

A SNAPSHOT VIEW OF HRM IN TURKEY: EVIDENCES FROM COMPANIES LOCATED IN MARMARA REGION

Gültekin YILDIZ

Serkan BAYRAKTAROĞLU

Yasemin ÖZDEMİR

Uzman Özlem BALABAN

Abstract

HRM discipline, occurring in 1920's in the USA, has been predominant in the USA and the European countries and there has been evolving phases throughout the 20th century (Storey, 1989). Personnel management began to gain a more managerial role in the 1960s. As a result of this process, there has been a shift from activities such as arrangement of data storage and personnel files to the administration of employee procedures (Fombrun et al., 1984). However, in practice the replacement of HRM for personnel management has only meant the change of department names and titles for some companies and "there has been no considerable change in terms of the function's quality and activities (Armstrong, 2000). Research shows that the number of department names and titles containing the term "human resources" appears to be significantly higher than the ones containing the term "personnel" (Caldwell, 2002, Bayraktaroglu, 2006). Turkey is not an exception to this trend and contributed greatly by changing the department names overnight in most companies. Examining the current issues that have recently taken place in the HRM field, it would be suitable to point out that the strategic nature and role of the HR function have been emphasized since the 1980s (Bayraktaroglu, 2002). The HR function's gaining of a strategic role is said to show the increase of its importance (Bowen et al., 2002).

This paper critically explores the current status of HRM in large Turkish and will be based on questionnaires conducted within large companies who have HR departments in Marmara Region of Turkey.

Introduction

HRM discipline, occurring in 1920's in the USA, has been predominant in the USA and the European countries and there have been evolving phases throughout the 20th century (Storey, 1989). Personnel management began to gain a more managerial role in the 1960s. As a result of this process, there has been a shift from activities such as arrangement of data storage and personnel files to the administration of employee

procedures (Fombrun et al., 1984). It is seen both in the literature and practice that the term “human resource management (HRM)” has been used in place of the term “personnel management,” and the use of the “human resources” term has increased considerably. It has been observed that the activities, objectives, dimensions, and importance of the human resource function have changed dramatically since the 1970s (Lundy, 1994). However, in practice, the replacement of HRM for personnel management has only meant the change of department names and titles for some companies and “there has been no considerable change in terms of the function’s quality and activities (Armstrong, 2000). Research shows that the number of department names and titles containing the term “human resources” appears to be significantly higher than the ones containing the term “personnel” (Caldwell, 2002, Bayraktaroglu, 2006). Turkey is not an exception to this trend and contributed greatly by changing the department names overnight in most companies.

In this paper, the view of the Turkish HRM practices will be analysed to better understand the empirical picture of the HRM development process having noted that HRM has been transforming all over the world.

1. HRM Practices in Turkey: The Background

Research about HRM practices in different countries especially focuses on investigating the implementation of HRM practices originating in the US in countries outside of the US (Brewster, 1993, 2004). There have been two main research streams; an analysis of regional models looking for convergence or divergence within regions such as Europe and Asia (for example Mayrhofer et al., 2004; Brewster, 2004; Morley, 2004; Claus, 2003; Rowley et al., 2004; Bamber and Leggett, 2001) or the role and practices of HRM vary between specific countries regardless of region (Bowen et al., 2002; Huo et al., 2002; Drost et al., 2002; Lowe et al., 2002). To understand the importance given to HR functions in business organisations, it may be useful to look at the organisations charts (Paauwe, 1996). As Bowen et al. (2002) noted, strategic HRM is more likely to occur in countries such as the USA, Canada, and Australia where HRM has a more established history and accepted systems and practices, and also where legislation provides guidelines for HR policy and practices.

Examining the current issues that have recently taken place in the HRM field, it would be suitable to point out that the strategic nature and role of the HR function that have been emphasized since the 1980s (Bayraktaroglu, 2002). The HR function’s gaining of a strategic role is said to show the increase of its importance (Bowen et al., 2002). There is no doubt that there are differences between the strategic role of HRM in Turkey and in other countries in terms of several organizational characteristics, such as organizational size (Aycaan, 2001; Tanova and Nadiri, 2005), market type (Beer et al., 1984), and the current situation of the market in which the company operates (Uyargil and Ozcelik, 2001).

In recent years, there has been a growing body of literature on the transition from personnel management to HRM and also on the emerging strategic role of HRM in Turkish companies (Uyargil and Dundar, 2001; Aycan, 2001; Askun and Yozgat, 2004). For instance, according to a study conducted in Turkey by Arthur Andersen consulting in 2000, the name of the department which fulfills the HR function is “HRM department” in 65 percent of the participating companies (a total of 307 private sector companies). In half of these companies, there are written HR strategies which are in line with the company’s overall business strategies (Aycan, 2001). However, some theoretical studies based on observations indicate that evidence of strategic HRM is weak in Turkish companies (Buyukkuslu, 1998). As a result, in spite of the recent literature on the changing role of HRM in Turkish companies, it can be said that empirical studies on the strategic role of HRM are limited (Bayraktaroglu and Ozdemir, 2007).

Human resource management affects the process of determining organisational strategy and goals. For this reason HRM’s responsibilities its role has an increasing importance in creating human focused management approach and supporting organisational development (Bayraktaroglu, 2002). There are many empirical studies about human resources practices in recent years. These studies generally investigate one aspect or only limited aspects of HR functions but there are not many studies about HR functions and the activities of the organisations in the scope of HRM with a macro approach. The basic aim of this study is to gain information about human resource practice and to evaluate these practices and to expose the changes in the human resource area.

In Turkey there are not sufficient research on the evolution of HRM and the efficiency of HR practices. Because it is really difficult to gain information and data from organisations. Thus many studies about HRM are HR function focused and do not give a macro view of HR systems. All these studies show that HR departments must adopt scientific and moderate HR approach in accordance with top management so HR will gain a strategic role (Ergin, 2002). It is also a necessity for Turkish organisations to join European Union (Ozcelik and Aydinli, 2006). The Turkish HRM literature has a paralel rhetoric especially to USA and Europe but the reality HR practices are not at the level that is told in the literature. So the circumstances of the HR practices must be investigated more (Ercek, 2006).

There are still some discussions about Turkish HR practices’ accordance with American and European HR practices. The researches about this accordance indicate that Turkish HR practices are different and they must be evaluated in Turkey’s circumstances. Also one of these studies indicate that HR practices are similar with Europe in some aspects (Cakir, 2001). Turkish HR practices show convergence with German and Spanish organisations about HR’s strategic role (Ozcelik and Aydinli, 2006) and also differences between Turkish and American organisations. But HR is gaining more strategic role in time (Ozcelik, 2007). In another research it is indicated that in Turkey HR practices are mainly carried by HR departments with the responsibility of HR managers (Sozer, 2004).

Human resource practices are affected by many internal and external factors (Kaynak et al., 2000; Bingol, 2006; Sabuncuoglu, 2000). Organisational features, interpersonal relations, job’s features and personal characteristics are the internal factors and external

labour, external resources, rivals and regulators are the external factors. The factors and the aims that affect HR structuring and HR practices change in time and according to national and organisational circumstances (Andersen, 2000; Ercek, 2006; Uyargil et al., 2006).

In Turkey organisational structure (Ercek, 2006) and the number of employees (Çakmak et al., 2007) in other words organisational size affect the HR practices and causes differentiation. Organisational size is also one of the factors that determine the efficiency of HR practices (Ozcelik and Aydinli, 2006).

The companies are also forced to integrate with international legislation and standards and hence reform their legislative frameworks. For example, the Labour Act Number 4857, which has been in effect in Turkey since 2003, is the result of the harmonization attempts of national labour law and international labour standards such as the International Labour Organization's (ILO) Termination of Employment Convention No. 158. This is due to the membership negotiations for Turkey to be a full member of the European Union (EU) (Celik, 2003).

2. The Objective of The Research

In a process of becoming a full-member state within the European Union, Turkey has been speeding up the harmonisation efforts in all areas including HRM initiatives through re-organisation of the HRM system. This study aims at examining the HRM practices of Turkish companies who have HR departments and will be based on questionnaires conducted within large companies operation in Marmara Region of Turkey. In scope of this general objective evaluating the changes in Turkish HR practices comparatively with earlier researches and determining the relationship between the organisational size and realizing the activities within the current HR structure are the basic objectives of this study. Thus, it will be tried to contribute to the function-based HR researches in Turkey with a macro aspect.

3. Research Methodology

The questionnaire study has been conducted within companies having HR departments. The data gained from the questionnaires are analyzed statistically using SPSS 15.00. ...usable questionnaires were

Findings

In this section the findings of our research will be indicated. Initially the frequencies about our sample's features will be given below;

Sector	N	%
Textile	12	10,0
Construction	13	10,8
Iron and steal	8	6,7
Automotive	17	14,2
Food	11	9,2
Information technologies	1	0,8
Other	58	48,3
TOPLAM	120	100

According to literature organisational size is an important factor that affect the HR structure so frequencies about this is like below;

Personnel number	N	%
1-49	50	41,7
50-99	14	11,7
100-250	12	10,0
More than 250	44	36,7
Total	120	100

The most important internal factors that affect the structure of HR function are indicated like top managers' management style (N= 28, 23.3%), total quality management (N=24, 20%) and features of the employees (N=18, 15%). Then IT usage of the organisation seems to be the least important internal factor (N=2, 1,7%).

The most important external factors that affect the structure of HR function are indicated like labour structure (N= 33, 27,5%), globalisation (N=19, 15,8%) and specialisation, philosophy of the holding as other factors (N=37, 30.8%). Then technology seems to be the least important external factor (N=1, 0,8%).

As it is indicated in the previous researches the name of the department related with human resources is called human resources. The distribution of frequencies on the name of the department is below;

Department name	N	%
Personnel	31	25,8
Administrative and financial works	14	11,7
Accounting and financing	9	7,5
Human resources	56	46,7
Other	10	8,3
Total	120	100

Human resources manager/director are at the position for the responsibility of HR function with 22,5%. And the 90,8% of the people who is responsible of HR department are graduated from university and 46.7 % of them from business administration.

The findings about HR functions can be indicated as below;

Constituting job standards (N= 45; 37,5 %) and job requirements (N= 44; 36,7 %), HR/personnel selection (N= 44; 37,5 %) are the most important aims of the job analysis.

HR planning time is especially between 6 months and 1 year (N=52; 43,3 %).

Using application form for HR selection is the most common used method (N=97; 80,8%).

The most common used employee/ HR supply methods are external employee/HR supply application (N= 57; 47,5%) and overtime working (N= 57; 47,5%). Previous applications (N=62; 51,7) and personal advices (N= 56; 46,7) are especially used as the type of external personnel supply resources.

Organisations use conferences (N= 61; 50,8 %) and probation (N= 51; 42,5%) as training methods most commonly. The training result are evaluated by measuring previous and latter performances (N= 62; 51,7%) and usage level of what is learned (N=60; 50,0%).

Job evaluation is used for internal movements like promotion and transfer (N=53; 44,2%), equal wage principle (N=47; 39,2%) and also employee selection according to job (N= 46; 38,3).

The most important factor that affect the wage level is performance appraisal (N= 83; 69,2 %) and also market wages level is the effective factor (N= 48; 40,0%).

Incentive wage system based on personal performance is the most common used wage system (N= 66; 55,0%). Main wage plus premium/bonus is also being used frequently (N=44; 36,7%). The wage increase is mostly affected by inflation rate adding performance results (N= 80; 66,7%). The other important factor that affect the wage increase is average market raise (N= 32; 26,7%).

Salaried day off expect legal requirements for death, accident, marriage, etc. (N= 60; 50,0%), bonus (N= 53; 44,2) and cafeteria services (tea, etc.) (N=52; 43,3) are the most common used social aids and services.

Disciplinary (N= 81; 67,5) and performance lowness (N= 71; 59,2%) are the most common layoff reasons. The other important reason is not being capable of the job (N= 42; 35,0%).

In organisations most commonly managers make decision and employees perform (N=75, 62,5%).

Strategic management and by this way strategic approach to HRM have an increasing importance. The findings about if the organisations have strategic approach is like below;

	Yes written		Yes Not written		No		Unknown	
	N	%	N	%	N	%	N	%
Vision manifesto	74	61,7	15	12,5	3	2,5	1	0,8
Mission manifesto	70	58,3	17	14,2	4	3,3	3	2,5
Values manifesto	50	41,7	30	25,0	6	5,0	1	0,8
Business strategy	49	40,8	29	24,2	7	5,8	1	0,8
Business policy	58	48,3	27	22,5	5	4,2	1	0,8
HR/Personnel vision	43	35,8	37	30,8	6	5,0	3	2,5
HR/Personnel mission	41	34,2	38	31,7	6	5,0	3	2,5
HR/Personnel strategy	40	33,3	38	31,7	7	5,8	3	2,5
HR/Personnel policy	44	36,7	37	30,8	6	5,0	3	2,5

According to the table above it can be said that strategic management and strategic approach to HRM is really important for most of the organisations.

5. Conclusion

In today's global and competitive business environment, HR of companies can be seen as a key for sustainable competitive advantage. In this respect, HR practices of companies are becoming useful tools for becoming more effective and productive and thus companies are forced to align themselves with these objectives.

The structure and functions of HR departments have been differentiating according to the sector type and the size of the companies. The style of the top management, TQM and the features of the employees are the primary internal environmental factors. Within the external factors, the structure of the labour, privatisation and especially globalisation should be mentioned. One interesting finding of the study is the importance of the IT on the development of HR is unexpectedly low.

Traditional role of HRM are still have a primary role in HR functions. For example, in recruitment and selection function, referenced and applications by forms are still seen as important. The role of performance appraisal is seen important in wages and also traditional training methods are seen still important by the participated companies. Moreover, performance appraisal function, regardless of the size of the company, seems to be in relation with other HR function quite closely.

AS a result, HR departments are becoming more strategic and seemed to be more proactive in the management of organisations.

References

- Andersen, A. (2000) “2001’e Doğru İnsan Kaynakları Araştırması”, Sabah Yayıncılık, İstanbul.
- Armstrong, M. (2000), “The Name Has Changed But Has the Game Remained the Same?”, *Industrial Relations*, Vol. 22 No. 6, Pp. 576-89.
- Askun, O.B. and Yozgat, U. (2004) “İnsan Kaynakları İşlevlerinden Eğitimin Stratejik Önemi ve İlaç Sektöründe Bir Araştırma”, 12. Ulusal Yönetim ve Organizasyon Kongresi, Bildiri Kitabı, pp. 48-52.
- Aycan, Z. (2001) “Human Resource Management in Turkey-Current Issues and Future Challenges”, *International Journal Of Manpower*, Vol. 22 No. 3, pp. 252-60.
- Bamber, G.J. and Leggett, C.J. (2001) “Changing Employment Relations in the Asia-Pacific Region”, *International Journal Of Manpower*, Vol. 22 No. 4, pp. 300-17
- Bayraktaroğlu, S. (2002) *Stratejik ve Stratejik Olmayan İKY*, Beta Yayınları, İstanbul.
- Bayraktaroglu, S. (2006) *İnsan Kaynakları Yönetimi*, Sakarya Kitabevi, Adapazarı.
- Bayraktaroğlu, S. and Ozdemir, Y. (2007) “İnsan Kaynaklarında Yaşanan Dönüşümler”. içinde Kurt ve Bayraktaroğlu (Der.) *Türkiye’de İşletmecilikte Yeni Perspektifler*. Gazi Kitabevi, Ankara.
- Bear, M., Spector, B., Lawrence, P.R., Mills, D.Q. and Walton, R.E. (1984), *Managing Human Assets*, Free Press, New York, NY.
- Bingöl, D. (2006) *İnsan Kaynakları Yönetimi*, Arıkan Yayınları, 6. Baskı, İstanbul.
- Bowen, D.E., Galang, C. and Pillai, R. (2002), “The Role of Human Resource Management: an Exploratory Study of Cross-Country Variance”, *Human Resource Management*, Vol. 41 No. 1, pp. 103-22.
- Brewster, C. (1993), “Developing a European Model of Human Resource Management”, *The International Journal of Human Resource Management*, Vol. 4 No. 4, pp. 765-84.
- Brewster, C. (2004), “European Perspectives On Human Resource Management”, *HRM in a Knowledge-Based Economy, Global Conference Proceedings*, Ljubljana, Slovenia, June 2-4.
- Buyukuslu, A. R. (1998), “Türkiye’de İnsan Kaynakları Yönetimi ve Gelişimine Kritik Bir Yaklaşım”, *MESS Mercek, Türkiye Metal Sanayicileri Sendikası*, pp. 11-15.

- Cakir, A. E. (2001) "American and European Models of Human Resource Management which one is more Suitable for the Turkish Case?", *Marmara Journal of European Studies*, Vol. 9, No. 1, pp. 155-175
- Çakmak et Al., (2007)
- Caldwell, R. (2002), "A Change of Name or a Change of Identity? Do Job Titles Influence People Management Professionals' Perceptions of their Role in Managing Change?", *Personnel Review*, Vol. 31 No. 6, pp. 693-709.
- Çelik, N. (2003), *İş Hukuku Dersleri, Yenilenmiş, 16.Baskı, Beta Yayınları, İstanbul.*
- Claus, L. (2003), "Similarities and Differences in Human Resource Management in the European Union", *Thunderbird International Business Review*, Vol. 45 No. 6, pp. 729-55.
- Drost, E.A., Colette, A.F., Lowe, K.B. and Geringer, J.M. (2002), "Benchmarking Training and Development Practices: A Multi-Country Comparative Analysis", *Human Resource Management*, Vol. 41 No. 1, pp. 67-86.
- Ercek, M. (2006), "HRMization in Turkey: Expanding the Rhetoric-Reality Debate in Space and Time", *International Journal of Human Resource Management*, Vol. 17, No. 4, pp. 648-672.
- Ergin, C. (2002), *İnsan Kaynakları Yönetimi Psikolojik Bir Yaklaşım, Academyplus Yayınevi, 2. Baskı, Ankara.*
- Fombrun, C.J., Tichy, N.M. and Devanna, M.A. (1984), *Strategic Human Resource Management, Wiley, New York, NY.*
- Huo, P.Y., Huang, H.J. and Napier, N.K. (2002), "Divergence or Convergence: A Cross-National Comparison of Personnel Selection Practices", *Human Resource Management*, Vol. 41 No. 1, pp. 31-44.
- Kaynak, Tuğrul, Z. Adal and et al., (2000) *İnsan Kaynakları Yönetimi, İstanbul Üniversitesi İşletme Fakültesi İşletme İktisadı Enstitüsü Araştırma Ve Yardım Vakfı Yayını, No: 7, İstanbul.*
- Lowe, K.B., Milliman, J., De Cieri, H. and Dowling, P.J. (2002), "International Compensation Practices: A Ten-Country Comparative Analysis", *Human Resource Management*, Vol. 41 No. 1, pp. 45-66.
- Lundy, O. (1994), "From Personnel Management to Strategic Human Resource Management", *The International Journal of Human Resource Management*, Vol. 5 No. 3, Pp. 687-720.
- Mayrhofer, W., Morley, M. and Brewster, C. (2004), "Convergence, Stasis, or Divergence?", in Chris, B., Wolfgang, M. and Michael, M. (Eds), *Human Resource Management in Europe: Evidence Of Convergence?*, Elsevier, Burlington, pp. 417-36.

- Morley, M.J. (2004), "Contemporary Debates in European Human Resource Management: Context and Content", *Human Resource Management Review*, Vol. 14, pp. 353-64.
- Ozcelik, A. O. (2007) "Türkiye ve ABD'deki İşletmelerde İnsan Kaynakları Departmanlarının Stratejik Rolüne İlişkin Karşılaştırmalı Bir Çalışma", [Http://Www.Usakgudem.Com/Makale.Php?Id=337](http://Www.Usakgudem.Com/Makale.Php?Id=337) (E.T. 10.12.2007).
- Ozcelik, A. O. and F. Aydinli (2006) "Strategic Role of HRM in Turkey: A Three-Country Comparative Analysis", *Journal of European Industrial Training*, Vol. 30, No. 4, pp. 310-327.
- Paauwe, J. (1996), "Key Issues in Strategic Human Resource Management: Lessons from the Netherlands", *Human Resource Management Journal*, Vol. 6 No. 3, pp. 76-93.
- Rowley, C., Benson, J. and Warner, M. (2004), "Towards an Asian Model of HRM? A Comparative Analysis of China, Japan and South Korea", *International Journal of Human Resource Management*, Vol. 15 Nos 4/5, pp. 917-33.
- Sabuncuoğlu, Z. (2000) *İnsan Kaynakları Yönetimi*, Ezgi Yayınevi, Bursa.
- Sozer, S. (2004) *An Evaluation of Current Human Resource Management Practices in the Turkish Private Sector, a Thesis Submitted to the Graduate School of Social Sciences of Middle East Technical University, Ankara.*
- Storey, J. (1989) *New Perspectives on Human Resource Management*, London: Routledge.
- Tanova, C. and Nadiri, H. (2005), "Recruitment and Training Policies and Practices: the Case of Turkey as an EU Candidate", *Journal of European Industrial Training*, Vol. 29 No. 9, pp. 694-711.
- Uyargil, C. and Dundar, G. (2001), "İşletmelerde İnsan Kaynakları Fonksiyonunun Stratejik Niteliğinin Belirlenmesine Yönelik Bir Araştırma", *Cranfield International Strategic Human Resource Management Research 1999-2000 Turkey Report*, pp. 65-76.
- Uyargil, C. and Özçelik, O. (2001), "Some Characteristics of the Turkish HR Managers/Professionals and a Comparative Study with Three European Countries (United Kingdom, Germany And Spain)", *Paper Presented At Global HRM Conference, June 19th-22, Barcelona.*
- Uyargil, C.; Ö. Sadullah, A.C. Acar; A.O. Özçelik, G. Dünder and V.L. Tüzüner (2006); *Cranfield Uluslararası Stratejik İnsan Kaynakları Yönetimi Araştırması 2005 Türkiye Raporu*, İ.Ü. İşletme Fakültesi Yayın No: 285, İstanbul.