CHAPTER II

Review of Literature
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This Chapter presents the insight of literature and earlier studies of Strategic Human Resources Management. Strategic Human Resources Management has assumed considerable importance in the 21st century, because of its impact on employee performance and organizational competence. Strategic Human Resources Management is a multidisciplinary in nature, and is an academic field of study which focuses on Strategic aspects in organizational contexts and in human life. As an academic area of inquiry, the study of Strategic Human Resources Management has been of interest to scholars from a wide variety of disciplinary backgrounds.

In their study titled “Some Management Issues In Temporary Systems: A Study Of Professional Development And Manpower-The Theater Case”, Richard Alan Goodman and Lawrence Peter Goodman (1976)\(^1\), observed that temporary systems, defined as a set of diversely skilled people working together on a complex task over a limited time period, opined that the present management is confronted with several issues such as task effectiveness, innovation, and the professional growth of the system’s members. Data from 20 different theatre productions are presented indicating that tendency toward role clarity seems to inhibit professional growth and innovation. Whereas, blurring each member’s role enhances such qualities. A two-stage managerial approach is recommended which combines the two role strategies in order to increase the overall effectiveness of the task accomplishment.

Charles J. Fombrun, (1984), \(^2\) in his study on examined the strategic and planning importance of the management of human
resources. Prominent researchers address current trends and business responses, the practices and methodology of human resource systems, and those issues likely to be of greatest importance in the future. The achievements of an organization are the result of the combined efforts of each individual in the organization working toward common objectives. The researcher viewed that these objectives should be realistic, should be clearly understood by everyone in the organization, and should reflect the organization’s basic character and personality.

**James J. Heckman (1987),** in his study on “Do We Need Experimental Data To Evaluate the Impact of Manpower Training On Earnings?,” assesses several studies in the manpower training evaluation and strategies literature observed that

1. Non-experimental methods of program evaluation produce unreliable estimates of program impacts and
2. Randomised experiments are necessary to produce reliable ones and present a more optimistic statement about the value of non-experimental methods in analyzing the effects of training programs on earnings. Previous empirical demonstrations of the sensitivity of estimates of program impact to alternative and non-experimental procedures either do not test the validity of the testable assumptions that justify the non-experimental procedures or else disregard the inference from such tests. Reanalyzing the data and re-examining the performance of non-experimental estimates of the net impact of the post training earnings of young high school dropouts and adult women. Using several simple strategies for testing the appropriateness of alternative formulations of such estimators, the research showed that a number of the non-experimental estimators used in these studies can be rejected. Although researchers eliminate a number of non-
experimental estimators by such tests, they are able to find estimators that are not rejected by these tests. Estimators not rejected by such tests yield net impact estimates that lead to the same inference about the impact of the program as the experimental estimates. The empirical results from limited study provide tangible evidence that the denunciation of non-experimental methods for evaluating manpower training effects is premature.

**McKenna, Joseph.F (1991)** has suggested that failure must be acceptable, but it must also be responsible and productive. Responsible means people clean up their mess. 'Productive' means they document what they have learned, and they circulate that document the way one would circulate a document on success. So the strategy must be to stimulate innovation by rewarding success, rather than punishing failure. Here the researcher has viewed that to be an effective leader, one should create an environment where his people can take responsibility to work productively in self managed, self starting teams that identify and solve complex problems on their own. People will need the leader's help only for periodic guidance, and inspiration. Taking responsibilities means feeling free from the organizational constraints that inhibit their willingness to take proactive action and accountability.

**Barbara L. Swanson (1992)** refers to HRD professionals who understand total quality management (TQM) has two major challenges: to enlighten management regarding what customer focus and leadership mean and to refuse to assume responsibility that is not theirs. The premise that managers own the human development process in their organizations still requires acceptance and clarification from both parties. Following that, a
customer-supplier partnership between managers and HRD that is based on trust and an understanding of what is needed from each is crucial. The strategic partnership must be clearly defined, engaged in, and then continually evaluated to ascertain its contribution to human resource development for meeting the organization’s goals of financial security and growth through continuous improvement.

In his study Armstrong, M. (1992) on “Human Resource Management: Strategy and Action” viewed that the essence or Human Resource Management is that employees are valued assets and that their value should be increased by a systematic and coherent approach to investing in their training and development. Resourcing is about providing the skills base needed by the organization. Human Resource Development is about enhancing and widening these skills by training, by helping people to grow within the organization, and by enabling them to make better use of their skills and abilities.

Arja Ropo,(1993) in his study on “Towards Strategic Human Resource Management: A Pilot Study in a Finnish Power Industry Company”, describes a process through which an organization moved from traditional personnel management towards a more strategically oriented human resource management. Focuses on tracking down, periodically the actions taken by the human resource manager and his/her relationships with the strategic management team within the context of major structural and strategic changes. He suggested that the internal dynamism of the human resource function led by an innovative leader, serves as a critical mechanism to keep the change process going after its start under favorable organizational and strategic circumstances.
In his research paper on “Enterprise Cultures in the Global Economy: Some Emerging and Theoretical Problems for Strategic Human Resource Management” Alan Williams, (1994)\(^8\) “looks at human resource management (HRM) and in particular how it is used in Mexican literature. Also examined that strategic approach, with regard to declining international competitiveness, in seeking labour market reforms and to try and realign competitiveness from Asian economies. Labour market flexibility (LMF) and strategic human resource management (SHRM) are posited as having strategic roles in off-setting employers’ attempts to discard traditional means of collective labour market regulations.

Cardy and Dobbins (1994)\(^9\) argued that rates often dislike the performance evaluation process itself. In reality, performance evaluation involves once-a-year supervisory subjective judgment and thus has often focused on the person and disregarded the situation. Since performance evaluation has been focused on the person, the rate has been presumed guilty of any performance deficiencies. However, there is the potential for shifting performance evaluation to a strategic partnership between rater and rate in an effort to improve performance.

Eccles (1993)\(^10\) viewed that employees may have been empowered, but that does not mean that managers have been disempowered. By delegating power and authority, managers cannot loose it. Empowerment does not restrict the continuing responsibility of managers for effective governance of the organization. Neither can it dissolve the need for managerial leadership, judgment, rule making, control, decisive action and allocation of resources of managers. Rather it can work when a powerful management is confident enough of its employees in the organization that it can
devolve some power in order to hasten implementation of its own overall policies. Eccles opined that it is necessary to provide effective arrangement for training workers to motivate them in order to make such schemes a success for larger interest of the enterprise. He further opined empowerment provides employees with enough authority, resources and latitude to be able to work effectively in the service of the organization. So empowerment is one of the prime strategies for managing creative people through providing autonomy. This is possible when there is delegation of authority down the line. Empowerment is not a license but an increased responsibility. It is about releasing the knowledge and motivation that employees already possess, but have never been able to express fully. According to Eccles empowerment is a trust-based process of assigning authority to subordinates within one’s own area of operation.

Roy Massey, (1994) in his study on “Taking a Strategic Approach to Human Resource Management”, examines that why strategic human resources management is a critical issue for NHS trusts. He defines “strategic” human resource management in a simple model, and identifies the business risks of not taking this approach. He identifies why Trusts find it difficult to take this approach, and provides some practical advice for both chief executives and HR directors.

Rachid Zeffane, Geoffrey Mayo, (1994) conducted a study on “Rightsizing: The Strategic Human Resource Management Challenge of the 1990s”. In their study the researchers argues that, before rightsizing is considered, human resource management must establish the appropriate human resource plan to give the organization the edge it needs to minimize the upheaval
caused by rightsizing and to remain competitive. Rightsizing is inevitably accompanied by changes in the fundamental relationship between the organization and its workforce. The researchers opined that strategic human resource managers of today must comprehend valuable lessons from the past recessional times to remain organizationally lean and to cultivate resolutions to employee problems that are more creative than cash payoffs. Whatever the situation, staff reduction is always difficult, especially in industries where stability and security of employment has been the custom. To survive, managers must not ignore the important factors relating to people management. They further opined that, to deal with these issues managers should avoid certain actions when corporate restructuring becomes necessary. For example, unrealistic promises should not be made and action should not be postponed in anticipation of improvements in the environment. To help with motivating the remaining employees, managers also need to know precisely what the new corporate strategy actually entails and why the changes are being made. A truthful and constant flow of information from top management can minimize the damage that could be caused by rumours and allow employees to concentrate on their main tasks. A major function of human resource management during transitional organizational movement is to support and advise managers in order to reduce complications and disturbances to the organization.

J. Toraco, Richard A. Swanson (1995), in their research study titled “The Strategic Roles of Human Resource Development”, opined that Human Resource Development (HRD) has served the needs of organizations to provide employees with up-to-date expertise. Advances in HRD models and processes have
kept pace with the increasingly sophisticated information and production technologies that continue to diffuse throughout the nation's most vital industries. During this period of rapid technological development, the HRD function could be relied upon to support a broad range of business initiatives that required a competent workforce. Critical business issues, from new marketing strategies to innovations in production technology, were based on, among other factors, the performance capabilities of those expected to use these new work systems. They further opined that as a factor integral to business success, employee expertise itself has been expanded through effective programs of employee development. Expertise is defined as the optimal level at which a person is able and/or expected to perform within a specialized realm of human activity. In short, the development of workplace expertise through HRD has been vital to optimal business performance. Yet today's business environment requires that HRD not only support the business strategies of organizations, but that it assumes a pivotal role in the shaping of business strategy. Business success increasingly hinges on an organization's ability to use employee expertise as a factor in the shaping of business strategy. This study examines the strategic roles of HRD. As a primary means of sustaining an organization's competitive edge, HRD serves a strategic role by assuring the competence of employees to meet the organization's present performance demands. Along with meeting present organizational needs, they further opined HRD also serves a vital role in shaping strategy and enabling organizations to take full advantage of emergent business strategies. Both the strategy supporting and strategy shaping roles of HRD have distinctive features that are evident in the business practices of successful companies.
Margaret Ryan, (1995), explores the question of how specialist expertise is related to the organizational decision-making process. This relationship is seen as an important issue in the integration of HRM with corporate strategy, and as having implications for HRM concerns with organizational and career structure, employee development, flexibility and culture. The relationship is seen as political in that it affects the extent to which technical experts are enabled to influence strategic decisions. It is also therefore of strategic significance in facilitating (or otherwise) the development and use of the knowledge base. He suggests that the HRM function needs to confront the challenges posed by expertise in the organization's social process. The importance of identifying and developing the knowledge base across the technical as well as the social system is advocated as having an impact on competitive position. The discussion is illustrated with examples drawn from seven companies in which the relationship of scientific knowledge to the decision-making process was being studied.

Thomas N. Garavan, (1995) conducted a study on “Stakeholders and strategic human resource development”. In his study the researcher examined stakeholders approach to maintaining training and development, specifically strategic human resource development and advocates two models of stakeholder management at the strategic level and also examines the issue of stakeholders at the operating level.

Researchers identified the contribution as well as the problematic nature of the situational-contingency perspective. Drawing from the strategic management literature and the concept of resource heterogeneity, researchers then posit a resource-capability view of the firm and argue that the mutually reinforcing interaction between the stock of knowledge, skills and expertise (resources) and the organizational routines and human resource policies and practices (capabilities) and generates human resource competencies whose strategic value is realizable to the extent that they are linked with core competencies. Researchers thus offer a re-conceptualization of human resource competencies which goes beyond existing trait, behavioral and systems approaches. Finally, the researcher identifies the circumstances surrounding the generation and distribution of rents arising from the utilization of human resource competencies by drawing from transaction cost theory and industrial relations.

In his study on “Human Resources as Strategic Assets: An Evolutionary Resource-Based Theory”, Mueller, F. (1996), proposes an evolutionary approach to strategic human resources. This means that, first of all, truly valuable strategic assets are unlikely to result directly from senior management policies. Rather, what is truly valuable is the ‘social architecture’ that results from ongoing skill formation activities, forms of spontaneous co-operation, the tacit knowledge that accumulates as the unplanned side-effect of intentional corporate behaviour. Thus, corporate prosperity seldom rests in the social architecture that has emerged slowly and incrementally over time, and may even predate the tenure of current senior management. The researcher further observed that the low visibility of such
spontaneous co-operation is even more likely to be resistant to easy imitation and therefore a valuable strategic asset.

**Jain, Singhal, and Singh (1996)** conducted a study on HRD Climate in Indian Industry, in two public sector organisations i.e. BHEL and NFL and concluded that the HRD climate is mainly a function of the effectiveness variables including individual efficiency, organisational efficiency and productivity, and the Strategic HRD variables including management policy on HRD, organisation development, strategic role analysis and training.

**Venkateswaran (1997)** conducted a study on Human Resource Development Climate made a study based on the responses of 132 executives of a large PSU and concludes that early identification of human resource potential and development of their skill represent two major tasks of human resource development. This can be achieved only when a strategic HRD climate prevails. The study found the existence of favourable HRD climate in the organization.

In his study on “Technical and Strategic Human Resource Management Effectiveness as Determinants of Firm Performance” **Mark A. Huselid, (1997),** evaluated the impact of human resource (HR) managers’ capabilities on HR management effectiveness and the latter’s impact on corporate financial performance. For 293 U.S. firms, effectiveness was associated with capabilities and attributes of HR staff. He also found relationships between HR management effectiveness and productivity, cash flow, and market value.

In their study on “Evaluating levels of strategic integration and devolvement of human resource management in India” **Pawan S.**
Budhwar & Paul R. Sparrow, (1997)\textsuperscript{21} analyses the levels of 'integration' of human resource management into corporate strategy and 'devolvement' of responsibility for HRM to line managers in India. The findings are based on a large questionnaire survey run in 137 firms in six manufacturing industries. The survey results are further supplemented by twenty-four in-depth interviews in the same companies. Results show a low level of integration and devolvement practiced in Indian organizations. A number of contingent variables and organizational policies were found to determine the levels of integration and devolvement in Indian organizations. India is mapped on the integration devolvement matrix of ten European countries, showing similarities with the UK, Italy and Germany.

Mark A. Huselid, Susan E. Jackson, Randall and Schuler, (1997)\textsuperscript{22} in their study evaluated the impact of human resource managers' capabilities on human resource management effectiveness and the latter's impact on corporate financial performance. For 293 U.S. firms, effectiveness was associated with capabilities and attributes of HR staff, they also found relationship between Human Resource Management effectiveness and productivity, cash flow and market value, and findings were consistent across market and accounting measures of performance and with corrections for biases. There is a broad agreement that a strategic approach to HRM involves designing and implementing a set of internally consistent policies and practices that ensure a firm's human capital (employees' collective knowledge, skills and abilities) contributes to the achievements of its business objectives. (Braid and Meshoulam, 1988; Jackson and Schuler and Jackson, 1987). Fundamental to the SHRM perspective assumes that firm performance is influenced by the set


Torrington, D. and Hall, L. (1998)24 in their study on “Human Resource Management”, viewed that the cost of a training process can be compared against performance improvement to give a cost-benefit analysis. Costs amount to far more than the money equivalent of the participant’s time programmes includes cost of materials, facilities, support staff and employee time off the job where appropriate. These programmes are mostly provided free of charge, although there may be some small charges in relation to the use of fitness centers.

Delery John (1998)25 has emphasized the strategic role of human resources management in meeting business objectives. The research work mainly focuses on the close fit at HRM practices into a coherent system. There is substantial impact and implications on the outcome of organisation. He further argued that the conceptual foundations of strategic HRM have been relatively weak and many of the empirical
investigations have made assumptions not driven by, or consistent with the theoretical base.

**Dipak R. Basu, Victoria Miroshnik, (1999)** in their study on "Strategic human resource management of Japanese multinationals – A case study of Japanese multinational companies in the UK" analyzed the human resources management system in Japanese automobile companies i.e. Toyota and Nissan and in their overseas production plants in the UK and have tried to analyze differences if any between their original human resources management system in Japan and in their foreign operations. The researchers found out that these companies, as far as their internal operations are concerned, have tried to implement their original practices in spite of cultural differences. However, in the case of production management system they are not completely successful because of organisational differences in their foreign locations.

In his research paper on “Strategic human resource management: performance, alignment, management”, **David Baker, (1999)** looks at current trends in human resource management (HRM) and the relatively new concept of strategic HRM (SHRM) with special reference to the United Kingdom (UK) Higher Education (HE) community. The paper reviews recent management theory in the field and considers how it can usefully be applied in a practical context. The second part of the paper concentrates on specific issues relating to employment relations in HE with special reference to the University of East Anglia (UEA).

**Tony Grundy (1999)** made the following observations in the case study of Amershans International Life Science division.
The case demonstrates close relationship between strategic human resources and competitive strategy. These in turn are closely related to the business environment and also organisational position and development. The main findings of the case study are:

i) The human advantage is frequently a key part of the competitive software of an organization and can thus provide an important part of the platform for building competitive advantage,

ii) Strategic human resource planning and development play a key role in the evolution of specific competitive strategies, and

iii) Strategic human resource planning and development is an integral part of business strategic planning - not a follow-on or after thought or sideshow.

The case study therefore provides a refreshing approach to harvest the human element of strategy. It is only a theoretical approach but not linked practically. The case study is very abstract and does not have any empirical data.

**Pawan S. Budhwar, (2000)** conducted a study on "Evaluating levels of strategic integration and devolvement of human resource management in the UK". The study evaluates the levels of strategic “integration” of human resource management (HRM) into the corporate strategy and “devolvement” of responsibility for HRM to line managers in the UK manufacturing sector. Summarizes, initially, some of the primary theoretical debates existing in the HRM literature and then presents empirical results of a large-scale
study bases the findings on a questionnaire survey and in-depth interviews. The study not only highlights the present scenario regarding the concepts of integration and devolvement from the “subject-matter experts” viewpoint, but also reveals the main logic surrounding them and the main factors and variables which determine these two practices in the UK which contributes to the field of strategic HRM and opens avenues for further research.

**Richard Underwood, (2000)** published research paper on “Strategic Human Resource Management” and this research paper examine the vital concepts of human resources and SHRM.

**Rishma Vedd, Reza Kouhy, (2001)** in their study on "Management accounting and strategic human resource management: A UK/Canadian comparative analysis", examines the growing evidence that Strategic Management Accounting (SMA) activities are being pursued in an interdisciplinary manner. One such discipline where management accounting could contribute is Strategic Human Resource Management (SHRM). The integration of business strategy and Human Resource Management minimises the risk of neglecting human resources as a vital source of organisational competitive advantage. It also provides a broader range of solutions for solving complex organisational problems and ensures that human resources are given consideration when setting company goals. This empirical study examines the current role of management accounting in relation to the SHRM process using data from surveys of Finance Directors and Human Resource Directors from both Canada and the UK. The results reveal that Canadian Finance professionals are more involved in providing information for developing, evaluating and controlling Human Resource (HR) strategy than UK
Finance professionals. Both HR and Finance respondents considered that there was a need for a closer partnership between HR and Finance professionals.

Srinivas R. Kandula (2001) in his book “Strategic Human Resource Development felt that human resource system can contribute to sustained competitive advantage through facilitating the development of competencies that are firm specific and generate facilit organizational knowledge.

Fletcher (2002) and Rao (2004) viewed performance management as the real concept of Strategic Human Resource Management which is associated with approach to Creating a shared vision of the purpose and aims of the organization, helping each employee understand and recognize their part in contributing to the team, and in doing so, manage and enhance the performance of both individuals and organization.

According to Armstrong and Baron (2002) performance management, is a strategic, is a strategic and integrated approach in delivering sustained success to organizations by improving the performance of the people who work in team and by developing the capabilities of individual contributors.

Kuldeep Singh, (2003) tests the relationship between strategic HR orientation and firm performance. The study has been conducted to add to the growing empirical evidence in this field. The study has been carried out in the Indian setting, where the importance of human resources has gained currency in the last decade. Results show that there is a significant relationship between strategic HR orientation and firm performance.
Mary Anne M. Hyland, Daniel A. Verreault, (2003)\textsuperscript{36} in their study on "Developing a strategic internal audit-human resource management relationship: a model and survey", presents a model for analyzing the potential for value creation of the Internal Audit (IA) function, the Human Resource Management (HRM) function, and the IA-HRM pairing. A survey of 161 chief audit executives indicated that virtually all IA functions are risk managing in their audit approaches, while a great majority of HRM clients are also moderately or strongly strategic in their outlook. Findings included that a productive working relationship was strongest when a risk managing IA function is paired with a strategic HRM function. Also, the IA planning process was found to be more strategic in the presence of the same pairing. Analysis of written examples of strategic findings related to HRM supplied by the respondents suggested that there may be a significant gap between auditors’ knowledge of strategic HRM practices as developed in the literature and their self-reported examples. Future research should use both HRM and IA responses to reduce bias. Additionally, there is a need for case studies of the IA-HRM partnership.

Azhdar Karami, Farhad Analoui, John Cusworth, (2004)\textsuperscript{37} in their study on "Strategic human resource management and resource-based approach: the evidence from the British manufacturing industry", explores the above relationship in the electronic manufacturing industry. It is based on empirical evidence and the findings of a survey of senior managers’ perception and views on strategic HRM. It is concluded that increasing core competencies of the firm, in particular HR, is one of the key elements to the success of the firm performance and that HR involvement in the development and implementation of
business strategy leads to organisational effectiveness in this industry. The notion, that people management can be a key source of sustained competitive advantage, calls for the integration of Human Resource Management (HRM) and business strategy. Not surprisingly, the main debate in HRM is nowadays concerned with the relationship between strategic management and employee relations in the firm and therefore strategic HRM focuses on the overall direction of the organisation in pursuit of its stated goals and objectives.

Peter R.J. Trim, (2004) in his research paper on "Human resource management development and strategic management enhanced by simulation exercises", makes reference to a human resource management development and strategic management framework that can be used to develop a pro-active approach to decision making. He opined such a framework will allow junior managers to develop a holistic awareness and appreciation of the organisation, and will provide a basis for consensus decision making. It will also foster diversity and enhance the process of communication in a multi-cultural work environment. In order to meet the challenges of the marketplace, senior management needs to ensure that an organisation employs highly skilled and well-motivated staff, and there is a commitment to establishing a learning organisation. He further opined that simulation exercises can be used to develop the skill base of individual employees and corporate mentoring can be used to both retain and stimulate junior managers who are keen to progress through the organisation’s hierarchy.

Aradhana Khandekar and Anuradha Sharma, (2005) They conducted a study on "Organizational learning in Indian
organizations: a strategic HRM perspective", purpose of this study is to analyze the role of organizational learning and strategic human resource management (HRM) in sustainable competitive advantage. To carry out the present study, the survey method has been used. The empirical research was done on a random sample of 300 line or human resource (HR) managers from nine Indian and foreign global organizations, chosen purposefully from New Delhi (the national capital region of India). Percentages, means, cross tabulation, Pearson's correlation, one-way analysis of variance, inter-item analysis and Cronbach alpha were used for data analysis using SPSS package 10. The study reveals that there is a positive relationship between organizational learning, strategic HRM and sustainable competitive advantage. The study recommends that work-based learning strategies and HR interventions involving people can help in developing strategic capabilities for sustainable competitive advantage. No empirical work has been carried out to study organizational learning, strategic HRM and sustainable competitive advantage in an Indian context. The present study was thus undertaken to study their relationship for sustainable competitive advantage. The study is going to be of immense importance not only for the management field, but also for the corporate world to know what is happening in India in the HRM and organizational learning field and to chalk out their strategic policies and HRM with this perspective.

Doh, J. P. (2005) in his research paper on "offshore Outsourcing: Implications for International Business and Strategic Management Theory and Practice", examines the implications of the debate over off-shoring for our collective understanding of international business and management theories. He reviewed several core theories in international business expansion and
management strategy to assess which elements of these theories may need to be re-specified in light of the offshoring phenomenon and which aspects remain relevant. He then presented normative implications and recommendations for public policy and corporate strategy, drawing from emerging insights regarding the global responsibilities of corporations. He suggested that international labour and environmental standards and corporate codes of conduct could mitigate some of the most intense concerns raised about offshoring but concluded that off-shoring is likely to present challenges to societies, corporations, and stakeholders for many decades.

In their study on “National Training Laboratories Duration of Programme”, Upayana Singh, Vijay Avinashilingam, N.A. (2005) viewed that the duration of programme varies, according to specific design, and purpose for which it is used. Most groups, however, meet for a total of 10-40 hours. This may be in a solid block or 2 to 6 hours a day in a one or two weeks residential programmes, or spread out over serial weekends, a semester or a year.

The methods comprise of a small group of trainees, say ten to fifteen working under a trainer—the trainer simply raises question and provides process rather than comments. The group’s work is primarily process rather than content-oriented. This is an unstructured group with no set leader. There is no fixed task or agenda or instructions or instructions or any stated goal, except for a focus on the feelings and mutual impact of the participant.

endeavours. Framework captures six sub factors of commitment framed within five themes (emotion, finance, esteem, culture and focus). The relationship of commitment to strategy and the role of strategy in determining antecedents of commitment are then examined. Additionally, commitment as an intervening variable affected by and affecting various antecedents and consequences respectively are discussed. Finally, the framework is used to identify further areas of research into this important organizational concept. Employee turnover has lately considerably increased in the Lithuanian hospitality industry. Given the fact that organizational commitment is negatively related to employee turnover, the research aim is to determine the level of employee organizational commitment as well as their empowerment, which can be viewed as a possible means of stimulating employee commitment, as well as the interrelationship between employee commitment and empowerment. *Findings* of the study indicate levels of organizational commitment and organizational empowerment in Lithuanian upscale hotels are rather low, while the correlation between them is rather strong. This implies that improvement of conditions that foster empowerment would lead to a higher level of employee organizational commitment, especially the level of affective commitment that is of greater importance for the organization, as in this case commitment rests on common values and stimulates emotional attachment to the organization.

Robert J. Vance (2006)\textsuperscript{43} opined that Engaged employees can help organization achieve its mission, execute its strategy and generate important business results. This study has highlighted ways in which different HR practices, including job design, recruitment, selection, training, and compensation and performance management can enhance employee engagement. But these
examples also show that employee engagement is more complex than it may appear on the surface. Organizations define and measure engagement in a variety of different ways, suggesting there is no one “right” or “best” way to define or stimulate engagement in workforce. The decision to invest in strengthening engagement or commitment (or both) depends on an organization’s strategy and the makeup of its workforce.

**Komal Khalid Bhatti and Tahir Masood Qureshi (2007)** 44 believed that the employee participation may affect employee’s job satisfaction; employee productivity, employee commitment and they all can create strategic advantage for the organization. The main intention of this study was to find out relationship among employee participation, job satisfaction, and employee productivity and employee commitment. For the matter 34 organizations from Oil & Gas, Banking and Telecommunication sectors were contacted, of which 15 responded back. The findings of this study are that employee participation not only an important determinant of job satisfaction components. Increasing employee participation will have a positive effect on employee’s job satisfaction, employee commitment and employee productivity. Naturally increasing employee participation is a long-term process, which demands both attention from management side and initiative from the employee side.

In their study on “To be strategic in the new public sector, HR must remember its operational activities” **Teo, S. T. T. and Rodwell, J. J. (2007),** 45 examines the level of operational and strategic involvement by human resource departments, the influence of HR departments, and the level of strategic integration as predictors of human resource management performance.
Surveys from 146 senior line managers and HR executives in commercialized and non-commercialized public-sector agencies in Australia were the basis of organizational- and individual-level analyses. Results indicate positive relationships between the degree to which operational HR activities are transferred to line managers, HR influence, strategic integration, and the performance of the HRM function. Interestingly, no relationship was found between the level of strategic involvement by HR departments and the perceived performance of the function. Analysis of the individual-level data supports the multiple-constituency approach to HRM, with differences in the evaluation of HRM by respondents from different job functions. The study highlights challenges faced by HR practitioners needing to be operational, to be valued strategically.

Fernandez-Alles, M. and Ramos-Rodríguez, A. (2009), opined that the multidisciplinary character of the theories supporting research in the discipline of human resources management (HRM), the increasing importance of a more rigorous approach to HRM studies by academics, and the impact of HRM on the competitive advantage of firms are just some of the indicators demonstrating the relevance of this discipline in the broader field of the social sciences. These developments explain why a quantitative analysis of HRM studies based on bibliometric techniques is particularly opportune. The general objective of this article is to analyze the intellectual structure of the HRM discipline; this can be divided into two specific objectives. The first is to identify the most frequently cited studies, with the purpose of identifying the key topics of research in the HRM discipline. The second objective is to represent the networks of relationships between the most-cited studies, grouping them under common
themes, with the object of providing a diagrammatic description of
the knowledge base constituted by accumulated works of research
in the HRM field. The methodology utilized is based on the
bibliometric techniques of citation analysis.

Tina Harness, (2009) published a paper on "Research methods
for the empirical study of strategic human resource management".
The purpose of this paper is to discuss the methodological choices
for a study of human resource management strategy implementation. The methodology examines the matching and
Harvard approaches to human resource management researches
which are prevalent in the field. This is achieved by a two-stage
methodology. First, a descriptive, quantitative survey methodology
is employed to establish the extent to which strategic planning
occurs in a rational way. Second, a qualitative, case study
methodology examines the reasons behind the strategic choices
made. Limited evidence of formal planning, in line with the
matching approach was found, particularly around the
organisation's choice of human resource policies. Instead policies
were determined by influences suggested in the Harvard
approach, including stakeholders, organisation culture and power.
The combined approach of quantitative and qualitative research
offers a more balanced explanation than the previous independent
research undertaken in the field. The paper is of value to
academics wishing to consider the relevance of methodologies for
research into the strategic planning process.

Ling Zhang, Ting Nie, Yongtai Luo, (2009) conducted a study
on "Matching organizational justice with employment modes:
Strategic human resource management perspective". The study
integrates these two seemingly disparate streams of research, and
put forwards a framework for matching organizational justice and employment mode. Different groups of employees are managed differently and may require different organizational justice styles, and organizational justice styles should be consistent with the underlying objectives and psychological contracts underlying different employment modes. The study tries to make organizational justice strategies match with employment modes and it is an attempt to use organizational justice to manage different employee groups from contingent and deploying perspective.

**Yingying Zhang, Simon Dolan, Yu Zhou, (2009)** published a research paper on "Management by values: A theoretical proposal for strategic human resource management in China", The purpose of this paper is to integrate cultural value management into the high level of human resource management to propose a new direction of Strategic Human Resource Management (SHRM) development through Management By the Values (MBV) concept. The paper proposes an integrative MBV SHRM model for Chinese management, incorporating Neo-Confucian values for responsible, pragmatic and humanistic management, as well as two dynamic SHRM elements: leadership and learning. First SHRM in China is described; then the MBV concept and model are introduced. At that point, the evolution of cultural studies and Chinese Neo-Confucianism is introduced before proposing an integrative MBV SHRM model for Chinese management. Instead of the economic approach most often adopted by SHRM researchers, a harmonious managerial approach is argued for, based on the MBV triaxial model: ethical, economic, and emotional values, to orient the operations of the organisation. This integration of three angles in values, management, and performance is novel in the field of
SHRM. It not only contributes to the further development of the field, but also implies healthier and more sustainable practices in management, both in China and in the rest of the world.

**Ajit Kumar Nigam, Sonia Nongmaithem, Sudeep Sharma, Nachiketa Tripathi, (2011)** conducted a study on "The impact of strategic human resource management on the performance of firms in India: A study of service sector firms". The purpose of this study is to investigate the relationship between strategic human resource management (SHRM) and performance in service sector firms in India. Also, it has tried to explore whether the three main approaches in the area of SHRM – universalistic, contingency and configurational approaches hold true in an Indian setting. Data were collected from 25 organizations, using two sets of questionnaires. Set 1 comprised measures of business strategy (n=98) and key informant approach was used to collect the data. Set 2 had measures of SHRM which consisted of two sections – human resource management (HRM) system orientation and HRM capabilities and organizational effectiveness (n=750). Performance was measured in terms of organizational effectiveness. Regression analysis was carried out at two levels: industry level and overall level. Results indicated that there is positive relationship between SHRM and effectiveness, business strategy has an impact on the relationship between SHRM and effectiveness and universalistic theory of SHRM does not work in the Indian service sector. The results of this study revealed that transport and IT-enabled industries require more strategic HR capability while finance requires more technical HR capability. The SHRM policies need to be dynamic and contingent on the business strategy to attain maximum impact on effectiveness.
Beatrice Akong'o Dimba, (2011)\textsuperscript{51} published a paper on "Strategic human resource management practices: effect on performance". The purpose of this paper is to establish the direct or indirect relationship between SHRM practices and firm performance. SHRM practices are conceptualized as independent variables measured through a bundle of distinct practices. Organizational performance as a dependent variable is measured using constructs of image, interpersonal relations, and product quality. The model is tested with data from 50 large foreign multinational companies operating in Kenya. Results of this paper show that the SHRM practices that best predict firm performance are training and development and compensation systems. The relationship between the use of SHRM practices and firm performance does not hold across the five bundles of what are considered as “high performance work practices”. This paper also assumes that the relationship between SHRM practices and firm performance is indirect through motivation.

Fu-Jin Wang (2010)\textsuperscript{52} conducted a study to examine the relationships among the leadership style, the organizational performance and the human resource management strategy. In addition, this study also explored the effects of the interaction of both the leadership style and the human resource management strategy on the organizational performance. This study reviewed 246 valid questionnaires sent to the corporate owners, executors and operators of Kaohsiung’s Nanzi Export Processing Zone in south Taiwan. It was found that (1) The charismatic, transformational and visionary of the leadership style are positively related to the organizational performance, (2) The development, motivational and transfer strategy of the human resource strategy are positively related to the leadership style, (3)
Both development and motivational strategies are positively related to the organizational performance, and (4) The interaction of the leadership style and the human resource management strategy significantly contributes to the organizational performance. The findings of this study were expected to provide references to a corporate body in operating the human resource management strategy and developing the leadership style. This study mainly discussed the relationship between the leadership style, the organizational performance and the human resource management strategy, and also inspected whether interaction between the leadership style and the human resource management strategy effecting organizational efficiency.

Paula Benevene, Michela Cortini, (2010) conducted a study on."Human resource strategic management in NPOs: An explorative study on managers’ psychosocial training". This explorative research aims at examining the social representation of psychosocial training in NPOs managers. An adopted multiple research approach was adopted to analyze a corpus of qualitative data. A detailed semi-structured questionnaire was administered to 122 senior managers of as many Italian NPOs. Interviews were analyzed using different techniques of content analysis and, run through the software T-Lab (analysis of word occurrence and co-word mapping, analysis of Markovian sequences). Italian NPOs' organizational culture seem to be action-oriented and self-referral, rather than knowledge-oriented. Training is not considered as a tool for strategic management of HR. Senior managers are mainly self-taught, trained on-the-job and, lack of a proper competence on HR management. The study suggests that intellectual capital can be an effective tool to address Italian NPOs self-referential
knowledge and overcome their gaps in strategic management of human resources.

**Combs, J. G., Ketchen, Jr, D. J., Ireland, R. D. and Webb, J. W. (2011)** published a research paper on “The Role of Resource Flexibility in Leveraging Strategic Resources”. This research paper explores the advances in resource-based theory and suggests that the ways managers use strategic actions to leverage resources has important influences on firms' resulting competitive advantages. However, theory dealing with the nature of leveraging remains underdeveloped. The author opined that strategic actions that successfully leverage one resource might not leverage another resource. In particular, their theorizing distinguishes between *flexible* resources that can be leveraged in new markets and *rigid* resources that must be leveraged in their current market. Using data from the restaurant industry, they found evidence that top management team experience (a flexible resource) can be profitably leveraged by franchising, but that attempting to leverage specific knowledge (a rigid resource) through either franchising or multi-chaining weakens performance. Their theory and results help explain how different types of resources can be leveraged using different strategic actions.

The study of **Robert E. Ployhart and Thomas P. Moliterno. (2011)** offers a new approach to the conceptualization of strategic human capital resource by developing a multilevel model connecting micro, intermediate, and macro levels of scholarship. Researchers’ define human capital as a unit-level resource that is created from the emergence of individuals' knowledge, skills, abilities, or other characteristics. The model provides new insights into how strategically valuable
human capital resources have their origins in the psychological attributes of individuals and are transformed through unit-level processes.

**Roland K. Yeo, Jessica Li, (2011)**

conducted a research study entitled “Working out the Quality of Work Life: A Career Development Perspective with Insights for Human Resource Management”. The study aims to examine the importance of the quality of work life and its impact on career development from an organizational perspective, and provides insights into human resource development (HRD) practice. The study focuses on the strategic aspect of quality of work that resides in the direct experience of organizational dynamics rather than the common understanding of work-life balance. The study reports the key findings carried out in the USA, based on an online forum for people who undertook professional-development programs to improve their career prospects. Uses the multiple yet interrelated layers of such dynamics to draw out implications for HRD research and practice. The study offers two matrices, on the quality of work life and career development, which can help managers to evaluate their employees' cognitive response to job characteristics, and adopt appropriate measures to increase the significance of their job and prospects for career advancement.

**Schuller and Walker (2011)**

focused their research on the leading firms and identified the fast paced approach the firms are adopting in the area of human resource planning. The research made several observations:

a) Leading firms are giving human resources more emphasis;

b) HR is treated as people related business concerns;

c) Line managers are more involved;
d) HR concerns - Cost competitiveness, Delegation, Organisational changes, Organisational effectiveness, employee competence, and work force diversity.

Further, industries have re-oriented their strategies by involving Line managers to handle all strategic and managerial human resource activities.
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