been the norm rather than the exception for practitioners and writers to view their organisational environment as turbulent and characterised by transformative change or, as Sorge and van Witteloostuijn (2004) put it, the nature of the change hype changes regularly just as flu viruses mutate over time.

The global COVID pandemic has led to untold harm. Unlike the Global Financial Crisis of 2008, the pandemic is both a public health and global economic crisis. As a unique and unprecedented circumstance, it has placed organisations and HR managers into new uncharted waters in terms of how to respond, with a whole raft of HRM and people management implications that are not yet fully realised or understood. While we saw diverse responses within different countries, depending on the institutional context and political environment of various governments, the role of the state was evident and the importance of intervention crucial. However, not all states responded in the same way: the UK and US were late to the table in fear of disrupting free market values, support of furloughed employee support mechanisms variable; while in New Zealand and some other continental European countries support to workers and businesses came easier with a more active regulatory regime. Alongside macro state and political interventions there have been different responses by industries and separate organisations: some have simply downsized and cut staff, or closed and ceased to trade; while others have implemented alternative approaches supporting workers with (partial) continued wage payments, recruitment freezes, new remote working plans for those employees who can work from home, reduce expenditure on training and changes to working time arrangements (see also Chapter 12 on downsizing).

Broader contextual factors have had a deep effect on work and HRM with longer periods of gestation before the Covid pandemic, and which have impacted the capacity for HR and organisations to response to sudden change. For example, Rubery (2015) charts four specific changes, driven in part by almost insurmountable (unstoppable) global forces which affect the way people work and how they are managed, known as the 4Fs: feminisation, flexibilisation, fragmentation and financialisation.

Feminisation charts changes in labour market demography as to ‘who’ is employed. For example, the proportion of women in work has grown significantly over the last few decades. However, issues of equality in terms of gender discrimination, underrepresentation of women in higher skilled and professional occupations and ever growing gender pay differentials appear widespread in multiple areas and sectors (Muzio and Tomlinson, 2012; Rubery et al., 2016).

Flexibilisation explains changes to the ‘way’ people work, with attendant implications for HRM. So employees are now more likely to be female, and also work part time and away from the workplace (e.g. home working and mobile working), with many jobs mediated by technology (e.g. hot desking, telework, social media) and engaged in very precarious and insecure jobs (e.g. zero hours contracts). These changes including functional flexibility (the way workers are managed using multi-skilling and technology, etc.), numerical flexibility (how employees are employed using casual or temporary contracts) and spatial flexibility (where they work) which are ‘normalising’ the precariousness of work relationship for many people (Rubery et al., 2018).

Fragmentation is the nature of the employee–employer relationship and who is managing whom. Flexibility has also resulted in extensive use of subcontractors, consultants, outsourcing, temporary employees and interims. The boundaries between work and home are also more fragmented (Walsh, 2019), and HR responsibilities are blurred across organisational boundaries, public–private partnerships, franchises, agencies and other forms of inter-firm contractual relations, which have a major impact on the management of people at work (Grimshaw et al., 2017; Marchington et al., 2011a, b). Fragmenting and blurring of HR relationships have not been restricted to the private sector, and we have seen the rise of the so-called ‘new public management’ with its emphasis on economy and efficiency (Bach, 2019). The public sector has undergone many similar changes, with new organisational forms emerging in wake of ‘marketisation’, compulsory competitive tendering, ‘modernisation’, ‘best value’ and the challenges of maintaining HRM practices post-austerity (Bach, 2019; Rubery et al., 2016).

Finally, **Financialisation** is about changes to the actual conduct and meaning of work (Batt, 2018). Because of market and context changes, organisations of all shapes and sizes now aim to generate surplus not necessarily through the making of goods or provision of services, even if these are their core business functions, but gains obtained from investments in de-regulated financial markets. Rubery (2015: 8) provides a little known but illustrative example using the car industry. In 2003 General Motors (GM), one of America’s largest employers and iconic car manufacturers earned more than \$800 million, not from the making of its cars and trucks, but from investments in mortgages and finance. Its car and truck operations earned GM just \$83 million in the same year. However, in 2008 GM was declared bankrupt because of its financial investments.

Some of these context changes are seen as facilitating more discretion for staff, such as the opportunity to work part-time, while at the same time others reinforce a high degree of managerial control and are geared almost exclusively on improving corporate performance. Here the relevance of HRM comes to the fore: new forms of work and organisation demand new HRM strategies and practices. The new work context also brings new HRM challenges; not the least of these derives from the impact of such changes on the stresses and strains involved in working under such conditions.

Here the growing literature on stress at work paints a rather disconcerting picture of organisational life in the new workplace. The importance of HR comes to the fore again when considering the costs of work-related stress and mental ill-health to business (and arguably to society as a whole): issues which may spill-over for years post-Covid-19 responses. Mental ill-health is now the most common cause of sick absence in firms in developed economies, accounting for as much as 40 per cent of lost time (OECD, 2012). Even before the anxieties and stresses resulting from Covid-19 and overwork because of the pandemic crisis, analysts had calculated that stress and ill-health at work will cost a massive US\$16 trillion in lost output globally in the years up to 2030 unless managed (Bloom et al., 2011). In the USA a variety of surveys produce findings such as 94 per cent of American workers report experiencing stress at their workplace, 63 per cent of US workers are ready to quit their jobs due to stress, and 39 per cent of workers said that a heavy workload was their main cause of stress (Spajić, 2019). In the NHS in the UK, one of the world's largest employers, nearly four in 10 NHS staff reported feeling unwell because of work-related stress in the previous 12 months and stress is believed to account for more than 30 per cent of sickness absence in England's health service as a whole, with a financial cost of between £300–£400 million per year (Gardner, 2019).

In reviewing the evidence on stress and well-being, Sparrow et al. (2015: 157) outline a number of issues in which HRM is crucial. First, management style can be a powerful game-changer. For instance, managers who manage through supportive leadership styles (e.g. authentic, transformational, servant, empowering and ethical styles) are likely to engender more productive employees with less damaging effects on subordinate health, than those who manage through negative and bullying styles (e.g. toxic, abusive, authoritarian styles). Second, HRM can have an empowering effect on employees. For example, job autonomy, job involvement and self-control can engage workers in their job and support a more positive attitude and mental well-being. Third, job variety may improve (or at least not negatively impact) employee stress and well-being by better managing excessive workloads and hours. Fourth, communication and voice may give workers a sense of belonging so they understand their role and value to an organisation better. Finally, social relationships at work can affect well-being and stress, especially the nature of relationships with line managers and supervisors that use (or abuse) power resources to control employee actions. Overall, it is not difficult to see the important role of HRM and the related elements of management style, line manager ideologies and beliefs, employee relations, performance objectives, or various contextual changes considered above in shaping people's mental health, well-being or stress at their place of work (CIPD 2019b; Kowalski and Loretto, 2017; Walsh 2019).

However, research also documents more contentious and uneven patterns of work and stress in many organizations; HRM practices (e.g. employee assistance programmes and workplace counselling schemes) may only ease rather than cure the impact of workplace stress. Indeed, HRM practices may have added considerably to the stresses of modern worklife with the increased use of such practices as performance management systems, contingent pay and flexibilisation (Thompson, 2011). It seems ironic that organisations like McDonald's or Amazon can implement sophisticated business systems that deliver a burger bun or pair of trainers with exact timing and precision, often from suppliers in locations on the other side of the planet, yet they will not inform an employee, who lives one or two miles away, what hours they can work for the next few days or weeks. This is the phenomenon of 'zero hours contracts', whereby employers do not guarantee that any work will be offered, but should they require labour the employee has to be available if and when the manager demands (Dundon et al., 2017). The impact of organisational changes on employees has been so considerable that commentators now argue that there is a need to radically reconstruct the nature of the 'psychological contract' between employer and employee. Dundon and Rafferty (2018: 377) further contend that HRM 'is at risk of impoverishment' as a

result of an overly marketised and individualistic ideology taking hold in its teaching and research, to the neglect of wider organisational, employee and societal concerns for justice and suitability. Guest (2017: 28–29) issues a call to arms for HRM, as a profession and an academic discipline, to re-introduce the importance and value of promoting a ‘positive employment relationship as a means to employee well-being as the central anchor point in HRM’. The goal is for HR systems to connect first and foremost with workforce trust, justice and well-being as a path to positive employment and then organisational performance (Guest, 2017: 34).

STRATEGY, HRM AND PERFORMANCE

HR scholars have been calling for a stronger focus on the human resources inside the firm and how they are managed (Boselie et al., 2019; Harley, 2015). Sparrow et al. (2015) call for a more integrated analysis of strategic and other business-related theories within the study of HRM. Importantly, a number of related contextual and thematic developments could more usefully be integrated into mainstream HRM: business innovation; customer-centric operations management; digital work futures; inter-firm networks; motivation, engagement and well-being. As Morris and Snell (2009: 85) point out, strategic management depends very much on what people know and how they behave, and because no other resource possessed by a firm has free will or heterogeneity of ideas, products and services often originate in individuals and by groups of employees working in collaboration. This makes the human resources within the firm, and how they are managed, a potentially unique source of competitive advantage. The increase in differentiated workforces poses additional cultural, geographical and competency gaps (Marchington et al., 2020; Morris et al., 2019). Despite this call, it is rare for texts on strategy to pay much attention to HRM issues; for example, Johnson et al. (2011) devote only a handful of pages to managing human resources while Grant (2010) allocates just one page to HRM in his discussion of resources and capabilities.

Meanwhile the study of HRM has adopted a cross-functional approach and expanded its breadth of analysis beyond the staple concerns of selection, training and reward, etc. Much of the work in this area draws from the resource-based theory (RBT) of the firm (Barney, 1995; Boselie et al., 2019), suggesting that competitive advantage depends on an organisation having superior human capital assets that are valuable, rare, non-substitutable resources at its disposal and that such resources are not easily imitated by others. The non-imitable nature of resources is a key aspect, otherwise competitors would be able to replicate and the advantage would rapidly disappear.

However, as Boxall and Purcell (2016) note, inconsistent application of well-designed HR policies often undermines their desired impact. Crucially, ‘there is no such thing as *the* single HR practice of the firm. It is more accurate to imagine the HR practices of the firm as norms around which there is variation due to the idiosyncratic behaviour of line managers’ (Boxall and Purcell, 2016: 198).

For years, HR professionals have yearned for evidence to show that people were really the most important asset a company had and that good HR practice delivered in terms of organisational performance. By the mid-1990s their prayers appeared to have been answered in that a growing number of studies sought to demonstrate just that. For example, Huselid (1995) was one of the first to document measurable performance outcomes: for a standard deviation increase in the bundle of HR practice architecture, organisations in the US could witness a 3 per cent reduction in staff turnover and an averaged \$27,000 increase in sales. In the UK research based on 100 small and medium-sized enterprises (SMEs) in manufacturing concluded that people management is not only critical to business performance, but is also much more important than strategies that emphasise quality, technology, competitive advantage or research and development in terms of impact on the bottom line. Thus according to Patterson et al. (1998), this finding in one sense validates the

oft-quoted claims of CEOs that people are the most important asset but is also paradoxical in that it is one aspect of business that is the most neglected.

There are various terms used in these studies, for example high-performance management, high-commitment management, best practice HRM or high-involvement management, but each share a common message: the adoption of HRM practices pays in terms of where it matters most, the bottom line (see Kinnie, Swart and Cross, Chapter 2 of this volume). The general argument is that piecemeal take-up of HR practices means that many organisations miss out on the benefits to be gained from a more integrated approach (Marchington et al., 2020). The collection of reinforcing HR practices have begun to be referred to as a 'bundle' and the task of HR managers is to identify and implement such HR systems.

However, the causal impact of these HR-performance debates is contested. To begin with, many bundles of practices appear to be rather more easily prescribed than achieved (Guthrie et al., 2011; Kaufman, 2010a; Lewin, 2011). Many authors produce lists of HR practices which should be included in these bundles. Unfortunately, there is little consistency and we still await a definitive prescription of the best 'bundle'. Storey (1992), Boselie et al. (2005), and Wall and Wood (2005) identified aspects such as integrated selection systems, performance-related pay, harmonisation, individual contracts, teamworking and learning companies. Pfeffer (1998) provides a list of seven alleged 'universal' practices: employment security, selectivity in recruitment, high levels of contingent reward, self-managed teams, extensive training and development, information-sharing and harmonisation of status differentials. These are held together under an overarching philosophy with a long-term commitment and a willingness to engage in consistent measurement of whether or not high standards are being achieved. Other studies have different bundle configurations with wide variability in the number of practices included. (For example, Dyer and Reeves (1995) counted 28 HR practices; Becker and Gerhart (1996) found 27 practices, none of which were common across five studies examining the HR-performance link; Delaney et al. (1989) identified 10 practices; Huselid (1995) 13 and Wood (1999) 17). The range of practices must seem at the very least confusing to the practitioner but, more than this, there appear to be some quite contradictory notions in the various lists (Wall and Wood, 2005). For example, on the one hand, formal grievance systems appear in some bundles as an indicator of best practice, but are associated in others with trade unionism and seen as part of a bureaucratic older 'personnel management' approach. Guest (2015a: 53) reminds us that optimal results for things like better employee engagement or well-being tend to be found when employees have the opportunity to voice their concerns, whether via a trade union or works council. Thus any notion that unions are somehow dinosaurs that don't have a place in the HR-performance debate is mistaken. Aside from the inconsistencies in the HRM bundle and the unitarist view that marginalises unions or other employee representative agents from the equation, the best practice and universalistic approach has received considerable criticism for other reasons. Purcell, for example, is wary of the claim for a universal application:

The claim that the bundle of best practice HRM is universally applicable leads us into a utopian cul-de-sac and ignores the powerful and highly significant changes in work, employment and society visible inside organisations and in the wider community. The search for bundles of high commitment work practices is important, but so too is the search for understanding of the circumstances of where and when it is applied, why some organisations do and others do not adopt HCM, and how some firms seem to have more appropriate HR systems for their current and future needs than others. It is only one of many ways in which employees are managed, all of which must come within the bounds of HRM. (Purcell, 1999: 36)

Reviews of the HRM-performance relationship (Jiang and Li, 2019; Kaufman 2020; Roumpi and Delery, 2019; Whitfield and Yunus, 2018) point out that there are unresolved issues of causality – largely because few studies use longitudinal data, problems of the narrow base of the work undertaken, and concerns that much of the data is self-reported by single management respondents; neglect of the actual implementation of practices, as well as doubts about measures of performance which are used. Even if the data does indicate a link, we lack understanding of the processes involved and the mechanisms by which practices translate into a desired employment climate (Cafferkey et al., 2020). Equally problematic is the implicit assumption that a particular bundle of practices is feasible for all organisations. Some HR systems that were designed to engender higher performance have been shown to create perceptions of injustice and limited employee well-being (Heffernan and Dundon, 2016). In short, the idea of a HR system that is designed to improve performance first and foremost can result in workers feeling less committed with diminished rather than enhanced job satisfaction. The notion of a reinforcing bundle of practices cannot be fully convincing given the variation in actual practices used across firms and the often neglected consideration of employee needs and wants in the equation. It is unlikely, say, that the very act of introducing practices X, Y and Z will deliver benefits in a universal manner in different contexts and markets. Kaufman (2010b: 287) questions HRM and performance in particular, arguing that ‘modern (Strategic) HRM has partial explanatory power but nonetheless is fundamentally flawed by substantial specification error’. He contends that the performance effect from HRM in a competitive economy is probably zero (at best) and not always (if ever) positive. Equally, Godard (2004: 371) argues that the conflicts embedded in the structure of the employment relationship may limit the effectiveness of the high-performance paradigm for employers, and render it highly fragile, subject to different effects (if any), depending on context factors. These issues may also explain why high-performance practices are often implemented in ways that tend to have negative effects for workers and unions. It may be in the interests of only a minority of employers to support high-performance systems and, even when it is adopted, it may not have positive outcomes for workers or their unions owing to increased workloads and work pressures. Thus there is a need to recognise that there may not be a set of unitary interests shared by employer and employee, or the idea that ‘what is good for the firm will somehow also be good for employees’ is too simplistic (Barry and Wilkinson 2016; Blyton et al., 2011; Dundon and Dobbins, 2015). Indeed, it may be that high performing companies make for happier workers, rather than happy employees creating higher performing firms.

Nevertheless, although there are methodological and theoretical criticisms of individual studies, the weight of meta-analytical evidence is strongly suggestive of a positive relationship, even though more needs to be done to better confirm ‘causal’ directional pathways. Insight does exist on the existence of a performance relationships and how HRM has a ‘signaling effect’ to employees about managerial intent. But because of variable adoption of practices and imprecise methodological specification of numerous research studies, the HR-performance debate remains an area of much potential for the future of work and HRM (Jiang and Li , 2019).

THE CHANGING ROLE OF HRM

At a surface level the HR profession seems to be in good health. The CIPD now claims over 150,000 members and data show that the proportion of workplaces with HR specialists has been on the increase (CIPD, 2019a; van Wanrooy et al., 2013). However, what HR professionals actually do and what influence or authority they may have in a company is a very different issue altogether, and worries about the effectiveness of the HR function linger on. The current CIPD tag line of ‘championing better work and working lives’ shows a broad ambition, even though scholars point out

that these claims may be more indicative of rhetoric than actual reality, especially when considered alongside growing employment precarity and persistently low wage growth across many parts of the world (Grimshaw et al., 2017; Rubery et al., 2018).

In part, on-going organisational changes, such as the practice of outsourcing of jobs to external supplier firms can lead to a cycle of low trust among employees who worry about job tenure. Equally, the practice of decentralising HR responsibility from corporate headquarters to business-unit-level departments, shared-services, and further still to line managers has seen much 'streamlining' of HR roles. Even more worrying for the HR function, is that these trends have also seen some traditional core personnel areas, such as recruitment, training and employee welfare management, also outsourced to external third-party providers and consultants. In some accounts these trends have been seen as part of a 'crisis of HR', as the profession struggles for legitimacy and status in cost-conscious times (Parry, 2011; Sparrow et al., 2015). Others have interpreted the increasing use of consultants as reflecting a sign that HR is now seen as being much more important and thus merits additional investment. Management consultants are argued to be an important conduit along which new and more sophisticated HR practices flow between organisations. However, some recent trends suggest that a 'crisis of interpretation' may be more in tune with the facts. In particular, there is now considerable doubt on the benefits of outsourcing driven by cost pressures in a period of corporate downsizing and economic turbulence, rather than the quality and responsiveness of in-house HRM (Hird et al., 2010).

The recognition that HR issues are vitally important in organisations has, paradoxically, not been all good news for the HR profession given its 'Cinderella' image. It seems that many senior managers may be of the view that people management is far too important to be left to the HR department, and the HR function appears to be at a crossroads, with some cautioning the potential demise in the roles of HR as a profession (Dundon and Rafferty, 2018). On the one hand, the ascendancy view sees the rise of HR following hard on the success of the creation of competitive advantage for organisations. In contrast, the formula for demise often involves the failure of HR to understand the broader societal contexts for equity and justice as embedded responsibilities for businesses, while the HR agenda prioritises hyper-individualisation and a free market ontology. Some suggest that HR needs to learn to manage 'beyond the organisation', which involves finding ways to incorporate innovative business models and collaborative partnership across inter-firm networks for longer term mutual gains (Sparrow et al., 2015; Morris et al., 2019).

CONCLUSION

What then is the 'formula' for HR success? First, in addressing this question there is a real danger in slipping into unrealistic, wishful thinking – of which there is already an ample supply in the prescriptive HR literature. Second, there is rather more consistency in the literature on what the future for HR should *not* be based on, than that on what it should be. The future agenda, according to Grimshaw and Rani (Chapter 24, this volume), is the need to design not only HR policy but also business strategy that supports people's capabilities while ensuring that employment institutions are robust in terms of fairness and well-being as a source of better engagement. Long-standing arguments hold sway that HR needs a comprehensive vision and that future HR managers will require coordination skills across functions, business units and borders following the increased globalisation of business and an awareness of better governance. One of the more contemporary debates is the need for HR managers to be equipped and skilled in HR analytics, drawing on big data to assess potential change in people's attitudes, behaviours and make adjustments to HR practices (Edwards and Edwards, 2016; Huselid and Minbaeva, 2019; Pedersen and Wilkinson, 2019; Scholz, 2019). Thus a key theme in much of the work is that HR needs to earn its place at the top, both

as an integrated part of senior management but also as an agent well-placed to champion fairness and sustainable models of management. One danger in contemporary developments of practice is that the emphasis is very much on the strategic and performative (cost-cutting) aspects of the HR role. In particular, the 'bread and butter' issues of effectively managing the recruitment, selection, appraisal, development, reward and involvement of staff are often pushed to the periphery as there is less value in 'doing the right thing'. There is thus a real concern that HR managers could be neglecting 'the basics' in their search for legitimacy and status with senior managers (Wright and Snell, 2005). In short, there is a danger that the senior management and shareholders will be getting rather better service than the employee.

One of our aims in the presentation of material in this book has been to balance the discussion in terms of both employee expectations and management demands of the role of HRM. For example, in accounts of topics such as downsizing, involvement and participation, performance management, reward and flexibility, the aim has been not only to examine critically HR's strategic role in the process but also to review the impact of these practices on employees and other stakeholders.

THE BOOK

This book has been written primarily as a text for students of business and management who are studying HRM. It aims to be critical but pragmatic: we are wary of quick fixes, slogans, prescriptive checklists and bullet points of 'best practice'. Equally, it is important to recognise wider contextual forces and that institutions matter in affecting how people are managed at work. The authors are all prominent researchers and draw from a considerable depth of research in their field. Each chapter provides a critical review of the topic, bringing together theoretical and empirical material. The emphasis is on analysis and insight, and areas of growing significance are also included in each chapter. At the same time we wish to look at the implications of HRM research and theory development for practice and to do so in a readable, accessible manner. The book does not assume prior knowledge on the part of the reader, but seeks to locate issues in a wider theoretical framework. It is suitable for MBAs, and for undergraduates who these days may be doing business studies as well as degrees in engineering, humanities, social sciences, etc. As such, this is appropriate for modular degree courses.

Each chapter is accompanied by a combination of case studies and/or exercises for students. The intention is that students should be actively involved in the study of HRM. We believe that in this sense the book is unique, where the trend has been for the publication of separate text and case books. Our aim in combining these elements in a single volume is to permit a smoother integration of the topic material and supporting cases and exercises. In all chapters the authors have provided both text and cases, although in some we also include additional material from other authors. The cases and exercises are of different lengths, level and type in order to serve different teaching and learning purposes, e.g. a long case study for students to read and prepare prior to seminars/tutorials as well as shorter cases and exercises which can be prepared in the session itself. The aim is to provide a good range of up-to-date, relevant material based upon actual HRM practice.

The book is divided into two parts; the first part, the 'Fundamentals of HRM', examines the core elements of HR practice. In this section there are chapters on the HRM-performance link; recruitment, selection, training, reward systems, performance appraisal, and employment relations. The second half of the book, 'Contemporary Themes and Issues', addresses some key areas of importance in HRM practice. Here there are chapters on international HRM, comparative HRM, diversity, downsizing, change management, employee participation, engagement, ethics, emotions, flexibility, well-being, HRM in SMEs, data analytics, talent management, the role of technology and social media in HRM, and debates about the future of work and HRM.

CASE STUDY 1.1: HRM IN CHINA'S NEW GLOBAL ECONOMY

TONY DUNDON AND JENNY CHAN

Foxconn is one of the largest employers on the planet, with around 1 million workers. The electronics manufacturer has attempted to use robots to replace human workers in China, although it continues to recruit large numbers of teenage students on short-term contracts as interns to fuel its production needs. It has some 200 subsidiaries around the world, with the bulk of its operations and staff being employed in more than 40 factories across China: in Chengdu, Zhengzhou, Shenzhen, Beijing and Shanghai, among others. Foxconn was founded in 1974 in Taiwan and has grown as a world-leading supply chain transnational corporation. The company makes components and manufactures electronic products that feature in most people's everyday lives: iPhones, iPads, iPods, Kindles, computers, cameras, games and gaming consoles, and TVs (and more). Foxconn is ranked 23rd on the Fortune Global 500 list of top corporations, with annual revenues in excess of US\$175 billion. The term 'factory' can be misleading when the true image of a Foxconn production facility is realised; probably more accurately described as 'a city' or, in company speak, 'a campus'. In Shenzhen city, South China, for example, over 500,000 people lived and worked at the Foxconn site in 2010, when Foxconn built all the iPhones and iPads there, among other electronic products. Many are rural migrant workers who flock to these expansive megacities for employment. And many of these employees live on-site in factory dormitories, with 12 people sharing bunk beds (some have 24 employees in one dorm room).

Of note, because of context factors and political and commercial pressures, the Shenzhen facility is transforming itself to a tech and financial hub. For example, there has been a rapid relocation of Foxconn and other factories inland (particularly to central and western China, where land is abundant and labour costs lower than that in the coastal region). So, today Foxconn's Shenzhen site employs fewer than 500,000 workers because of pressure from Apple to move Foxconn to Chengdu city, Sichuan province (the iPad city) and Zhengzhou city, Henan province (the iPhone city). The result is that Apple has a tighter and more direct control over Foxconn production.

As a single corporation it dominates the world market for outsourced electronics, with about 50 per cent of total market share and a client list including some of the most well-known household brands: Apple, IBM, Google, Amazon, Sony, Samsung, Huawei, Xiaomi and many others, who all utilise a global supply chain network of manufacturing firms assembling production in many developing regions of the world.

To be sure, size and scale means that Foxconn provides an extensive array of human resource support systems for staff at these 24-7 day continuous production 'cities' in China. The larger sites such as those at Shenzhen (Guangdong province), Chengdu (Sichuan province), and Zhengzhou (Henan province) contain Foxconn's self-run on-site hospitals, banks, post offices and fire service. Workers can access educational and schooling opportunities. Foxconn has its own university and, along with Apple's own university, they co-organise business management courses. Indeed, through the company app, employees can access e-learning, with opportunities for some employees to retrain and upskill. There are libraries and sports facilities ranging from soccer fields, swimming pools, tennis and basketball courts. At Foxconn's Longhua complex in Shenzhen, there is a movie theatre, showing both popular films and corporate videos on business strategy and environmental sustainability. Workers can access supermarkets and restaurants, and even a wedding dress shop on-site for those employees seeking love and marriage. It is evident that young workers from rural provinces of China can earn much higher salaries and can expand their skills and career opportunities than in their home villages.

(Continued)

However, considerable criticism has been levelled at Foxconn (and Apple) given reports about harsh working conditions and the way staff are managed. There is a military style work regime because of suppliers' subordination to global brands in the buyer-driven commodity chains. For example, when the likes of Apple or Dell issue model updates or launch a new product, production and work pressures intensify for Foxconn employees. Many employees end up working 12-hour shifts during the peak production months, far exceeding the normal 8-hour day as stipulated by law. Supervision has been reported as intensive and intimidating, with workers having to take time-off during low peak periods as a way to circumvent overtime regulations. Evidence points to unsafe working conditions, including fatal explosions at Foxconn's Chengdu factories, and other risks causing significant distress and health hazards to thousands of employees; for example, inhaling toxic aluminium dust for those workers polishing the new, shinier and streamlined iPad. In the first five months of 2010 12 suicides – attempted and achieved – by distraught employees who jumped from factory dormitories at Foxconn's Shenzhen sites caught the attention of the world media. The company's response was to install safety netting between buildings. Company management and the trade union offered counselling to employees, without fully acknowledging its management responsibilities or addressing the profound anxiety faced by a young cohort in a highly unequal Chinese society marked by a deep rural–urban divide.

One anonymous employee remarked: 'The use of death is simply to testify that we were ever alive at all [...] and that while we lived, we had only despair,' (Chan et al., 2020). Across other Foxconn factories, riots and violent altercations have broken out between workers, state police and company security personnel. In Foxconn, the image of people management is literally that of fire-fighting.

QUESTIONS

1. How do you feel after reading the short Foxconn case study?
2. Which, if any, of the five competing perspectives to HRM in Table 1.2 is a better approach to study the way people are managed at Foxconn?
3. What does the Foxconn case tell us about context issues such as flexibility, out-sourcing and work fragmentation discussed in Chapter 1?
4. What responsibilities and influence does or should the likes of Apple have over Foxconn's human resource strategy?

Suggested Further Reading

Chan, J. (2020) 'Employee Voice in China', in A. Wilkinson, J. Donaghey, T. Dundon and R.B. Freeman (eds), *Handbook of Research on Employee Voice: Participation and Involvement in the Workplace* (2nd edition). Cheltenham: Edward Elgar. pp. 524–39.

Chan, J., Selden, M. and Pun, N. (2020) *Dying for an iPhone: Apple, Foxconn, and the Lives of China's Workers*. London: Pluto Press.

CASE STUDY 1.2: HRM AND PRIVATE EQUITY IN A HOSPITAL

ALINE BOS AND PAUL BOSELIE

Introduction

This case focuses on the impact of private equity (PE) interventions on human resource management (HRM) in a hospital. We first set the stage about PE and HRM and then turn to the case.

A private equity firm (PEF) invests money in organisations not quoted on a stock market in exchange for a periodic management fee and a share in profits.

PEFs roughly execute two strategies: an upward or a downward strategy (Wright and Bruining, 2008). The upward strategy represents additional investments in the organisation because of untapped resources that can contribute to organisational success. The HRM implications might be recruitment and selection of new employees and substantial training and development. The downward strategy represents cost reduction strategies. The HRM implications might be cutting employee benefits and performance-related pay linked to financial performance.

A key characteristic of the Dutch HRM context is the impact of institutional mechanisms (i.e. labour legislation) on HRM (Paauwe and Boselie, 2003). The incorporation of multiple stakeholders and contextual factors in studying HRM therefore makes sense.

Dominant Anglo-Saxon HRM perspectives tend to take a more unitarist view focused on shareholder value and include a limited number of stakeholders. PEFs tend to embrace Anglo-Saxon principles. This approach is very relevant in the context of semi-public organisations that differ in some respects from the private sector. First, public service organisations are in many cases partly financed by public funds. Second, services delivered by these organisations are seen as essential services, which also focus on public values such as access and transparency. Finally, public service workers are often seen as being motivated by contributing to society and not by financial aspects (Vandenabeele, 2007).

The general Rembrandt van Rijn hospital employs around 1,600 people including 300 medical specialists. After privatisation of the municipal Rembrandt van Rijn hospital in the late 90s, the deficits ran up to over €7 million. The Dutch Minister of Health announced the closure of the hospital but the Second Chamber in Dutch Parliament prevented the minister from doing so. By 2007 the hospital was nearly bankrupt. The two-tier board of the hospital was confronted with major financial losses. Regular financiers such as banks were no longer willing to finance the hospital. In 2007 the board members got in touch with a PEF interested in investing in the hospital on the condition that the PEF got ownership of the hospital.

1. The pre-bid phase: Barbarians at the gate or El Salvador?

The initial meetings between the two-tier board of the hospital and representatives of the PEF are top secret to avoid negative publicity and internal turbulence. At this stage, the two board members decide to actively involve a senior legal officer. After several secret meetings the board members make a public announcement that the hospital is investigating the possibility of PE involvement. Most employees do not immediately pick up the news and take it seriously. After a stream of negative announcements over the past two years about low performance levels, most employees are aware of the sense of urgency for a major organisational change. For them a PE intervention is too abstract and difficult to assess. From here on all members of the management team (the level below the two-tier board) are also involved in the negotiation process with the PEF. Medical specialists and the medical staff are consulted and the supervisory board is informed as well.

(Continued)

The HR director, as part of the management team, convinces the board that from this moment on the works council and the client council of the hospital should be informed on a regular basis. As the media picks up the story of a possible PE intervention in the hospital, this evokes a hot debate about the nature of the PEF's intentions and possible negative impact of such an intervention. From this moment on employee trust levels decline dramatically, in particular with regard to employees' trust in management. Top management response to all the commotion is putting emphasis on the sense of urgency and the opportunity a PE intervention creates for organisational renewal.

2. The actual private equity intervention

After a year of negotiations it looks like nothing is going to change. The financial performance of the hospital is even more pressing. Representatives of the PEF propose a bonus package for the top management, arguing that these bonuses are necessary to retain top managers during and after the PE intervention process. As soon as the media finds out about this pay proposal the PEF is accused of bribing top managers to make the ownership change happen. While this type of bonus intervention for top management is common in PE interventions, given the healthcare context and its public values this proposal feeds scepticism about the PEF's true intentions with the hospital. Employee trust in top management decreases even further.

The two-tier board sticks to the plan and pursues the process of an actual intervention. They decide to organise road shows for all employees within the hospital, to (a) provide a platform for employees to share their emotions, frustrations and feelings of insecurity, and (b) to show leadership and emphasise the sense of urgency for a radical change. Without new investments the hospital is most likely to go bankrupt within one or two years.

The HR director's main concern at this stage of the actual PE intervention is the retention of highly motivated and qualified employees. Both medical specialists and nurses represent the human capital of the hospital. Major employee turnover rates could damage the continuity of healthcare activities.

3. The period after the private equity intervention

The PE intervention is completed. The works council involvement at an early stage in the process pays off. In the actual transition of ownership the works council's trust in top management supports creating the new deal with the PEF. Much to everybody's surprise, the first 12 months after the take-over nothing changes. Then one of the board members makes use of an early retirement arrangement. The vacancy is filled by a top manager connected to the PEF. From then on, things start to change rapidly. A new performance management system, based on General Electric's Six Sigma system, is introduced to increase efficiency, improve service quality and stimulate innovation. The HR practices linked to this new performance system include:

- training and development of nurses aimed at improving productivity (more clients per hour) and increasing customer satisfaction scores;
- individual and team scorecards with weekly and monthly outcome measures such as customer satisfaction, employee absence rates, productivity outcomes and peer evaluations of job performance;
- bonuses for excellent teams up to one additional month's pay for every team member.

At the same time, some major reorganisations are planned to make drastic cutbacks:

- all hospital volunteers are dismissed because in fact they are old and need a lot of care themselves, which distracts the medical professionals from their patients;

(Continued)

- the level of middle management is removed. The board now directly speaks with medical professionals;
- new and financially attractive forms of medical service are introduced, such as an influenza clinic and a stop smoking clinic;
- contracts with interim managers and external advisors are terminated;
- temporary contracts are terminated and those workers can only continue working for the hospital when they work for a special flex company that employs contingent workers in healthcare;
- multiple disciplines within the hospital are labelled as non-core business activities and are outsourced.

Conclusion

The PE intervention has led to improved organisational performance with regard to productivity and service quality levels. After six years a deficit of €4.3 million is turned into an annual profit of around €5 million. The hospital jumped from place 99 in 2007 to 49 in 2011 in the Dutch hospital ranking.

The hospital executed an intentional strategy of involving different stakeholders involved in early phases, which fits the European stakeholder perspective and turns out to be a good strategy when the deal is actually made.

Concerning the HRM practices, goal setting through performance management has become a central theme. The new performance management system clarifies the linkage between organisational goals, team goals and individual employee goals. The HR function and its HR professionals have played an important role in the implementation and communication of the new performance management system.

The HRM outcomes are not clear yet. Employee satisfaction levels from the yearly employee surveys still show moderate scores. Employees appear reasonably satisfied about their job but less happy with their organisation. The general employee trust in management is still relatively low. Many good healthcare workers have left the organisation.

QUESTIONS

1. What are the advantages and disadvantages of works council and client council involvement at an early stage of a PE intervention from the top management perspective and the individual employee perspective?
2. What kind of HR policies and practices can be applied to retain valuable employees during a process of a major organisational change?
3. Why is it important that the two board members actively participate in a road show in which they personally explain the PE situation?
4. How does the new performance management affect organisational commitment, occupational commitment and team commitment of employees within the hospital?

(Continued)

5. What is the impact of outsourcing disciplines on employees who are being outsourced and employees who may stay?
6. What kind of competencies do HR professionals need for adding value to the organisational change process caused by a PE intervention?
7. What kind of concrete HR practices can be applied to minimise the negative effects on a PE intervention on employee attitudes and perceptions? Explain why.

BIBLIOGRAPHY

- Alfes, K., Truss, C., Soane, E.C., Rees, C. and Gatenby, M. (2010) *Creating an Engaged Workforce*. London: Chartered Institute of Personnel and Development.
- Allen, M. and Wright, P. (2007) 'Strategic management and HR', in P. Boxall J. Purcell and P. Wright (eds), *The Oxford Handbook of Human Resource Management*, Oxford: Oxford University Press. pp. 88–107.
- Angrave, D., Charlwood, A., Kirkpatrick, I., Lawrence M. and Stuart, M. (2016) 'HR and analytics: Why HR is set to fail the big challenge', *Human Resource Management Journal*, 26 1: 1–11.
- Appelbaum, E., Bailey, T., Berg, P. and Kalleberg, A. (2000) *Manufacturing Competitive Advantage: The Effects of High Performance Work Systems on Plant Performance and Company Outcomes*. New York, NY: Cornell University Press.
- Bach, S. (2019) 'Human resource management in the public sector: New public management, responsive governance and the consequences of the economic crisis', in A. Wilkinson, N. Bacon, D. Lepak, and S. Snell (eds). *The SAGE Handbook of Human Resource Management* (2nd edition). London: Sage. pp. 557–574.
- Bacon, N. (2003) 'Human resource management and industrial relations', in P. Ackers and A. Wilkinson (eds) *Understanding Work and Employment: Industrial Relations in Transition*, Oxford: Oxford University Press. pp. 71–88.
- Bacon, N. (2008) 'Management strategy and industrial relations', in P. Blyton, E. Heery, N. Bacon and J. Fiorito (eds), *The SAGE Handbook of Industrial Relations*. Thousand Oaks, CA: Sage. pp. 241–57.
- Barney, J. (1995) 'Looking inside for competitive advantage', *Academy of Management Executive*, 9 (4): 49–61.
- Barry, M. and Wilkinson, A. (2016) 'Pro-social or pro management: A critique of the conception of employee voice as a pro-social behaviour within organisational behaviour', *British Journal of Industrial Relations*, 54 (2): 261–84. doi.org/10.1111/bjir.12114
- Barry, M. and Wilkinson, A. (2019) 'Regulation, deregulation or re-regulation? The changing regulative framework for HRM', in A. Wilkinson, N. Bacon, S. Snell and D. Lepak (eds). *The SAGE Handbook of Human Resource Management*, (2nd edition). London: Sage. pp. 65–81.
- Batt, R. (2018) 'The Financial Model of the Firm, the "Future of Work", and Employment Relations,' in A. Wilkinson, T. Dundon, J. Donaghey and A. Colvin (eds). *The Routledge Companion to Employment Relations*. London: Routledge. pp. 465–79.
- Becker, B. and Gerhart, B. (1996) 'The impact of human resource management on organizational performance: Progress and prospects', *Academy of Management Journal*, 39 (4): 779–801.
- Becker, B.E. and Huselid, M.A. (2009) 'Strategic human resource management: Where do we go from here?', in A. Wilkinson, N. Bacon, T. Redman and S. Snell (eds), *The SAGE Handbook of Human Resource Management*, London: Sage. pp. 351–76.
- Beer, M., Spector, B., Lawrence, P., Quinn Mills, D. and Walton, R. (1985) *Human Resource Management: A General Manager's Perspective*. New York: Free Press.

- Beer, M. and Eisenstat, R. (1996) 'Developing an organisation capable of implementing strategy and learning', *Human Relations*, 49 (5): 597–619.
- Beynon, H., Grimshaw, D., Rubery, J. and Ward, K. (2002) *Managing Employment Change: The New Realities of Work*. Oxford: Oxford University Press.
- Blessing-White (2011) *Employee Engagement Report 2011: Beyond the Numbers*. Princeton, NJ: Blessing-White Inc. <http://www.nine-dots.org/documents/Blessing%20White%202011%20%20Employee%20Engagement%20Report.pdf> (accessed November 24, 2020).
- Bloom, D.E., Cafiero, E.T., Jané-Llopis, E., Abrahams-Gessel, S., Bloom, L.R., Fathima, S., [...] and Weinstein, C. (2011) *The Global Economic Burden of Noncommunicable Diseases*. Geneva: World Economic Forum.
- Blyton, P., Heery, E. and Turnbull, P. (eds) (2011) *Reassessing the Employment Relationship*. Basingstoke: Palgrave Macmillan.
- Boselie, P. (2010) *Strategic Human Resource Management. A Balanced Approach*, London: McGraw-Hill.
- Boselie P., Dietz, G. and Boon, C. (2005) 'Commonalities and contradictions in HRM and performance research', *Human Resource Management Journal*, 15 (3): 67–94.
- Boselie, P., Paauwe, J. and Veld, M. (2019) 'Human Resource Management and the resource-based view', in A. Wilkinson, N. Bacon, S. Snell and D. Lepak (eds), *The SAGE Handbook of Human Resource Management* (2nd edition). London: Sage. pp. 472–493.
- Boxall, P. (1992) 'Strategic human resource management: Beginnings of a new theoretical sophistication?', *Human Resource Management Journal*, 2 (3): 60–79.
- Boxall, P. (2013) 'Mutuality in the management of human resources: Assessing the quality of alignment in employment relationships', *Human Resource Management Journal*, 23 (1): 3–17.
- Boxall, P. and Macky, K. (2014) 'High-involvement work processes, work intensification and employee well-being', *Work, Employment and Society*, 28, (6): 963–84.
- Boxall, P. and Purcell, J. (2000) 'Strategic human resource management: Where have we come from and where should we be going?', *International Journal of Management Reviews*, 2 (2): 183–203.
- Boxall, P. and Purcell, J. (2016) *Strategy and Human Resource Management* (4th edition), New York: Palgrave Macmillan.
- Boxall, P. and Steenveld, M. (1999) 'Human resource strategy and competitive advantage: A longitudinal study of engineering consultancies', *Journal of Management Studies*, 36 (4) 443–63.
- Budd, J.W. (2020) 'The psychologisation of employment relations, alternative models of the employment relationship, and the OB turn', *Human Resource Management Journal*, 30: 73–83.
- Cafferkey, K., Dundon, T., Winterton, J. and Townsend, K. (2020) 'Different strokes for different folks: Group variation in employee outcomes to human resource management', *Journal of Organizational Effectiveness: People and Performance*, 7 (1). doi.org/10.1108/JOEPP-12-2018-0114
- Caldwell, R. (2004) 'Rhetoric, facts and self-fulfilling prophecies: Exploring practitioners' perceptions of progress in implementing HRM', *Industrial Relations Journal*, 35 (3) 196–215.
- Charlwood, A. and Hoque, K. (2017) 'Managing People: Understanding the Theory and Practice of Human Resources Management', in A. Wilkinson, S.J. Armstrong, and M. Lounsbury (eds), *The Oxford Handbook of Management*. Oxford: OUP. pp. 179–99.
- CIPD (2012) *Annual Report*. London: Chartered Institute of Personnel Development.
- CIPD (2019a) *Annual Report and Accounts*, London: Chartered Institute of Personnel Development.
- CIPD (2019b) *Health and Wellbeing at Work* (Survey report). London: Chartered Institute of Personnel Development. https://www.cipd.co.uk/Images/health-and-well-being-at-work-2019.v1_tcm18-55881.pdf (accessed November 24, 2020).

- Combs, C., Lui Y., Hall, A. and Ketchen, D. (2006) 'How much do high performance work systems matter? A meta-analysis of their effects on organizational performance', *Personnel Psychology*, 59 (3): 501–28.
- Crook, T.R., Todd, S.Y., Combs, J.G., Woehr, D.J. and Ketchen Jr, D.J. (2011) 'Does human capital matter? A meta-analysis of the relationship between human capital and firm performance', *Journal of Applied Psychology*, 96 (3): 443–56.
- Crouch, C. (2013) *Making Capitalism Fit for Society*. Cambridge: Polity.
- Cullinane, N. and Dundon, T. (2006) 'The psychological contract: a critical review', *International Journal of Management Reviews*, 8 (2): 113–29.
- Cullinane, N. and Cushen, J. (2019) 'Applying Scientific Management to modern employment relations and HRM', in K. Townsend, K. Cafferkey, A. McDermott and T. Dundon (eds), *Elgar Introduction to Theories of Human Resources and Employment Relations*, Cheltenham: Edward Elgar. pp. 53–66.
- Delaney, J.T., Lewin, D. and Ichniowski, C. (1989) *Human Resource Policies and Practices in American Firms*. Washington, DC: US Government Printing Office.
- Dobbins, T. and Dundon, T. (2017) 'The chimera of sustainable labour-management partnership', *British Journal of Management*, 28 (3): 519–33.
- Drucker, P. (1961) *The Practice of Management*, London: Mercury.
- Dundon, T. and Dobbins, T. (2015) 'Militant partnership: A radical pluralist analysis of workforce dialectics', *Work, Employment and Society*, 29 (6): 912–31.
- Dundon, T., Cullinane, N. and Wilkinson, A. (2017) *A Very Short, Fairly Interesting and Reasonably Cheap Book About Employment Relations*. London: Sage.
- Dundon, T., and Rafferty, A. (2018) 'The (potential) demise of HRM?', *Human Resource Management Journal*, 28: 377–391.
- Dundon, T. and Wilkinson, A. (eds) (2020) *Case Studies in Work, Employment and Human Resource Management*. Cheltenham: Edward Elgar.
- Dyer, L. and Reeves, T. (1995) 'Human resource strategies and firm performance: What do we know and where do we need to go?', *International Journal of Human Resource Management*, 6: 656–70.
- Eccles, R. and Nohira, N. (1992) *Beyond the Hype: Rediscovering the Essence of Management*. Boston, MA: Harvard Business School Press.
- Edwards, P.K. (2018) 'Conflict in the workplace: The concept of structured antagonism reconsidered', *Warwick Papers in Industrial Relations No. 110*, Coventry: Warwick University.
- Edwards, M. and Edwards, K. (2019) *Predictive HR Analytics: Mastering the HR Metric*, London: Kogan Page.
- European Agency for Safety and Health at Work (2013), *Pan-European Opinion Poll on Occupational Safety and Health*. <https://osha.europa.eu/en/safety-health-in-figures> (accessed November 24, 2020).
- Farndale, E., McDonnell, A., Scholarios, D. and Wilkinson, A. (2020a) 'The psychologisation conversation: An introduction', *Human Resource Management Journal*, 30 (1), 32–3.
- Farndale, E., McDonnell, A., Scholarios, D., and Wilkinson, A. (2020b) 'Human Resource Management Journal: A look to the past, present, and future of the journal and HRM scholarship', *Human Resource Management Journal*, 30 (1), 1–12.
- Farnham, D. (2015) *Human Resource Management in Context: Strategy, Insights and Solutions* (4th edn.). London: Chartered Institute of Personnel and Development.
- Ferris, G.R., Hochwarter, W.A., Buckley, M.R., Hamell-Cook, G. and Frink, D.D. (1999) 'Human resource management: Some new directions', *Journal of Management*, 25 (3): 385–415.
- Fombrun, C.J., Tichy, N.M. and Devanna, M.A. (1984) *Strategic Human Resource Management*. New York: Wiley.

- Francis, H. and Keegan, A. (2006) 'The changing face of HRM: In search of balance', *Human Resource Management Journal*, 16 (3): 231–49.
- Gardner, J. (2019) 'What the NHS annual staff survey can teach us about workplace stress', *People Management*. <https://www.peoplemanagement.co.uk/voices/comment/what-nhs-annual-staff-survey-teach-us-about-stress-work> (accessed November 24, 2020).
- Godard, J. (2004) 'A critical assessment of the high-performance paradigm', *British Journal of Industrial Relations*, 42 (2): 349–78.
- Godard, J. (2014) 'The psychologisation of employment relations?', *Human Resource Management Journal*, 24 (1): 1–18.
- Gospel, H. (2009) 'Human resource management: A historical perspective', in A. Wilkinson, N. Bacon, T. Redman and S. Snell (eds) *The SAGE Handbook of Human Resource Management*, London: Sage. pp. 3–22.
- Grant, R. (2010) *Contemporary Strategy Analysis* (7th edition). Oxford: Blackwell.
- Greer, C.R., Youngblood, S.A. and Gray, D.A. (1999) 'Human resource management outsourcing: The make or buy decision', *Academy of Management Executive*, 13 (3): 85–96.
- Grimshaw, D., Fagan, C., Hebson G. and Tavora, I. (2017) 'A new labour market segmentation approach for analysing inequalities: Introduction and Overview', in D. Grimshaw, C. Fagan, G. Hebson and I. Tavora (eds). *Making Work More Equal*. Manchester University Press. pp. 1–32.
- Gruman, J.A. and Saks, A.M. (2014) 'Being psychologically present when speaking up: Employee voice and engagement', in A. Wilkinson, J. Donaghey, T. Dundon and R.B. Freeman, (eds), *Handbook of Research on Employee Voice*, Cheltenham: Edward Elgar. pp. 455–76.
- Guest, D. (1987) 'Human resource management and industrial relations', *Journal of Management Studies*, 24 (5): 503–21.
- Guest, D. (1998) 'Beyond HRM: Commitment and the contract culture', in M. Marchington and P. Sparrow, P. (eds) *Human Resource Management: The New Agenda*, London: Pitman. pp. 37–51.
- Guest, D. and Baron, A.(2000) 'Piece by piece', *People Management*, 6 (15): 26–31.
- Guest, D. (2007) 'HRM and the worker: Towards a new psychological contract?', in P. Boxall, J. Purcell and P. Wright (eds), *Oxford Handbook of Human Resource Management*, Oxford: Oxford University Press. pp. 128–46.
- Guest, D. (2011) 'Human resource management and performance: still searching for some answers', *Human Resource Management Journal*, 21 (1): 3–13.
- Guest, D. (2015a) 'Voice and employee engagement', in S. Johnstone and P. Ackers (eds), *Finding a Voice at Work: New Perspectives on Employment Relations*,. Oxford: Oxford University Press.
- Guest, D. (2015b) 'Putting the human back into HR', Paper presented to the CIPD Applied Research Conference, Warwick Business School, The Shard, London, 8th December.
- Guest, D. (2017) 'Human resource management and employee well-being: Towards a new analytic framework', *Human Resource Management Journal*, 27 (1): 22–38.
- Guest, D. and Conway, N. (2011) 'The impact of HR practices, HR effectiveness and a "strong HR system" on organisational outcomes: A stakeholder perspective', *International Journal of Human Resource Management*, 22 (8): 1686–702.
- Guthrie, J., Flood, P., Liu, W., MacCurtain, S. and Armstrong, C. (2011) 'Big hat, no cattle? The relationship between use of high-performance work systems and managerial perceptions of HR departments', *International Journal of Human Resource Management*, 22 (8): 1672–85.
- Harley, B. (2015) 'The one best way? "Scientific" research on HRM and the threat to critical scholarship', *Human Resource Management Journal*, 25 (4): 399–407.

- Harney, B., Dundon, T. and Wilkinson, A. (2018) 'Employment relations and human resource management', in A. Wilkinson, T. Dundon, J. Donaghey and A. Colvin (eds), *The Routledge Companion to Employment Relations*, Routledge. pp. 108–24.
- Harter, J.K., Schmidt, F.L., Killham, E.A. and Asplund, J.W. (2006) *Q12 Meta-Analysis*. Omaha, NE: Gallup.
- Heffernan, M. and Dundon, T. (2016) 'Cross-level effects of high-performance work systems (HPWS) and employee well-being: The mediating effect of organizational justice', *Human Resource Management Journal* 26 (2): 211–31.
- Hendry, C., Pettigrew, A. and Sparrow, P. (1988) 'Changing patterns of human resource management', *Personnel Management*, 20 (11):37–41.
- Herzberg, F., Mausner, B. and Snyderman, B. (1959) *The Motivation to Work* (2nd edition). New York, NY: Wiley.
- Hird, M., Sparrow, P. and Marsh, C. (2010) 'HR structures: Are they working?', in P. Sparrow, M. Hird, A. Hesketh and C. Cooper (eds), *Leading HR*. London: Palgrave Macmillan. pp. 23–45.
- Huselid, M. (1995) 'The impact of human resource management practices on turnover, productivity and corporate financial performance', *Academy of Management Journal*, 38 (3): 635–72.
- Huselid, M., and Minbaeva, D. (2019) 'Big Data and Human Resource Management', in A. Wilkinson, N. Bacon, D. Lepak, and S. Snell (eds), *The Sage Handbook of Human Resource Management*. London: Sage. pp. 494–507.
- Jiang, K., Lepak, D.P., Hu, J. and Baer, J.C. (2012) 'How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms', *Academy of Management Journal*, 55 (6): 1264–94.
- Jiang, K., and Li, P. (2019) 'Models of strategic human resource management', in A. Wilkinson, N. Bacon, D. Lepak, and S. Snell (eds), *SAGE Handbook of Human Resource Management* (2nd edition). London: Sage. pp. 23–40.
- Johnson, G., Whittington, R. and Scholes, K. (2011) *Exploring Corporate Strategy* (8th edition). London: Prentice Hall.
- Johnstone, S. and Wilkinson, A. (2018), 'The potential of labour-management partnership: A longitudinal case analysis', *British Journal of Management*, 29 (3): 554–70.
- Johnstone, S., Saridakis, G. and Wilkinson, A. (2019) 'The global financial crisis, work and employment: Ten years on', *Economic and Industrial Democracy*, 40 (3): 455–68.
- Kaufman, B. (2010a) *Hired Hands or Human Resources: Case Studies of HRM Programs and Practices in Early American Industry*. Ithaca, NY: Cornell University Press.
- Kaufman, B. (2010b) 'SHRM theory in the post-Huselid era: Why it is fundamentally misspecified', *Industrial Relations: A Journal of Economy and Society (Berkeley)*, 49 (2): 286–313.
- Kaufman, B. (2015) 'Market competition, HRM and firm performance: The conventional paradigm critiqued and reformulated', *Human Resource Management Review*, 25 (1): 107–25.
- Kaufman, B.E. (2020) 'The real problem: The deadly combination of psychologisation, scientism, and normative promotionalism takes strategic human resource management down a 30-year dead end', *Human Resource Management Journal*, 3: 49–72.
- Keegan, A. and Francis, H. (2010) 'Practitioner talk: The changing text-scape of HRM and emergence of HR business partnership', *International Journal of Human Resource Management*, 21 (6): 873–98.
- Keenoy, T. (1990) 'HRM: Rhetoric, reality and contradiction', *International Journal of Human Resource Management*, 1 (3): 363–84.
- Keenoy, T. (1997) 'Review article: HRMism and the language of re-presentation', *Journal of Management Studies*, 34 (5): 825–41.

- Keenoy, T. (2014) 'Engagement: A murmur of objects?', in C. Truss, K. Alfes, R. Delbridge, A. Shantz and E. Soane (eds). *Employee Engagement in Theory and Practice*, London: Routledge. pp. 197–220.
- Kougiannou, K., Redman, T. and Dietz, G. (2015) 'The outcome of works councils: The role of trust, justice and industrial relations climate', *Human Resource Management Journal*, 25 (4): 458–77.
- Kowalski, T.H.P. and Loretto, W. (2017) 'Well-being and HRM in the changing workplace', *The International Journal of Human Resource Management*, 28 (16): 2229–55. doi.org/10.1080/09585192.2017.1345205
- Legge, K. (1995) *Human Resource Management: Rhetorics and Realities*. Basingstoke: Macmillan.
- Lengnick-Hall, C.A. and Lengnick-Hall, M.L. (1988) 'Strategic human resources management: A review of the literature and a proposed typology', *Academy of Management Review*, 13 (3): 454–70.
- Lewin, D. (2008) 'HRM in the 21st century', in C. Wankel (ed.), *21st Century Management: A Reference Handbook* (vol 2). London: Sage. pp. 56–64.
- Lewin, D. (2011) 'High performance human resources', in A. Wilkinson and K. Townsend (eds). *The Future of Employment Relations. New Paradigms, New Developments*. London: Palgrave Macmillan. pp. 11–29.
- MacLeod, D. and Clarke, N. (2009) *Engaging for Success: Enhancing Performance through Employee Engagement*. London: Department for Business, Innovation and Skills.
- Marchington, M. (2015) 'Human resource management (HRM): Too busy looking up to see where it is going longer term?', *Human Resource Management Review*, 25 (2): 176–87.
- Marchington, M., Wilkinson, A., Donnelly, R. and Kynighou, A. (2020) *Human Resource Management at Work* (7th edition). London: CIPD – Kogan Page.
- Marchington, M., Rubery, J. and Grimshaw, D. (2011a) 'Alignment, integration and consistency in HRM across multi-employer networks', *Human Resource Management*, 50 (3): 313–39.
- Marchington, M., Hadjivassiliou, K., Martin, R. and Cox, A. (2011b) 'Employment relations across organisational boundaries', in A. Wilkinson and K. Townsend (eds). *The Future of Employment Relations*, London: Palgrave Macmillan. pp. 47–66.
- Martin-Alcazar, F., Romero-Fernandez, P. and Sanchez-Gardey, G. (2005) 'Strategic human resource management: Integrating the universalistic, contingent, configurational and contextual perspectives', *International Journal of Human Resource Management*, 16 (5): 633–59.
- Martinez Lucio, M. and MacKenzie, R. (2018) 'The state and employment relations: Continuity and change in the politics of regulation', in A. Wilkinson, T. Dundon, J. Donaghey and A. Colvin (eds). *The Routledge Companion to Employment Relations*, Oxford: Oxford University Press. pp. 157–74.
- Miller, P. (1987) 'Strategic industrial relations and human resource management: Distinction, definition and recognition', *Journal of Management Studies*, 24 (4): 347–61.
- Monks, J. (1998) 'Trade unions, enterprise and the future', in P. Sparrow and M. Marchington (eds) *Human Resource Management: The New Agenda*, London: FT/Pitman. pp. 208–22.
- Morris, S. and Snell, S. (2009) 'The Evolution of HR strategy: Adaptations to increasing global complexity', in A. Wilkinson, N. Bacon, T. Redman and S. Snell (eds) *The SAGE Handbook of Human Resource Management*. London: Sage. pp. 84–99.
- Morris, S., Shenkar, O. and Mackey, A. (2019) 'The evolution of HR strategy: Adaptations to increasing global complexity', in A. Wilkinson, N. Bacon, S. Snell and D. Lepak (eds), *The SAGE Handbook of Human Resource Management* (2nd edition). London: Sage. pp. 110–119.
- Morrison, E. (2014) 'Employee Voice and Silence', *Annual Review of Organizational Psychology and Organizational Behavior*, 1: 173–97. doi.org/10.1146/annurev-orgpsych-031413-091328
- Muzio, D. and Tomlinson, J. (2012) 'Researching gender, inclusion and diversity in contemporary professions and professional organizations', *Gender, Work and Organization*, 19 (5): 455–65.

- Nechanska, E., Hughes, E. and Dundon, T. (2020) 'Towards an integration of employee voice and silence', *Human Resource Management Review*, 30 (1): Article #100674. doi.org/10.1016/j.hrmmr.2018.11.002
- Nolan, P. (2011) 'Money, markets, meltdown: The 21st-century crisis of labour', *Industrial Relations Journal*, 42 (1): 2–17.
- Nolan, P. and Wood, S. (2003) 'Mapping the future of work', *British Journal of Industrial Relations*, 41 (2): 165–74.
- OECD (2012) *Sick on the Job? Risks and Realities about Mental Health and Work*. Paris: OECD Publishing. Available from: doi.org/10.1787/9789264124523-en
- Paauwe, J. (2004) *HRM and Performance: Achieving Long Term Viability*. New York: Oxford University Press.
- Paauwe, J. (2009) 'HRM and performance: Achievements, methodological issues and prospect', *Journal of Management Studies*, 46 (1): 129–42.
- Paauwe, J. and Boselie, P. (2003) 'Challenging "strategic HRM" and the relevance of the institutional setting', *Human Resource Management Journal*, 13 (3): 56–70.
- Paauwe, J. and Boselie, P. (2007) 'HRM and societal embeddedness', in P. Boxall, J. Purcell and P. Wright (eds), *The Oxford Handbook of Human Resource Management*. Oxford: Oxford University Press. pp. 166–86.
- Parry, E. (2011) 'An examination of the e-HRM as a means to increase the value of the HR function', *International Journal of Human Resource Management*, 22 (5): 1146–62.
- Patterson, M., West, M., Lawthom, R. and Nickell, S. (1998) 'Impact of people management practices on business performance issues', *Issues in People Management*, No.22. London: Institute of Personnel Management.
- Pedersen, J. and Wilkinson, A. (eds) (2019) *Big Data: Promise, Application and Pitfalls*. Cheltenham: Edward Elgar.
- Pfeffer, P. (1998) *The Human Equation*. Boston, MA: Harvard Business School Press.
- Pollit, C. and Bouchert, G. (2011) *Public Management Reform: A Comparative Analysis of New Public Management Governance and the Neo-Weberian State*. Oxford: Oxford University Press.
- Pritchard, K. (2010) 'Becoming an HR strategic partner: Tales of transition', *Human Resource Management Journal*, 20 (2): 175–88.
- Purcell, J. (1989) 'The impact of corporate strategy on human resource management', in J. Storey, J. (ed), *New Perspectives on Human Resource Management*. London: Routledge. pp. 67–91.
- Purcell, J. (1999) 'Best practice and best fit: Chimera or cul-de-sac?', *Human Resource Management Journal*, 9 (3): 26–41.
- Purcell, J. (2010) *Building Employee Engagement*. ACAS policy discussion paper. https://archive.acas.org.uk/media/2672/Building-employee-engagement/pdf/Building_employee_engagement-accessible-version-Jun-2012.pdf (accessed November 24, 2020).
- Purcell, J. (2014) 'Disengaging from engagement', *Human Resource Management Journal*, 24 (3): 241–54.
- Robbins, C.J., Rudsenske, T. and Vaughan, J.S. (2008) 'Private equity investment in health care services', *Health Affairs*, 27 (5): 1389–98.
- Roumpi, D. and Delery, J.E. (2019) 'Strategic HRM: Where do we go from here?', in A. Wilkinson, N. Bacon, D. Lepak, and S. Snell (editors), *The Sage Handbook of Human Resource Management*. London: Sage. pp. 423–38.
- Rubery, J. (2015) 'Change at work: Feminisation, flexibilisation, fragmentation and financialisation', *Employee Relations*, 37 (6): 633–44.
- Rubery, J., Keizer, A. and Grimshaw, D. (2016) 'Flexibility bites back: The multiple and hidden costs of flexible employment policies', *Human Resource Management Journal*, 26 (3): 235–51.
- Rubery, J., Grimshaw, D., Keizer, A. and Johnson, M. (2018), 'Challenges and Contradictions in the "Normalising" of Precarious Work', *Work Employment & Society*, 32 (3): 509–527.

- Rucci, A.J. (1997) 'Should HR survive? A profession at the crossroads', *Human Resource Management*, 36 (1): 169–75.
- Schuler, R.S. and Jackson, S.E. (1989) 'Determinants of human resource management priorities and implications for industrial relations', *Journal of Management*, 15 (1): 89–99.
- Scholz, T. M. (2019) 'Big data and human resource management', in J. Pedersen and A. Wilkinson (eds), *Big Data: Promise, Application and Pitfalls*, Cheltenham: Edward Elgar. pp. 69–89.
- Sengupta, S. and Whitfield, K. (2011) 'Ask not what HRM can do for performance but what HRM has done to performance', in P. Blyton, E. Heery and P. Turnbull, P. (eds), *Reassessing the Employment Relationship*, London: Palgrave Macmillan. pp. 97–121.
- Sheppeck, M.A. and Militello, J. (2000) 'Strategic HR configurations and organizational performance', *Human Resource Management*, 39 (1): 5–16.
- Sisson, K. (2010) *Employment Relations Matters*. Available at: <https://www2.warwick.ac.uk/fac/soc/wbs/research/irru/erm/> (accessed November 24, 2020).
- Snape, E., Wilkinson, A. and Redman, T. (1993) 'Human resource management in building societies: Making the transformation?', *Human Resource Management*, 3 (3): 43–60.
- Sorge, A. and van Witteloostuijn, A. (2004) 'The (non)sense of organizational change: An Essay about universal management hypes, sick consultancy metaphors, and healthy organization theories', *Organization Studies*, 25: 1205–31.
- Spajić, D.J. (2019) '42 Worrying workplace stress statistics', *smallbisgenius*. <https://www.smallbizgenius.net/by-the-numbers/workplace-stress-statistics/> (accessed November 24, 2020).
- Sparrow, P. and Hilltop, J. (1994) *European Human Resource Management in Transition*. London: Prentice Hall.
- Sparrow, P., Hird, M. and Cooper, C. (eds) (2015) *Do We Need HR? Repositioning People Management for Success*. London: Palgrave Macmillan.
- Storey, J. (1992) *Developments in the Management of Human Resources*. Oxford: Blackwell.
- Storey, J. (ed.) (1995) *Human Resource Management: A Critical Text*. London: Routledge.
- Storey, J. (ed.) (2007) *Human Resource Management* (4th edition), London: Routledge.
- Subramony, M. (2009) 'A meta-analytic investigation of the relationship between HRM bundles and firm performance', *Human Resource Management*, 48 (5): 745–68.
- Taylor, P., D'Cruz, P., Noronha, E. and Scholarios, D. (2014) 'From boom to where? The impact of crisis on work and employment in Indian BPO', *New Technology, Work and Employment*, 29 (2): 105–23.
- Thompson, P. (2011) 'The trouble with HRM', *Human Resource Management Journal*, 24 (4): 1–13.
- Thompson, P. and O'Connell Davidson, J. (1995) 'The continuity of discontinuity: Managerial rhetoric in turbulent times', *Personnel Review*, 24 (4): 17–33.
- Torrington, D. (1993) 'How dangerous is human resource management?', *Employee Relations*, 15 (5): 40–53.
- Torrington, D., Hall, L., Taylor, S. and Atkinson, C. (2017) *Human Resource Management* (10th edition), London: Pearson.
- Townsend, K. and Dundon, T. (2015) 'Understanding the role of line managers in employment relations in the modern organisation', *Employee Relations*, 37 (4): 1–17.
- Troth, A.C. and Guest, D.E. (2019) 'The case for psychology in human resource management research', *Human Resource Management*, 30 (1): 34–48.
- Truss, C., Shantz, A., Soane, E., Alfes, K. and Delbridge, R. (2013) 'Employee engagement, organisational performance and individual well-being: Exploring the evidence, developing the theory', *International Journal of Human Resource Management*, 24, (14): 2657–69.
- Ulrich, D., Brockbank, W., Johnson, D. and Younger, J. (2007) 'Human resource competencies: Responding to increased expectations', *Employment Relations Today*, 34 (3): 1–12.

- Ulrich, D. and Dulebohn, J.H. (2015) 'Are we there yet? What's next for HR?', *Human Resource Management Review*, 25 (2): 188–204.
- Vandenabeele, W. (2007) 'Towards a theory of public service motivation: An institutional approach', *Public Management Review*, 9 (4): 545–56.
- van Wanrooy, B., Bewley, H., Bryson, A., Forth, J., Freeth, S., Stokes, L. and Wood, S. (2013) *Employment Relations in the Shadow of Recession: Findings from the 2011 Workplace Employment Relations Study*. Basingstoke: Palgrave Macmillan.
- Wall, T.D. and Wood, S.J. (2005) 'The romance of human resource management and business performance and the case for big science', *Human Relations*, 58 (4): 429–62.
- Walsh, J. (2019) 'Working time and work life balance', in A. Wilkinson, N. Bacon, S. Snell and D.T. Lepak (eds), *The SAGE Handbook of Human Resource Management* (2nd edition). London: Sage. pp. 387–401.
- Watson Wyatt (2009) *Continuous Engagement: The Key to Unlocking the Value of Your People During Tough Times*. (Work Europe Survey 2008–2009). London: Watson Wyatt.
- Welbourne, T. (2011) 'Engaged in what? So what? A role-based perspective for the future of employee engagement', in A. Wilkinson and K. Townsend, K. (eds), *The Future of Employment Relations: New Paradigms, New Approaches*, London: Palgrave Macmillan. pp. 85–100.
- West, M., Borrill, C., Dawson, J., Scully, J., Carter, M., Anelay, S., Patterson, M. and Waring, J. (2002) 'The link between the management of employees and patient mortality in acute hospitals', *International Journal of Human Resource Management*, 13 (8): 1299–311.
- Whitfield, K. and Yunus, S. (2018) 'Research methods in employment relations', in A. Wilkinson, T. Dundon, J. Donaghey and A. Colvin (eds), *The Routledge Companion to Employment Relations*. London: Routledge. pp. 142–53.
- Wilkinson, A. and Barry, M. (eds) (2020a) *The Future of Work and Employment*. Cheltenham: Elgar.
- Wilkinson, A. and Barry, M. (2020b) 'Understanding the future of work', in A. Wilkinson and M. Barry (eds), (2020a) 'The future of work and employment'. Cheltenham: Edward Elgar. pp. 2–18.
- Wilkinson, A. and Fay, C. (2011) 'New times for employee voice?', *Human Resource Management*, 50 (1): 65–74.
- Wilkinson, A., Wood, G. and Demirbag, M. (2014) 'People management in emerging market multinationals', *Human Resource Management*, 53 (6): 835–49.
- Wilkinson, A., Townsend, K. and Suder, G. (eds) (2015) *Handbook of Research on Managing Managers*. Cheltenham: Elgar.
- Wilkinson A., Armstrong, S. and Lounsbury, M. (eds) (2017) *The Oxford Handbook of Management*. Oxford: OUP.
- Wilkinson A., Barry, M. and Morrison, E. (2020) 'Toward an integration of research on employee voice', *Human Resource Management Review*, 30(1): Article #100677. doi.org/10.1016/j.hrmr.2018.12.001
- Wilkinson, A., Bacon, N., Snell, S. and Lepak, D. (2019a) 'The changing field of human resource management', in A. Wilkinson, N. Bacon, S. Snell and D. Lepak (eds), *The SAGE Handbook of Human Resource Management*, (2nd edition). London: Sage. pp. xxix–xliii.
- Wilkinson, A., Bacon, N., Snell, S. and Lepak, D. (eds) (2019b) *The SAGE Handbook of Human Resource Management* (2nd edition). London: Sage.
- Willmott, H. (1993) 'Strength is ignorance, slavery is freedom: Managing culture in modern organisations', *Journal of Management Studies*, 30 (4): 515–52.
- Wood, S. (1999) 'Human resource management and performance', *International Journal of Management Reviews*, 1 (4): 367–413.
- Wright, M. and Bruining, H. (2008) 'Private equity and management buy-outs: International trends, evidence and policy implications', in M. Wright and H. Bruining (eds), *Private Equity and Management Buy-outs*, Cheltenham: Edward Elgar.
- Wright, P. and Snell, S.A. (2005) 'Partner or guardian? HR's challenge in balancing value and values', *Human Resource Management*, 44 (2): 177–82.

2

HUMAN RESOURCE MANAGEMENT AND ORGANISATIONAL PERFORMANCE: IN SEARCH OF THE HR ADVANTAGE

Nicholas Kinnie, Juani Swart and David Cross

INTRODUCTION

Research into the links between HR practices and organisational performance has become one of the main areas of study in the field of Strategic Human Resource Management (Beijer et al., 2019; Boxall et al., 2016; Paauwe et al., 2013b; Purcell and Kinnie, 2007). Jackson et al. (2014: 63) claim that ‘the relationship between HRM systems and financial performance has been the primary focus of strategic HRM for the past three decades.’ The claims made for the impact of HR practices on business performance raised the profile of the issue among practitioners and policy makers alike. However, debate rages among academics over these claims and their theoretical, empirical and methodological underpinnings (Boxall et al., 2016; Paauwe et al., 2013b: 1). Indeed, Guest (2011: 3) notes that after 20 years of extensive research we are ‘knowledgeable but not much wiser’ about the links between HR and performance.

While some authors regard the evidence as the Holy Grail they have been searching for, others question the basis of the research (Legge, 2001). They say the research is too narrowly focused on business performance at the expense of other important measures such as employee well-being and corporate responsibility (Delaney and Godard, 2001; Janssens and Steyaert, 2009; Marchington and Grugulis, 2000; Thompson, 2011). Others warn of the risks of methodological weaknesses which cast doubt on the robustness of the relationship between HR and performance at the organisational level (Gerhart, 2013; Paauwe, 2009; Purcell, 1999; Wright et al., 2005) especially in the context of the increased importance of networked relationships (Kinnie and Swart, 2019; Snell and Morris, 2019).

It is not difficult to see the reasons for the increased interest in the field. Senior managers were looking for ways to improve their performance by becoming more flexible and responsive in markets that became increasingly competitive because of globalisation and deregulation (Becker and Gerhart, 1996; Boxall and Purcell, 2011; Paauwe et al., 2013b). The rise of the knowledge economy where firms rely on their human and intellectual capital for their competitive advantage elevated the importance of people management still further (Swart, 2007; Swart and Kinnie, 2013). In this context, HR managers saw the opportunity to demonstrate their contribution to the business more

convincingly than in the past (Wright et al., 2005). Some researchers in the field, it has been suggested, were motivated by the desire to demonstrate the policy relevance of their research (Jackson et al., 2014; Legge, 2001; Thompson, 2011).

It is against this background that we aim in this chapter to:

- Position the debate on HR and performance in the wider context of strategy, structure and HRM;
- Identify a suitable framework for analysing HR and performance research;
- Review the research and evidence in this field critically;
- Consider the implications of networked ways of organising work for the links between HR and performance.

STRATEGY, STRUCTURE AND HRM

We first need to place the HR and performance debate in its wider context of the links between strategy, structure and HRM. We will first briefly discuss the various perspectives on strategy and then consider issues of organisational structure.

The adoption of HR practices is often thought to be strategic only if:

1. it contributes to organisational performance and in doing so;
2. is aligned with the strategy of the organisation.

This leads us to question what strategy is and just what the variations in the alignment between the HR practices and the business strategy might be.

Boxall and Purcell (2011: 40) follow Mintzberg (1994) and differentiate between the firm's strategic plan and its strategy. They ask whether an organisation, especially a small organisation, which does not have a strategic plan and strategic objectives, can be said to have a strategy. The existence of a strategy and the ability to strategise will, of course, differ from industry to industry. In some industries the market conditions change at a faster rate than others: some are characterised by novel and complex problems while others are more predictable.

We need first to understand the ways in which HR strategy might vary (Swart et al., 2004). The principal source of variation is the predictability of, and knowledge about, the environment. At one extreme, organisations will have a clear sense of how the environment may evolve. The environment in, for example, the public sector and industries with large capital costs of configuration change such as the energy industry, tends to be more stable or at least more predictable. At the other extreme, firms do not know whether their environment will change rapidly nor what may trigger a change in the environment. For example, research and technology firms may not be able to predict what the next wave of scientific discovery may be. Importantly, contemporary ways of organising work in networks also mean that work environments become less predictable. Firms respond to uncertainty in demand by creating a spread of responses at as low a cost as is practicable in order to capture the demand that eventually emerges.

Each of these types of environments presents a different strategic paradigm and requirement for competence development (see Figure 2.1). First, the left-hand position represents the classic perspective which views strategy as a plan or a set of strategic objectives (Porter, 1985). Success or failure, according to this school of thought, is determined internally through operational detail of the strategic

plan (Whittington, 2001). The more stable and predictable environment allows for environmental diagnosis, scenario-planning, gap analysis and forecasts with their relevant action plans. This approach to strategy has been criticised severely in recent years, mainly because of the dynamic nature of global markets which call for flexibility. This raises the further question as to whether it is possible, first, to write a strategic plan and second, to implement this as intended (Boxall and Purcell, 2011).

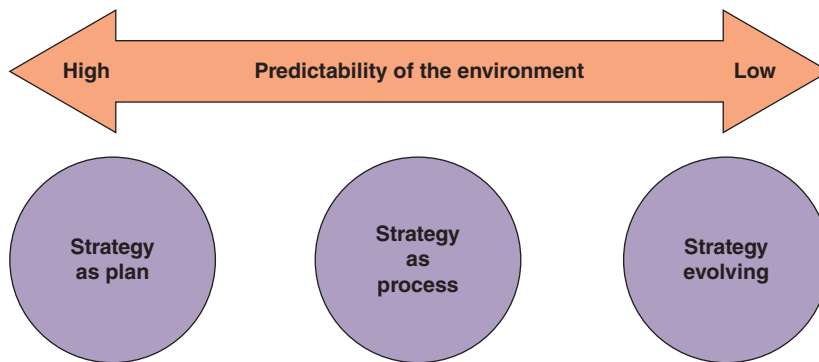


FIGURE 2.1 The Strategy Continuum

As we move along the continuum, we arrive at a point which sees strategy as process. According to this viewpoint the strategy process changes continually as a result of ongoing learning across the organisation and is therefore more adaptable throughout its enactment.

This perspective can be illustrated by taking the example of a call centre whose customer relationship processes need to change considerably due to technological development and labour market shifts. The call centre may not know exactly how this technological development could impact upon its processes, but a strategy can be enacted through developing relationships with the originators of advanced technologies (in response to technological change and in preparation for customer demands) and as customers make their decisions.

Finally, the other extreme of the continuum, often found in networked working arrangements, represents an evolutionary approach to strategy where several partners influence the strategic development process (Swart and Kinnie, 2014). Here organisations operate in near-chaotic environments where change is typically too fast, too unpredictable and too implacable to anticipate and pre-empt and the advice is to concentrate on day-to-day viability while trying to keep options open (Whittington, 2001: 37). The strategic responses in these environments are characterised by a random generation of a spread of responses (since prediction is futile), together with a cost sensitive trialling of these responses and a planned retention of knowledge gained by that trialling. If we recall the example of the research and technology organisation that develops several research innovations to unexpected buyer demands, we can see that the organisation can 'keep its options open' through the design and initial development of several offerings. These are then exposed to developments in the market, both through professional networks, scientific partnerships and through market testing. Through the process of gauging responses to possible compounds, for example, the organisation can learn more about its environment and therefore develops an ability to enact future strategies and reinvests the knowledge gained in the development process.

Each of the points on the continuum in Figure 2.1 has implications for competence development. The key focus for the first position is on the development of core competence that will enable

the enactment of the strategic plan. Competence development is, therefore, specific and relatively narrow. The focus on competence development is more broadly defined at the mid-point in the continuum where there are several options within a relatively familiar (but changing) environment. For example, the focus could be on customer service or technology development but given the uncertainty it is impossible to define exactly which core competence will be needed to successfully compete in the marketplace. Finally, the right-hand position calls for a development of a more generic meta-competence that is related to the development of multiple offerings, trial analysis and fast response once the source of change is known. The level of the competence development is therefore higher compared with the previous two cases and the focus is even wider.

This continuum takes a knowledge-based view to strategy and represents the strategic paradigms accordingly. Several other methods of representation are possible, including the strategic freedom perspective. Firms at each point along the continuum may experience various degrees of client pressure or influence upon their strategic choice. A large firm such as Toyota may not be in a position to plan for every eventuality but given its dominant position within its local network it has a greater degree of freedom of strategic choice (Kinnie et al., 2005a). Boxall and Purcell (2011: 50) argue it is important to steer between 'hyper-determinism' on the one hand and 'hyper-voluntarism' on the other. Firms therefore neither completely control their environment nor are they completely controlled by it. This is a general statement; we need to be aware of the varying degrees of freedom within and between industries that operate within each of the strategic paradigms. This has implications for the ways human resources are deployed and developed to achieve sustainable competitive advantage.

Having set the context through the consideration of strategy and HR, we now turn our attention to changes taking place in organisational structure which have important consequences for how HR practices are linked to performance.

CHANGES IN THE WAYS OF ORGANISING WORK

The way we work has changed significantly in the last two decades (Cappelli, 2008; Cappelli and Keller, 2013; Weil, 2014). Organisations in a knowledge-based economy rely not only on the human capital of the people they employ to generate valuable outputs but also draw on inter-organisational resources to create sustained competitive advantage (Fisher et al., 2008; Lepak and Snell, 2007; Marchington et al., 2005, 2011; Rubery et al., 2003; Swart, 2011; Swart and Kinnie, 2014). Networked ways of working have developed where products and services are co-created by stakeholders who work, often in project teams, across organisational boundaries (Donnelly, 2009, 2011; Fincham, 1999; Kinnie and Swart, 2019; Liftshitz-Assaf, 2017; Manning, 2017; Söderlund and Borg, 2017). This means that the very firm-specific knowledge and skills, which organisations relied on to link people to performance, are challenged as more network- and client-specific forms of human capital are developed. Hence, the ability to exercise strategic control over valuable human capital needs to be put in the context of the alternative forms of human capital specificity.

This presents challenges to linking HR practices and organisational performance which are more profound than those in traditional organisations where it is easier to generate commitment to the organisation (Kinnie and Swart, 2012). Firms find they employ people whom they do not manage (where they are working, for example, on client sites, as in the 'Mother' case study) or have to manage people whom they do not employ directly (for example the Disasters Emergency Committee case study). In practice, HR needs to operate a cross organisational boundaries to match the activities of the human capital it is seeking to manage. This has implications at the organisational and the individual levels.

At the organisational level, networked working involves the co-creation of products and services that have economic value for stakeholders extending beyond the boundaries of the firm, i.e. the network benefits from the collaborative employment arrangements. This suggests we need to adopt a relational approach where we consider how suppliers, partners, clients and customers influence the way people are managed (Nahapiet and Ghoshal, 1997). This poses significant questions about the HR practices needed to improve performance at the organisational and network levels. The focus of the HRM model is therefore no longer simply on seeking to manage employees within organisational boundaries. Success now depends on being able to leverage human capital (Wright and McMahan, 2011) both within and across organisational boundaries as shown in the Disasters Emergency Committee case study. This presents a profound challenge to both HR and line managers, linking HR practices and organisational performance which are more profound than those in traditional organisations where it is easier to generate commitment to the organisation. In practice, they have to manage: (i) staff who are employed by their firm but over whom they do not have control – which is often found in a matrix context; (ii) agency and self-employed staff and (iii) staff working for partners, suppliers and clients who are collaborating on a project. For example, if the attitudes and behaviour of an employee in one organisation (for instance an assembler of manufactured products) are affected by the actions of employees in suppliers, should the HR practices apply to both organisations (Kinnie and Swart, 2019)?

This challenges many assumptions about the use of traditional HR practices such as reward and performance management because in a cross-boundary environment many of these authority-based levers are simply irrelevant. Instead, HR and line managers find they have to rely on the management of lateral rather than hierarchical relationships. This requires new skills and knowledge to operate successfully in this networked environment, which they may be ill-equipped for by traditional organisation-based management training and development programmes. Similar challenges exist in organisations which rely heavily on the work of volunteers such as charities. Again, few of the traditional HR instruments are relevant here with emphasis on developing commitment to the organisation and the network through attachment to values, beliefs and principles.

There are also many challenges in linking HR and performance at the individual level in these emerging work environments. Employees working across organisational boundaries interact with a series of external parties including clients, partners and suppliers. This creates the opportunity for them to become committed to these parties rather than to the organisation which employs them (Coyle-Shapiro et al., 2006; Donnelly, 2011; Kinnie and Swart, 2012). Indeed, these parties may be competing for the commitment of these employees. Furthermore, in some cases, such as consulting, we might refer to employees occupying a liminal space where they are 'betwixt and between' organisations (Garsten, 1999: 603; Tempest and Starkey, 2004; Söderlund and Borg, 2017). They are at the limits of existing social structures which breeds ambiguity for those spanning organisational boundaries (Tushman and Scanlan, 1981). Whereas more traditional employees could tie their identity to their organisation, the 'networked citizen' anchors their identity in their 'skill' and thus puts employability before loyalty to an organisation. Employees occupying this liminal space may experience a sense of freedom but also insecurity and an absence of trust. Lacking traditional organisational ties they may find themselves floating between their firm and their client, but anchored to neither (O'Mahoney, 2007: 11). This may reduce their willingness to engage in extra role behaviour towards their employer and poses questions about the most effective HR practices for managing individual employees who occupy this liminal space (Kinnie and Swart, 2012).

There are even more complex problems in the context of those individuals who are not employees at all such as independent contractors, freelancers and self-employed who occupy a significant and rising proportion of national economies (Meijerink and Keegan, 2019; Spreitzer et al., 2017).

They can work across a wide spectrum of roles such as knowledge-intensive and highly skilled occupations (including consultants and health care professionals) and those with more common or transferable skills such as taxi and delivery drivers.

These individuals often fall through regulatory and conceptual gaps (McKeown, 2016) and at first appear to not be relevant to HR or competitive advantage. They rarely interact with HRM departments or practitioners, instead contracting with individual managers and finance departments. Consequently, they are often seen as being of low strategic importance – yet many of them are vital to firm performance (McKeown and Cochrane, 2017). Organisations can choose to ‘buy-in’ performance-enhancing human capital in a ‘just-in-time’ fashion rather than train and develop it over time. Independent work such as this is also relevant in start-ups and small enterprises where employment may not be an option given the precarious nature of the operation.

Many independent workers perform roles that are not peripheral but are often essential and working at a high strategic level (Fisher et al., 2008) and indeed, some firms base their whole competitive strategy on the self-employed and independent contractor model. Notable examples include Uber and Deliveroo alongside a host of other platforms and operations in the so-called ‘gig-economy’ (Duggan et al., 2020). Updating Lepak and Snell’s architecture (1999), McKeown and Cochrane (2017) suggest a hybrid compliance-commitment model for some independent workers which would be mutually beneficial and that HR has a key role to play to ensure synergistic outcomes for all.

Our discussion of networked working demonstrates that the network represents additional challenges to the links between HRM and performance because of the multiplicity of stakeholders that compete for the commitment and discretionary behaviour of the individual.

HR AND ORGANISATIONAL PERFORMANCE: OUR APPROACH AND SOME BACKGROUND

Our aim is not to simply describe and evaluate all the available research in the field because the reader will quickly become lost in a mass of detail. There are already a number of excellent detailed reviews (Becker and Gerhart, 1996; Becker and Huselid, 2006; Beijer et al., 2019 Boselie et al., 2005; Boxall et al., 2016; Boxall and Purcell, 2011; Combs et al., 2006; Delery and Doty, 1996; Guest, 2011; Huselid and Becker, 2000; Jackson et al., 2014; Kaufman, 2015; Lepak, et al., 2006; Paauwe, 2009; Paauwe et al., 2013a; Purcell, 1999; Purcell and Kinnie, 2007; Purcell et al., 2009; Wall and Wood, 2005; Wright and Gardener, 2000; Wright et al., 2005). Wall and Wood (2004) examined 26 studies published since 1994 and found: (i) half were based in the industrial sector; (ii) most used a single respondent and were cross-sectional in design and (iii) just over half the measures of performance were self-reported and from the same source as the HRM measures.

We will take a thematic approach to the research, referring to key studies as illustrations. More importantly, we will use a theoretical framework based on the concept of Human Resource Advantage (Boxall, 1996; 1998; Boxall and Steeneveld, 1999) to guide us through the maze of research findings.

There has been a long-standing, almost intuitive view that organisational performance was affected by the way employees are managed. Indeed, this was an unstated assumption behind the early research into Scientific Management and the Hawthorne studies. However, much of this work lacked a strategic focus (Golding, 2004; Legge, 1978).

Research in the US in the 1980s looked in a more focused way at the links between HR and performance. Beer et al. (1985) and Fombrun et al. (1984) were particularly influential and in some ways represented