CHAPTER – III

REVIEW OF LITERATURE:

Various Studies carried out in the management of human resources were collected and examined.

In the literature relating to HRM research studies were found many. These were related to various elements of HRM practices and firm’s performance. Similar studies were found on the major functions of HRM. A study of this type examining software units was not done elsewhere. Hence the present research was undertaken on HRM practices relating to select software units in Tamilnadu.

Abdul Basit Al-Hamadi, Pawan S. Budhwar and Helen Shipton (2007): provided an overview of the scenario of management of human resources and the factors influencing the same in the Sultanate of Oman. The initial section of the paper built the case for investigation HRM practices in the Omani context. This is followed by an analysis of the background information and aspects of social environment of the Sultanate of Oman along with key national initiatives that are likely to influence the take-up and endorsement of HRM in Oman. Next, research evidence in support of key issues related to management of human resources was presented, and conclusions were drawn by analyzing the significances of the reported findings. This is done by considering the current situation in Oman and by assessing key challenges for the future.

Asad Mohsin (2007) investigated issues related to human resources management among the motels of Hamilton in New Zealand. The study used a survey and in-depth interview techniques to accumulate information from the owners/operators of 31 motels out of total
list of 47. The purpose of the study was to highlight the human resource issues within the motel industry and find out whether there are any gaps in the general or the professional skills of the staff. The results suggested gaps in seven areas such as Food and Beverage; Commercial Cookery; Kitchen attending; Pattisserie; Asian Cooking; Front Office; and Housekeeping of professional hospitality industry skills and also some gaps in the general skills of staff. The study also highlighted the managerial implications of these gaps and the resulting challenges faced by the motel management.

Ashok Som (2008). Indian organizations adopted innovative changes in their HRM practices. Current research showed that HRM practices are important for enhanced corporate performance but little had been reported on the effect of HRM practices and corporate performance in the context of economic liberalization of India. This study tried to understand the role of innovative HRM practices and specifically questions how HRM practices, such as the role of HR department, recruitment, retraining and redeployment, performance appraisal and compensation, enhance corporate performance during the change process. A multiple-respondent survey of 69 Indian organizations was undertaken to study the impact of innovative HRM practices on firm performance. The survey found that the innovative recruitment and compensation practices have a positive significant relationship with firm performance. It was observed that recruitment, the role of the HR department and compensation practices seem to be significantly changing within the Indian firms in the context of India’s economic liberalization. The synergy between innovative HRM practices was not significant in enhancing corporate performance during the liberalization process.
Bernice Kotey and Peter Slade (2005): Using data from micro, small and medium firms in Australia, they examined the rate of adoption of formal human resource management (HRM) practices with increasing firms size. The results demonstrated and more administrative processes as the number of employees increase. The adoption of formal practices begins early in the growth process, initially at a rapid rate (as a significant percentage of firm implement these practices) and then at a slower rate (as fewer, new firm adopt a formal practices). At smaller business sizes HRM practices were less formal for managers than for operatives. The paper concluded that the static model cannot be used to portray HRM practices in small firm and that management training and advice for small firm must recognize the diversity of practices associated with various firm sizes.

Bonnie Bei Yu and Carolyn P Egri (2005): this study investigated influences on employee satisfaction with HRM systems and affective organizational commitment in a Sino-German joint venture and a state-owned enterprise in China. Employees in the joint venture were employees in the state-owned enterprise. In turn, employee satisfaction with HRM practices was found to have a more significant influence on affective commitment in the joint venture that in the state-owned enterprise. The Chinese human-heartedness cultural value was found to be an antecedent of employee affective commitment but influenced satisfaction of employees in regards to only some of the HRM practices in a state-owned enterprise. Implications for strategic HRM theory and changes in Chinese HRM systems are discussed.
Burke Ronald J (2006): This manuscript considered how changes in the external environment of organizations altered the world of work. While global trends were identified, particular attention was to the Canadian context. Canada was currently experiencing a period of economic growth. But some new challenges appeared. Canadian organizations were facing skill shortages and an aging workforce. The former was being addressed by increased use of technology and by higher levels of immigration, raising concerns about skill utilization, discrimination and the need to capitalize on this increasing workforce diversity. Organizations in Canada, similar to those in other developed economies, attitudes and values, incorporating and utilizing the rapid advances in technology, and addressing globalization-related challenges such as increased competitive pressures, outsourcing and off shoring, and a global workforce that places a higher premium on cross-cultural sensitivities and skills.

Carl F. Fey, Ingmer Bjorkman and Antonina Pavlovskaya (2000) Based on 101 foreign firms operating in Russia, the effect of human resource management (HRM) on firm performance in Russia was investigated. This was accomplished by developing and testing a model including HR outcomes (motivation, retention and development) as a mediating variable between HRM practices and firm performance. Our study provided some support for the use of HRM outcomes as a mediating variable between HRM practices and firm performance. The results also indicated that non-technical training and high salaries will have a positive impact on HR outcomes for managers while job security is the most important predictor of HR outcomes for non-managerial employees. Thus, our study provided support for the importance of including both managers and non-managers.
in the same study, but treating them separately. In addition, results indicated direct positive relationship between managerial promotions based on merit and firm performance for managers and job security and performance for non-managers.

Carmen Camelo et al (2004) identified that there was no shortage of literature studying the relationships between the various processes of human resource management, considered individually, and the strategy of the company. Nevertheless, studies that adopt a joint approach were scarce. In this study, working from the universalist, contingent and configurational perspectives, we sought to identify possible existence of human resources management models and their links with the strategy of the company. Empirical analysis conducted with 130 industrial companies reveals three distinct models of human resource management but with behaviours independent of the strategies followed by the companies. At the same time we found within each model, orientations of particular processes that are common among them and are thus characteristic of a universalist approach.

Carmen Parez Canol (2006): This study was based on the recent literature concerning the management of Human Resources (HR) and, more specifically, how this may influence innovation in a company. We started with the hypothesis that certain management practices in this area (goal recognition and reward for achievement, team work organization, the creation of a common language and the sharing of experiences amongst R&D workers, inter alia) will have a positive effect on innovation performance in the firm. The influences of industrial sector to which a firm belongs and the combined applications of
these politics are also considered. These hypotheses are tested with a survey of 670 innovations developed by the Spanish firms.

Cho Joonmol (2005): This paper investigated the influences of human resource management (HRM) and corporate governance structure on the corporate performance in Korean firms. Prior to the Asian economic crisis, large Korean firms mostly followed the Japanese style HRM paradigm where the practice of lifetime employment is guaranteed. However, in the aftermath of the crisis, they pursued structural downsizing and changed their paradigm more towards the SHRM (paradigm) where inter-firm mobility becomes prominent in the flexible labor market. The empirical evidence introduced in this paper affirmed the argument that the first step towards a HRM paradigm shift in Korea should be the establishment of an efficient corporate governance structure. This implied that a simple switch from the Japanese HRM paradigm to the US model may not improve corporate performance unless the change is accompanied by a solution to the problems posed by the minority controlling structure of Korean companies. The implications of this study for guiding policy in developing countries having labour market rigidities and underdeveloped corporate governance was clear. Corporate governance systems may provide an appropriate starting point for the development of any policies aimed at building an efficient human resource management system and a flexible labor market.

Chris Forde and Gary Slater (2006) The purpose of this paper was to examine the experience of agency employment for workers and employers’ use of agency workers in Britain to evaluate competing claims made about this form of work. This paper drew on results from three recent representative surveys of employment in Britain to examine the
current nature and experience of agency work: the Labor Force Survey; the Workplace Employment Relations Survey and the Working in Britain, 2000 Survey. The findings indicated that there was little evidence of the purported association between agency work and the emergence of the “knowledge economy”, as suggested by some. Turning to employers’ use of agency labor, it was found that this had been driven by pressures relating to labor costs, possibly reflecting short-term considerations. As for workers’ experience of agency employment, this paper reported their dissatisfaction with many aspects of agency work, resulting in low levels of commitment and high anxiety about their work situation.

Chris Rowley, John Benson and Malcolm Warner (2004) There had been much discussion regarding the possible decline and weakening of national systems of human resource management (HRM). Yet, culture and institutions were often cited as the major stumbling blocks to this outcome. Such constraints might dissipate in the analysis, particularly if ‘regional clusters’ are considered where geographic and cultural closeness and ‘openness’ to similar economic pressures exit. In such cases, it might be postulated that convergence in HRM will occur. We argued that China, Japan and South Korea represent such a cluster. This article examined these countries, to see if a degree of convergence is taking place and if it is towards an identifiable ‘Asian’ model of HRM. A model of change is presented that distinguishes between levels of occurrence and acceptance. Details of the development and practice of HRM in each country are then set out. The article ends with a discussion and implications section and a brief conclusion.
David Finegold and Stephen Frenkel (2006): Strategic human resource (HR) management argued that in knowledge driven industries people management needs to play a strategic role. An exploratory study of eight biotech start-ups in the US and Australia, however, finds that most do not employ HR professionals or have a lower-level administrator handle HR. How can this be explained? The case studies reported identify a number of reasons for the lack of strategic HR and identify the advantages and disadvantages of having line managers take the lead in people management in contrast to having a strategic HR leader being part of the top management team. Several propositions are also advanced that are worthy of further research, concluding that while there are many potential benefits to hiring a strategic HR professional in a biotech start-up, this is likely to occur under a rare set of conditions.

David P. Lepak and Jason D. Shaw (2009) Strategic human resources management (HRM) remains one of the most popular and rapidly growing areas of HRM research. In this article, we undertook a selective review of the strategic HRM literature with a particular emphasis on research from the North American context. After outlining the research landscape and areas of consensus and disagreement, we discussed several emerging issues that effective HRM systems must contend with in the future, including technological fluidly, workforce demographic changes and shifting worker values. With an eye toward future research opportunities, we also discuss the broadening of performance outcomes in strategic HRM research and highlight the importance of effectively managing HRM systems for multiple employee groups.
Eleni Stavrou-Costea (2005): This study aimed to examine the human resource management challenges in southern EU and their effect on organizational performance. First, key challenges were identified in the existing literature. Then, these challenges were matched with those reported most often in the CRANET questionnaire. These challenges were operationalized into current organizational practices, also reported in the questionnaire. Last, t-tests were used to explore the relationship between organizational effectiveness and the selected human resource management practices representing the challenges. Findings - key challenges involved training and development, efficiency and flexibility and employee relations in all nations explored. Furthermore, practices of that training and development challenge, the employee relations challenge and the efficiency and flexibility challenge are significantly related to organizational productivity in most of Southern EU. The study used single-respondent, self-administrated questionnaires. Nevertheless, this study offers fertile ground for further, more in-depth investigation of challenges and their relation to organizational effectiveness not only in Southern EU but also in other parts of Europe or the world. Southern EU organizations should employ requisite training, development, flexibility and employee relations practices to achieve excellent organizational performance. Furthermore, governments may create policies to promote the above practices, since, in the long term, achieving organizational excellence will reflect positively on national economies. All these may be facilitated through proactive organizational, national and cross-national HRD initiatives. The significance of the present study stems from the fact that none of the existing literature explores the impact of human resource challenges on organizational performance.
Fischer Andrea (2005): This paper was the result of research carried out to identify trends of the human resource management model in Brazilian organizations. In order to do this, we employed a research methodology known as Delphi, which consists of gradually adjusting the perceptions of specialists. Respondents were selected using criteria that characterized them as opinion leaders in human resource management. Having consulted more than 160 people, we observed that themes such as the management of competences, corporate education and encouragement for organizational learning will be gradually assimilated by companies. One of our main conclusions is that the change process in human resources has ceased to be reactive. Data relating to changes that occurred during the 1980s and 1990s showed that the function concentrated on internal restructuring, on reducing the number of specialist employees, on encouraging the outsourcing of operational processes and on establishing a new model for looking after inhouse customers.

Holden Tony and Wilhelmj Paul (1996): Business process models are designed in isolation, but must be applied in real organizational and business situations. A key management concern is how to identify the nonprocess factors that allow a business process to achieve maximum performance. The application of the knowledge value-added (KNOVA) technique to the problem of making visible the hitherto intangible people, culture, and knowledge factors that can easily influence the success or failure of a business process is demonstrated. Its application to the processes of a diagnostic team within a department of a large hospital is illustrated. Two benefits ensue: 1. The articulation of a common understanding of the factors that affect team performance, and
2. The pinpointing of resource investment to maintain performance and reduce risk or cost.

Hui-O Yang and Nita Cherry (2008) Contemporary international literature identifies three major human resource management (HRM) issues as being critical in the hospitality industry across the globe, both currently and in the future. They are service quality, training and development, and staff recruitment and selection. This study involved interviews with the most senior managers in a sample of chain hotels in Taiwan nominated by the hotels as being responsible for HRM. This study explored whether three major HRM issues identified in the literature are perceived as important by Taiwanese hoteliers. The results suggest that although most participants perceive these issues a significant and challenging, they are focused mainly on operational rather than strategic solutions for dealing with these issues. It is argued that the current and emerging challenges facing the industry demand an approach to HRM that is far more strategic than the traditional focus of personnel administration. The implication is that HRM has a key role to play in creating and sustaining competitive advantage in hotels. A particular strength of this study was its use of face-to-face interviews, which enabled a more intensive exploration of the thinking of participants than is often the case with quantitative surveys.

Ilias Vlachos (2008): The present study addressed a central research question: how do human resource management practices contribute to organizational performance? We examined the following HR practices: (1) job security; (2) Selective hiring; (3) self-managed teams and decentralization of decision making; (4) compensation policy; (5)
extensive training; and (6) Information sharing. We surveyed food managers in Greece and recorded their perceptions on HR practices and their relation to firm performance. Results provide overall support for all HR practices except of job security. Selective hiring was found to be a key practice that improved organizational performance. Compensation policy, information sharing, decentralization of decision making and extensive training were significant predictors for all performance variables. Directions for further research are provided.

Irene Hon-fun Poon and Chris Rowley (2010) Many competing hypotheses have been advanced to account for human resource management (HRM) change. The present review examines the theoretical development and empirical study in HRM change in Asia in the early twenty-first century (2000-2006). Three research themes common to HRM change are discussed. (1) change context is about the issues of forces facilitating or hindering HRM change; (2) change process includes pace, sequence and magnitude of HRM change progress; and (3) change direction is about resultant change outcome. Comparisons of HRM change are made within Asian economies as well as between Asia and other regions. It is concluded that the interplay among different perspectives can produce a wide variety of more complex understanding of change context while a longitudinal approach can add value to explain dynamic process and resultant direction.

Jan A.P. Hoogervorst, Paul L. Koopman and Henk van der Flier (2002) The influence of technology developments on the content and arrangement of work is a recurring theme in many publications. Advances in information and communication technology (ICT) are reshaping internal organizational design and necessitate new types of employee
capabilities and behavior. As will be illustrated, ICT developments create a heightened level of business and market dynamics. Arguably, these dynamics affect the required capabilities and behavior of employees even more strongly. Similarly, the way businesses are operating, and customer, supplier and business partner relationships are formed, is also affected by the rapid ICT progress. Key drivers shaping the new business context will be addressed. This paper argues that the trends and developments illustrated necessitate revision of traditionally held beliefs and paradigms. Said revision has important implications for the strategy and management of human resources, whereby the focus on employee behavior is crucial. Two key aspects of a human resource strategy will be discussed, identified as HR alignment and HR enablement. With the focus on employee behavior, attention should be given to the organizations context, since this context determines employee behavior. The said context is defined by organizational culture, management practices and various organizational structures and systems. In view of the necessary organizational change associated with the developments illustrated, the importance of consistency and coherence between the elements of the organizational context is stressed. Establishing change under conditions of consistency and coherence was therefore identified as a crucial organizational competence.

Jeff Ericksen and Lee Dyer (2005) In this article, we extended strategic human resource management (SHRM) thinking to theory and research on high reliability organizations (HROs) using a behavioural approach. After considering the viability of reliability as an organizational performance indicator, we identify a set of eight reliability-oriented employee behaviours (ROEBs) likely to foster organizational reliability and suggest that they are especially valuable to reliability-seeking organizations that operate under ‘trying
conditions’. We then developed a reliability-enhancing human resource strategy (REHRS) likely to facilitate the manifestation of these ROEBs. We concluded that the behavioural approach offers SHRM scholars an opportunity to explain how people contribute to specific organizational goals in specific contexts and in turn, to identify human resource strategic that extend the general high performance human resource strategy (HPHRS) in new and important ways.

John Burgess, Julia Connell (2006) The purpose of this paper was to introduce the special issue voluem that examines a range of concerns, challenges and responses relating to temporary workers and human resource management (HRM). The paper highlighted eight key research questions and describes the structure of the issue. The various articles investigate six main areas: the rationale for using temporary workers rather than permanent workers; factors determining types temporary work arrangements; the rationale for temp workers entering into temporary employment; the nature and extent of the relationship between TWAs and user firms; the relationship between employment regulations and an organization’s labor use patterns of temporary workers and the HR challenges associated with ongoing and extensive use of temporary workers. Findings varied according to the main focus of each paper. Many differences exist in the skill levels of temp workers, their demographic characteristics and reasons for undertaking temp work.

Karin Bredin and Jonas Soderlund (2006) Various forms of project-based organisational structures are on the rise. A number of recent empirical studies emphasised the important role of Human Resource Management (HRM) in the understanding of the modern
projectified firm. However, previous research has not analysed in any greater detail what implications projectification have for HRM. In our attempt to contribute to the intersection between challenges facing HRM in four large Swedish firms. We addressed the following questions: How has HRM changed due to the increasing projectification observed in the firms under study? What are the major challenges to the HRM practice observed in the case studies? We suggest a for, current HRM practice. The perspectives include competence, trust, change and individuals. Based on these perspectives, we identify some key questions for HRM and the new roles of HRM given the increased precertification observed in the case-study companies.

Katherine Andersen and Brian H Kleiner (2005): Iron preceded steel in the history of the metal industry. Steel producers are using fewer people and combining many of the job functions. In contrast to the US steel industry with its current problems, the European steel industry has accomplished an impressive change during the last 20 years, from one of near collapse to being among the best in the world in terms of manufacturing skill, equipment performance, product quality, and innovative capacity. During the last twenty years, US businesses have increased the use of “innovative” human resource management practices to include pay-for-performance plans like gain-sharing or profit sharing, problem-solving teams, broadly defined jobs, cross-training for multiple jobs, employment security policies, and labor-management communication procedures. If the steel mill of the past wants to operate successfully, it must be aware of the job market realities of today and manage the human element of its business with just as much emphasis as the operational side.
Kuldeep Singh (2003) This study tested 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 had been carried out in the Indian setting, where the importance of human resources has gained currency in the last decade. Results showed that there is a significant relationship between strategic HR orientation and firm performance.

Kuldeep Singh (2003) The aim of the human resources function (management and development) in the organizational context was to ensure the availability of competent, motivated and learning employees to the firm to facilitate the achievement of its business objectives. The HR function has been quite successful in performing its role in terms of developing capacity, knowledge, attitude and skills of employees. However, in the recent past a shift has been taking place in the expected model role from both the HR function and the HR manager. This new role is that of active partner along with other functionaries like production, finance, marketing, etc., equal if not more important. Therefore, HR is no longer a passive function. This has two implications for the HR managers and practitioners. First, it will require the HR function and persons dealing with it to provide more inputs related to human resources at the strategy formulation level. Second, it will require HR to demonstrate that investment in human resource contributes to business results. However, there is a paucity of empirical work in our country to support the assertion that investments in HR have an impact on firm performance. It is in this context that the present study of eighty-four Indian firms was carried out to answer the question of whether investment in HR contributes to firm performance.
Leda Panayotopoulou, et al (2003) Based on the literature of the competing values framework, this paper developed a new HRM model and attempts to clarify what type of HRM (in terms of the orientation of the function) is linked with various aspects of firm performances. In order to acquire a better view of this much researched issues, three more factors that influence this relationship have been added to the equation: competitive strategy, external environment and organizational size. The empirical research was carried out in Greece among a sample of 104 organizations. The research finding shows that when HRM is consistent with the competitive strategy it has significant effects on financial performance. Another important finding is that market performance is positively influenced by HRM flexibility and negatively influenced by HRM control, unless the external environment is complex, when the most successful combination is control-internal orientation.

Lionel Becherel (2001) This article focused on human resource development (HRD) strategy for the tourism sector. It describes a framework based on the strategic planning process comprising a series of steps to examine the conditions of tourism employment and the labour market at a destination and to identify barriers to HRD. Experience shows that the success of a strategic plan relies on the involvement of all players in the tourism industry in its elaboration and implementation, and it is argued that an advisory body must be created to develop HRD strategy. A case study is presented illustrating one of the stages of the process a situational analysis of tourism human resources and education provision in the northeastern Brazilian state of Bahia.
Malcolm Warner (1999) This study examined the management of human resources in China’s ‘hi-tech’ revolution, as it mainly appears in its computer hardware, software and related products firms. Based on a study of both large and small enterprises in Beijing’s ‘Electronics Alley’ in Haidian, it looks at their HRM characteristics, namely at their labour-management relations, employment contracts, rewards system, social insurance and personnel behavior (such as recruitment, labour turnover and dismissals). The main conclusions confirm a degree of institutional continuity with past work-unit (danwei) practices but point also to the makings of a new employment relationship, with a weakening of the old ‘patron-client’ relationship.

Marlow and Susan (2006): Human resource management came into popular parlance in the late 1970s, as a managerial approach aimed at re-ordering the employment relationship to ensure employee efforts were strategically focused on achieving organizational performance and competitiveness in increasingly volatile markets. Since then there has been much consideration of whether HRM is a robust academic concept supporting a particular managerialist ideology, a status enhancing label for people managers, or a practitioner tool kit. There has also been a consideration of how HRM is articulated in small and entrepreneurial firms. This paper suggested that the concept of HRM is, in most instances, uncertainly theorized and therefore, how it, whatever is, might be identified such firms is challenging. Unless HRM is theorized in context with more care, there is a danger of it remaining a ac fuzzy concept encouraging abstract empiricism which, rather than clarifying away understanding, only further muddies already muddy waters. In pursuit of this argument, in this paper current debates about the notion of the HRM are considered as is how these with what is known about the
management of labour in small firms. Consequently, the purpose of this paper is to question how appropriate it is to talk about HRM as an approach to managing labour in small firms.

Marta M and Elvira and Anabella Davilla (2005): Research in this special issue converges around important HRM challenges that will shape the direction of academic research in the future. We argue that the nature of these challenges, such as balancing global and local HRM approaches, focusing on people while aiming at performance and, in general, managing in a hybrid cultural and economic system, requires reframing strategic HR in terms of social contract theories. Such theories consider multiple stakeholders and focus research on the employment relationship as unit of analysis, which fits well with the pre-eminence of person-centred management over merely profit-centred goals. We proposed theoretically anchored research to guide strategic HRM practices, taking into account Latin America’s cultural-specific humanistic approach and its labour market institutions.

Maxwell G A. and Watson S (2006): Although contextual factors act to encourage the development of human resource management to line managers, recent research indicated that there is substantial potential for human resource specialists and line managers to share more effectively the responsibility for their organization’s human resource activities in business partnerships. The foundation for this is arguably commonality in opinion on the principles and practices of human resource activities. However, line managers and human resource specialists often have dissonant opinions on human resource management. This paper explores line manager and human resource specialists’
perspectives on line manager involvement in human resource management, theoretically and empirically. The primary work comprises a survey of the views of line managers and human resource specialists on devolving a range of human resource activities to line managers in a case organization, Hilton International’s UK hotels. Differences between line managers’ and human resource specialists’ perspectives are found in five aspects: understanding and ownership of the company’s service and HR strategy; line manager involvement in and rankings of HR activities; HR specialists’ support of line managers; barriers to line managers’ involvement in HR activities; and the competence of line managers in HR activities. Importantly, it is found that where there are divergent views across line managers and their HR specialist in their hotel there is poor hotel business performance and, conversely, convergent views are evident in the effectively performing hotels. These findings may have resonance for other organizations in developing human resource management to the line and developing human resource business partnerships for business performance. It is proposed that three types of line manager buy-in are central to their active involvement in HR, namely: conceptual understanding of the rationale for their involvement; implementation effectiveness through…

Rishma Vedd and Reze Kouhy (2005): The objective of this research project was to ascertain the role of management accountants in relation to strategic human resource management (SHRM) and the information provided for SHRM. To achieve this objective four case studies (two UK and two Canadian organizations) were conducted using a grounded theory approach. The two most important HR strategies in these cases were training and leadership development, which were linked to the overall goals of each organization. Management accountants played a key role in providing information for the
SHRM planning process in all four cases. The role of management accountants during the strategic planning process was very much as integral team members with a facilitating role. In all four cases management accountants provided HR managers with information for decision making. Management accountants were involved in helping to set HR targets, measuring HR performance, reporting and communicating to HR managers. From the cross-case analysis of these cases, four hypotheses or conclusions emerged. The overall conclusion is that management accountants in these four cases had several roles in relation to SHRM. Management accountants (as well as HR and other managers) agreed that, in the future, management accountants needed to develop even further their business partnership role with HR managers.

Nada Zupan and Irena Ograjensek (2004) There seems to be a widespread agreement that human resources are the main source of competitive advantage in modern companies, consequently, the traditional personnel function is being transformed into the human resource management (HRM), which, in turn, is becoming a part of strategic management with the goal of integrating HRM activities to fit business needs. In this paper, we analyze the transformation of personnel function in Slovene companies, which had to change their behavior due to the transition from socialist to market economy and increased competitive pressures. Our analysis leads to the conclusion that Slovene companies use many different personnel models. Transformation of traditional personnel function into HRM occurred mostly in those companies, which place greater emphasis on people-related goals when formulating business strategy. However, the positive effects of this transformation on company performance still have to be confirmed.
Nada Zupan and Robert Kase (2005) The general SHRM models explain the link between HR and company performance; however, due to several specific internal and external factors, they have to be modified in order to applied to companies in European transition economics (ETEs). By analyzing the current state of HRM and the HR context in Slovenia, we develop a conceptual SHRM model for ETEs. The model introduces a new specification of the HR context, emphasizing HR facilitators and an additional moderating construct the HR power, to have more explanatory power of studying the HR–company performance link in ETEs. The paper also addresses the importance of issues relating to the empirical validation of the model in ETEs and suggests ways to further develop SHRM in these countries.

Orlando C. Richard and Nancy Brown Johnson (2001) This study tested whether strategic human resource management (SHRM) effectiveness significantly effects organizational level outcomes. Using the resource based view of the firm, this study examines the effective use of human capital on organizational performance. Further, the role that a contextual factor – capital intensity – plays in modeling is explored. Results show that SHRM effectiveness significantly reduces employee turnover and increases overall market performance assessment. However, SHRM effectiveness affected both firm productivity and return on equity only when moderated by capital intensity.

Paul Boselie, Jaap, and Ray Richardson (2003) The relationship between human resource management (HRM) and firm performance has been a hotly debated topic over the last decade, especially in the United States. The question arises as to whether the domination of US-oriented models, however appropriate they might be for, say, the USA,
holds in other, for examples, more institutionalized contexts. Now we have the opportunity to study recent empirical data on the effectiveness of human resource management in the Netherlands, using control versus commitment HR theory (Walton, 1985; Arthur, 1994) in combination with New Institutionalism (DiMaggio and Powell, 1983). We were able to include three different Dutch branches of industry, i.e. health care, local government and tourism. Empirical results suggest that the effect of HRM is lower in highly institutionalized sectors (hospitals and local government) than in a less institutionalized sector like hotels.

Pawan S. Budhwar and Naresh Khatri (2001) This paper traced the major developments in the field of human resource management briefly and then highlights the need for more cross-national HRM studies. The results from two parallel surveys of matched Indian and British organizations are presented. The main aim of the surveys was to examine a wide range of HRM policies and practices in a cross-national comparative context. The surveys were taken in six industries in the manufacturing sector. The study controlled for a number of variables such as size of the organization, product, industry sector and personnel participation. Influence of a number of contingent variables (such as age, size, nature and life-cycle stage of the organization, presence of unions and human resource strategies) on HRM policies and practices is analysed. The study finds significant differences in recruitment, compensation, training and development and employee communication practices between India and Britain.

Pawan S. Budhwar and Yaw Debrah (2001) This article first briefly highlighted the rapid development of the human resource management (HRM) discipline and the need for
more cross-national HRM studies. The universal applicability of Ango-Saxon models of HRM is then questioned. To examine the applicability of HRM models in different settings (national and international), five main HRM models are critically analysed and their main research propositions are identified. This provides the basis for a framework for HRM evaluations in different context. Based on such a framework and developments in the literature, finally, a contextual model is proposed for conducting cross-national and comparative HRM studies. The paper also indicates some related directions for future research.

Peter K. Ross and Lutz Michael Buchner (2010) This article analysed the competing demands faced by Deutsche Telekom for global consistency and local responsiveness as it attempted to coordinate its human resource management strategies across its Eastern European subsidiaries. It considers the degree to which the former economics and political histories of Eastern Europe continue to influence and/or constrain multinational corporation strategies and practices in the post-2000 era. Institutional path dependency, strategic international human resource management, and international industrial relations theories are used to assist in analyzing the date. They study countries are rapidly declining, thereby allowing multinational firms to implement “Western-style” human resource management strategies. It further suggest that industrial relations institutions at the European Union Level, rather than individual country level, have the greatest potential to impact on international human resource management strategies in the region. Multinational corporations should therefore engage in more-integrated strategic international human resource management and international industrial relations approaches.
Pieter Grobler and Surette Warnich (2002) With the political changes that took place during 1994 within South Africa, the country again, after many years of economic isolation, became a full member of the international community. Since then, many South African companies have attempted to become more competitive, and many international companies have shown a keen interest in doing business in the country. As a result of the important role that human resource management practices can play to help companies prosper and become successful, an investigation was undertaken within companies to establish to what extent HR practices were being applied. The results of the study are reported in this article.

Priyanko Guchait and Seonghee Cho (2010) The purpose of this study was to investigate the impact of a bundle of eight human resource management practices on intention to leave, and to examine the mediating effect of organizational commitment on the relationship between the HRM practices and intention to leave of employees of a service organization in India. Most of the prior HRM practices – employee turnover studies have been from the HR manager’s point of view. This study took a different approach and studies this relationship from an employee’s point of view. Internet survey questionnaires were used to collect the data from 183 employees working in a service company in India. Multiple linear regression and hierarchical linear regression analysis were conducted to test the hypotheses. The results of the study not only supported that organizations should focus on employee perceptions of the organizations’ HRM practices but also indicated that human resource should go beyond establishing polices and procedures to providing and employee-friendly work environment.
Rick Delbridge and James Lowe (1997): This special issue of The International Journal of Resource Management was concerned with workplace change and its impact on the employment relationship. The papers presented here were all contributions to the 11th Annual Employment Research Unit Conference held at Cardiff Business School in September 1996. The conference theme was ‘Manufacturing Matters: Organization and Employee Relations in Modern Manufacturing’ and consequently the papers have a specific focus on developments in the manufacturing sector. However, the issues discussed in this volume have relevance beyond manufacturing and the papers address key themes in contemporary human resource management. The contributors make their particular points more fully and effectively within the issue but by way of introduction we make some general observations and briefly outline the papers.

Rozhan Othman (1999) One of the important features of human resource management (HRM) theory is that organizations need to develop HRM practices that are supportive of the organization’s business practice. The HRM practice of an organization defines the role behavior of its employees. Service organizations are unique and distinct from manufacturing organizations. Thus, service organizations need to develop the appropriate role behavior. Empirical evidence shows that service organizations in the U.S. develop HRM practices that are distinct when compared with manufacturing firms. This study examined the extent to which this is also true in Malaysia. It also subjected this relationship to a more rigorous scrutiny by also controlling for the influence of other variables known to affect HRM practice.
Sait Gurbuz and Ibrahim S. Mert  The strategic importance of human resource (HR) and their contribution to the organizational performance were receiving increasing recognition worldwide. In this study, it was examined strategic human resource management (SHRM) and HR practices in Turkey to assess the impact of these practices on financial/market performance, operational performance, job satisfaction, and turnover. Empirical results from a sample of Turkey’s Top 500 firms-2007 demonstrated that SHRM and selection/development practices had direct and positive effects on financial/market performance and operational performance. However, only selection/development practices were are found to have a positive effect on turnover.

Sathish P. Deshpande and Damodar Y. Golhar (1997): This research investigated human resource management (HRM) practices of manufacturing firms in Ontario, Canada (n = 141), and Midwestern United States (n = 100). Differences in sources of recruitment and selection instruments used by firms in the two countries were examined. The study also compared training, compensation, and other HRM issues. We found major differences in HRM practices of manufacturing firms in the US and Canada.

Scott I Tannenbaum and Lisa M Dupreee-Bruno (1994): Few studies have examined the influence of organizational and environmental characteristics on human resource (HR) practices. To identify potential correlates of progressive HR practices, concepts from the innovation literature were applied. In particular, the extent was explored to which size, climate organizational structure, external condition, and workforce variables were related to the use of HR innovations in a sample of 40 New York state public agencies. Agency size and the external condition variables of labor availability and public scrutiny
exhibited the strongest linear relationships with HR innovation. Formalization, centralization, and HR department climate demonstrated somewhat weaker linear effects. External favorability demonstrated a nonlinear relationship with HR innovation. The results are discussed with consideration given to the differences between idea generation and adoption, formal and informal innovations, organic and mechanistic organizational structure, and the role of the external environment. Diagnostic questions are provided to assist in the application of these findings to other settings.

Shay S. Tzafrir, Ilan Meshoulam and Yehuda Baruch (2007): This paper considered the development of HRM strategies and practices in Israel. It provided a comprehensive analysis of how Israeli firms dealt with people-related issues and situations in demanding and unique environment. Based on both and historical perspective and empirical findings, it depicted the development of HRM in Israel throughout its existence, up to its present state. The HRM function was examined in the light of the dynamics of economy, technology and the legal system. Examples from two different sectors (high technology and healthcare) to reflect the strategy and practice that characterize HRM in Israel. We end by portraying a projected future picture of people management in Israel.

Susan Oakland and Johan S. Oakland (2001): Many authors and practitioners now acknowledged that effective people management and development is one of the primary keys to achieving improvements in organizational performance. However, it is not always apparent just what activities constitute ‘effective people management’. This paper drew on the findings of a research project to describe some of the main people management activities that are currently being undertaken in the sample of world-class organizations,
many of which are quality award-winning companies. It was argued that the organization involved in the research invest in and value people through certain core activities, which include effective communication and teamwork, planned training and development, strategic alignment of human resource management policies, empowerment of employees and review and continuous improvement. Throughout, links were made between the activities and relevant management literature. The research findings should not only promote the spread of good practice in terms of people management, but also demonstrate the value, to business, of theory when it is put into practice.

Swamy D Renukal Balaji and A Venkateshwara (2006) This paper reports on an exploratory study recently conducted on small manufacturing firms with and without International organization for Standardization (ISO) Certification in India. Through this study, the authors bring out certain significant differences in the adoption of Human Resource Management (HRM) practices and advanced technology of small manufacturing firms with and without ISO 9000 Certification. The findings show that there is a significant difference between firms with and without ISO 9000 certification with respect to the HRM practices and advanced technology adoption. It shows that small manufacturing firms have embraced advanced technologies overwhelmingly compared to non-ISO certified firms.

Thomas W Ferratt et al (2005): Increasingly, scholars and practitioners acknowledge that information technology (IT) human capital is a strategic resource and that its effective management represents a significant organizational capability. We used configurational theory to examine organizational practices related to the management of IT human

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capital. IN contrast to much prior work in IT human resource management (HRM) that is focused at the individual level, our inquiry is focused at the organizational level of analysis. Building on strategic human resource management (SHRM) research in general and research on the management of IT professionals in particular, we examine the broad question: are different configurations of IT HRM practices associated with different IT staff turnover rates? A multidimensional view of IT HRM practices is presented, based on prior IT and SHRM literature. We formalize hypotheses regarding the relationship of turnover with configurations of IT HRM practices grounded in prior theory and empirical research. Based on survey responses from 106 organizations, IT HRM dimensions and configurations are derived and the hypotheses are tested. A five-configuration solution, obtained via cluster analysis, includes two contrasting configurations consistent with two archetypes found in the prior literature.

Wahyu Sutiyono (2007) compared the management of human resources (HRM) in two large, modern sector business organizations, one state-owned and the other privately owned, in the context of the rapidly deregulated Indonesian economy of the mid-1990s. The two organizations differed greatly in the extent to which HRM was able to underpin the efficient management of the organization. Owing to fundamentally different approaches to recruitment, training and development, employee performance management and remuneration, the state-owned enterprise had far less effective HRM than its private sector counterpart and could learn a great deal from how the privately owned organization responded to the challenges presented by deregulation. The finding suggests that firm effectiveness depends significantly on the HRM function, and that the
performance of state-owned enterprises tends to suffer as a result of interference in HRM Processes by their government owners.

Wan-Jing April Chang and Tung Chun Huang (2005): Previous studies suggest that strategic human resource management (SHRM) is beneficial to firm performance. This study sought to investigate the moderating effect of product market strategy (PMS), one of the contextual factors, on the relationship between SHRM and firm performance. This study conducted a survey on 235 Taiwanese firms and hierarchical regression analysis was performed. The results failed to support the “universalistic” SHRM perspective. Only the interaction between an innovative PMS and SHRM exerted a significant effect on firm performance, which supported the argument of the “contingency” perspective. The findings of this study confirmed the validity of the contingency model in an Asian society. Different from most previous studies conducted in a Western context, this study examined the date Taiwan, and thus examined a very different cultural and institutional environment. Although this study obtained valuable results, the limitations of the subjective data, number of measurement items and the cross-sectional design were discussed. In a future study, more work on revealing the influence of other unexplored factors to better understand the determinants of firm performance should be done. Coping with innovation needs, the degree to which traditional human resource management (THRM) is transformed into SHRM determines how well a firm is able to sustain and enhance growth. This will enable firms to keep pace with the rapid environmental changes associated with globalization.
Wood Stephen et al (2006): Using data from a sample of 145 UK call centres, the authors tested the core propositions of the strategic human resource management (SHRM) approach that: (a) there are coherent links through the SHRM chain from strategy, through operational requirements, to work design and human resource management, and (b) the fit between the human resource practices and market factors determines organizational performance. Little support for these hypotheses is found as only (a) a few direct relationships between the elements of the SHRM chain are found, and (b) direct relationships, rather than those moderated by market factors, are found between human resource practices and performance. But key operational requirements are linked to work design, which is itself related to a limited number of human resource practices. The direct effects of work design on key performance indicators are more pronounced than those of human resource practices.

Youngok Kim and Sidney J Gray (2005): A theory-driven conceptual model was used to identify factors that shape the international human resource management (IHRM) activities of Australian multinational corporation (MNCs) in their overseas subsidiaries. The findings show that their IHRM activities appear to be shaped to varying degrees by strategic factors. The most important explanatory variables are subsidiary role and national cultural distance between home and host countries, although the results of national culture may change through adopting a more sophisticated framing and measurement of the variables. Interestingly enough, the parent HR managers were found to stress the role of subsidiary company factors in terminating HR policies and practices in the subsidiaries. However, these findings should be interpreted with caution because
the cross-sectional nature of the study is limited in explaining very complicated HRM phenomena that evolve over time.

Andreas Georgiadis & Christos N. Pitelis (2012) investigated the relationship between human resources (HR) and superior firm performance, as well as the role of business strategy as a key mediating factor, for small- and medium-sized enterprises (SMEs) in the UK Tourism Hospitality and Leisure (THL) sector. Our results suggest that high-performing SMEs in the THL sector are managed by more experienced entrepreneurs. We also find that more profitable SMEs combine a highly skilled workforce with technological and know-how-based firm differentiation strategies, and/or product differentiation strategies, which are based on quality of service and personal attention to customers, alongside generous compensation and attention to employee development.