

the Autonomous Management School of Ghent University and Katholieke Universiteit Leuven

Vlerick Leuven Gent Working Paper Series 2010/05

CONTEXTUALIZING HRM IN COMPARATIVE RESEARCH: THE ROLE OF THE CRANET NETWORK

KOEN DEWETTINCK

Koen.Dewettinck@vlerick.com

JONATHAN REMUE

Jonathan.Remue@vlerick.com

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KOEN DEWETTINCK

Vlerick Leuven Gent Management School

JONATHAN REMUE

Vlerick Leuven Gent Management School

Contact:

Koen Dewettinck

Vlerick Leuven Gent Management School

Tel: +32 09 210 97 40 Fax: +32 09 210 97 57

Email: Koen.Dewettinck@vlerick.be

ABSTRACT

In search of an answer to the question to what degree context determines human resource management (HRM) practices, a holistic picture of contextual factors seems indispensable. However, due to ample interpretations and the vague characterization of this construct, a self-revealing definition seems impossible. In order to address this dilemma, we firstly tackle the need for a discussion on what context is and, secondly, how it is embedded in the field of International Human Resource Management. We start this paper with a short summary of the Universalistic versus Contextual Perspective on the one hand, and the Convergence versus the Divergence paradigm on the other. We discuss the influence of context within both debates. Secondly, we elaborate on the mapping of the construct of context by scrutinizing the relevant literature within the international comparative HRM field. Thirdly, the link between this construct and the Cranet Network is investigated. Finally, the usefulness of the Cranet data, in light of the contextual, is discussed with the focus on future research and its practicability in further research endeavors.

Key words: Context, Cranet Network, comparative research, HRM

1. INTRODUCTION

The idea that context is an important element in research within the International Human Resource Management (IHRM) field is uncontested. This focus on context has been reflected in the cross-cultural embedment of many IHRM studies and the mounting prevalence of comprehensive comparative research conducted by the Cranet network (Brewster, Mayrhofer and Morley, 2004) and the Globe project (House & Javidan, 2004). Despite these efforts however, research on 'contextuality' throughout the International HRM literature has been scant, and therefore, would benefit from further scrutiny. This paper reviews and explores the scope of context within the past two decades of international comparative research: first, in a broader spectrum and, thereafter, through data gathered within the Cranet network.

We start this paper by summarizing two well-debated paradigms within the international research field of HRM, namely, the Universalistic versus the Contextual debate on the one hand, and the Convergence versus Divergence debate on the other. We try to explore the influence of the contextual within these discussions by positing that there is no comparative research without acknowledging the context. Next, we analyze the relevant literature in a first effort to 'map' the contextual. It is in this quest that a review of the International HRM literature shows us the volatile character of the word 'context'. To answer the question of what context actually means within this field, we elaborate on the different meanings of context found throughout our research study. Further, we pinpoint the direct and indirect influence of the contextual in light of the Cranet data. The paper concludes by integrating the preceding parts and the usefulness of the contextual within the Cranet data, by answering in which way the Cranet data has helped academics and practitioners bring out the 'contextuality' of HRM research.

2. UNIVERSALISTIC VS. CONTEXTUAL AND CONVERGENCE VS. DIVERGENCE: WHAT ABOUT CONTEXT?

It has been well established in the literature that universal dimensions of HRM should be considered, that is, every organization needs to recruit, develop and retain workers. It is in this matter that we can find a profusion of universal statements as if everything can be used anytime, anywhere. However, it has become undeniable that things are viewed, perceived and implemented differently in different countries, where not only culture, but also economic, political, and social contexts should be taken into account. It is in light of this that the importance of research in HRM cannot avoid the impact of the paradigm, which Brewster (1999) eloquently described as the issue of whether HR practices can be transferred, that is reflected in a fundamental division between two approaches to research and thinking in the field of HRM: the universalistic and the contextual.

'The universalistic perspective is the simplest approach to the analysis of human resource management strategies' (Martin-Alcazar, Romero-Fernandez, & Sanchez-Gardey, 2005: p. 634). This perspective is based on the premise of the existence of a linear relationship between variables that can be extended to the entire population (Delery and Doty, 1996). Following Becker and Gerhart (1996), HRM practices can best be identified when characterized by: (1) having demonstrated capacity to improve organizational performance and (2) having to be generalizable. Although many best HRM practices can be found in literature, it is possible to identify topics that emerge repeatedly, which in general terms represent the core of the universalistic contribution (Martin-Alcazar et al., 2005). When we scan the relevant literature on studies that start from this perspective, we can firstly observe its prevalence in certain practices oriented to reinforce employees' abilities, such as variable compensation (Gerhart and Milkovich, 1990), recruitment and selection (Terpstra and Rozell, 1993), comprehensive training (Russel et al., 1985) or performance appraisal (Borman, 1991). However, as Martin-Alcazar et al. (2005) stated, the use of this perspective has recently changed to practices related to commitment and participation of the workforce, consensus in problem solving, teamwork and work incentives, job redesign or the establishment of new mechanisms of compensation (Youndt et al., 1996). If we compare this perspective to others used in the literature, we cannot deny its lack of solid theoretical foundations. Although the emphasis of the universalistic perspective on empirical testing of the HRM performance relationship leads to high levels of statistical significance, it also leads to a lack of consideration of crucial variables, constructs and relationships (Martin-Alcazar et al., 2005).

The universalistic perspective can be described as predominant in the USA, but it is also widely used elsewhere. As aforementioned, the general idea of this perspective claims that HRM practices can be applied in all cases, that is, universally. However, following Mayrhofer & Brewster (2005), we should not be blind to the fact that there are some universals in the field (the need for organisations to attract, pay and deploy workers, for example), because there are also some things which are shared within contexts; some which are distinctive of certain countries; some which are unique to certain sectors; some ways in which each organization or even sections of an organisation are different; and some factors which are unique to each inidvidual manager. Each perspective sharpens the focus on some aspects, but inevitably, blurs others (Mayrhofer & Brewster, 2005). Although we want to point out the fallacy of lapsing into a pattern of black or white thinking, it is important to emphasize that there are several approaches used in academic literature (e.g. contingency, configurational), but one approach has often been placed opposite to the universalistic, i.e. the contextual.

The contextual perspective proposes, as stated by Martin-Alcazar et al. (2005), an important shift in the point of view of the analysis of HRM. It introduces a descriptive and global explanation through a broader model, applicable to different environments encompassing the particularities of all geographical and industrial contexts. Advocates of this perspective argue that it is necessary to expand the concept of HRM so as to offer a complex explanation, not only of its internal working and how it can reinforce the achievement of business goals, but also of its influence on the external and organizational context in which managerial decisions are made (Brewster, 1999). The main contribution of this approach lies in the reconsideration of the relationship between the HRM system and its context. While many of the other perspectives, at best, considered the context as a contingency variable, this approach proposes an explanation that exceeds the organizational level and integrates the function in a macrosocial framework with which it interacts (Martin-Alcazar et al., 2005). According to these authors, context both conditions and is conditioned by the HRM strategy (Brewster and Bournois, 1991; Brewster et al., 1991; Brewster, 1993, 1995, 1999). Moreover, the contextual approach searches for an overall understanding of what is contextually unique and why. When putting the contextual opposite of the universalistic perspective of HRM, Larsen and Brewster (2000) are convinced that 'HRM is understood differently, researched differently and is, in practice, conducted in quite distinct ways in different countries and circumstances' (Larsen and Brewster, 2000: 12). This has led Ignjatovic and Svetlik (2003) to believe that comparative analysis is fully justified only within the contextual paradigm.

The authors posit that the units of observation (e.g. countries, industrial branches and organizations) are not compared to and evaluated against the best model, as the universalistic paradigm would suggest, but can be put into clusters, each of which can have a consistent structure and serve well in its own specific environment.

A second frequently cited debate within the International HRM literature is the Convergence – Divergence paradigm [for a more elaborated review we refer to Brewster (1999)]. Advocates of the convergence approach (e.g. Kerr et al., 1960; Eisenstadt, 1973; Levitt, 1983; Prentice, 1990) state that international competitive pressure overrides differences in national management system and will ultimately lead to a convergence of management practices towards the most successful model (Pudelko, 2006). On the other hand, scholars favoring the so-called divergence approach (e.g. Laurent, 1983; Whitley, 2000; Hickson and Pugh, 2001; Hofstede, 2001) stress that management practices are strongly influenced by the relevant national socio-economic context (Pudelko, 2006). Consequently, Pudelko (2006) considered the scope for adopting management practices that evolved outside the respective cultural or institutional context to be very limited. In the study of Budhwar and Sparrow (2002a), the authors conclude that, at a 'macro' level, managerial thinking about the topic of HRM, especially with regard to strategic concepts such as integration and development, is converging. However, at a 'micro' level, there is still a strong divergence amongst HRM practices and managerial thinking about them. This is mainly due to the nation-specific influence of factors such as national culture, different institutions, different social systems, dynamic business environments, traditional value systems, industrial relations systems, the operation of labor markets, and the changes taking place in national business systems (Budhwar and Sparrow, 2002a).

"The discussion about the differences and similarities in the HRM function and HRM practices has become a 'hot topic' alongside the increasing internationalization of business operations" (Andolsek & Stebe, 2005: p. 314). Due to the hegemony of the US management literature (universal paradigm), the vision of HRM is that the American model of HRM is one of the foundations for HRM in other countries. In discussing convergence and divergence and the expansion of the HRM concept to Europe, one should give consideration to the fact that serious regional differences as well as differences among countries within specific regions exist in Europe (Brewster et al., 2000). Andolsek and Stebe (2005) conclude that "it is therefore a question of two convergences: approaching the HRM model originating in the US or creating a more uniform European HRM model" (Andolsek & Stebe, 2005: p. 314). Mayrhofer and Brewster (2005) try to distinguish a version of HRM in Europe that is different from the versions existing

in, for example, Japan or the USA. Taking into account that the vision of HRM that has come to Europe from the USA is culture-bound (Trompenaars 1994; Adler & Jelinek 1986), the authors stress that organizations in Europe exist within a system which constrains (or supports) them, first, at the national level, by culture and by extensive legal and institutional limitations on the nature of the contract of employment, and second, at the organizational level, by patterns of ownership (by State, by the banking and finance system and by families) which are distinct from those in the USA (Mayrhofer and Brewster, 2005).

In light of the aforementioned debates between these two (and other) perspectives, we want to stress that academics often challenge each approach and claim that one is more prevalent and useful than the other. However, as can be seen in previous paragraphs and our cautiousness not to be prejudicial, the influence of context in these different approaches is not as black or white as some might lead us to believe. Therefore, we opt to find an in-between approach by focusing on the practitioner's side in conducting comparative HRM research, rather than starting initially from one specific perspective and omitting the other(s). When conducting comparative research, an advocate of the universalistic perspective might think in one way, but eventually is confronted with the same contextual environments as an advocate of the contextual perspective (or the contingency, configurational, etc.). The aim of our paper is to identify the particular contextual influences that should be taken into account.

3. THE BROAD CONTEXTUAL FIELD

Researchers in the field of International comparative literature have emphasized the importance of 'contextualizing' research (e.g., Rousseau and Fried, 2001), or 'context-specific', 'context-bounded' or 'context-embedded' research (Tsui, 2004). According to Shapiro, Von Glinow, & Zhixing, (2007) 'the basic idea is that researchers are encouraged to incorporate 'the context' in the theory development, measurement, design, and interpretation of the study findings when conducting indigenous research' (Shapiro et al., 2007: 129). The question this article wants to address is what exactly does 'context' entail. Although, several authors have formulated a definition of this vague concept [e.g. Cheng (1994), who suggested that context-embedded research ought to include '... a nation's social, cultural, legal, and economic variables as predictors and organizational attributes as dependent variables'] a conclusive definition seems unfeasible. Therefore, we posit that the scope of the definitions found in relevant literature differs from the point of view used by the authors and will never be all-embracing. By taking this into account, we first discuss the broader 'contextual literature' to get a reviewed idea of what 'the context' is to which scholars should 'bind, embed or specify in conducting research' (Shapiro et al., 2007: 129). We will use the concept of the 'polycontextual approach' developed by Shapiro et al. (2007), as a framework to define the levels of context influencing comparative research.

Tsui (2004) argues that the field of international management has different populations, and therefore contexts, which demand higher levels of contextualization for accuracy in empirical generalization. Although such a contextualization will strengthen scholars' understanding of an organization under study at varying levels of analysis (i.e., individual, group, organizational and national levels), Shapiro et al. (2007) claim that this type of contextualizing reveals only one type of context – the context that can be historically accessed, seen and/or measured by the scholar. Therefore, we agree with Shapiro, who states that 'the traditional type of contextualization is limited insofar as context is treated as a singular phenomenon' (Shapiro et al., 2007: 130). Shapiro et al. (2007) introduced the concept of 'polycontextuality', which refers to multiple and qualitatively different contexts embedded within one another, and states that the contextualization descriptions that scholars typically provide tend to favour descriptors that are immediately recognizable by sight or by survey assessment, such as people's gender or race, or a nation's social, cultural, legal and economic variables (e.g. Kirkman and Shapiro, 2001; Shenkar and Von Glinow, 1994, Tinsley and Brett, 2001).

However, not every context can be observed and is known to the researcher involved. By using Shapiro's classification of categories of contextual variables that span 'ways of knowing' (see table 1) we believe this will bring us closer to a conclusive enumeration of 'the contextual', with regard to comparative research. Although the categories and each of their dimensions appear to be mutually exclusive, in practice these dimensions are often intertwined (Shapiro et al., 2007).

Insert Table 1

Below, we briefly discuss these variables and emphasize one of them which is often cited as a context variable in comparative research, namely culture.

Temporal-spacial

For the temporal-spacial category, the possible context categories (dimensions) are historical, geographical, time, and personal space. A recent example of research taking these dimensions into account, is the study of O'Leary and Cummings (2007), which analyses virtual or geographically dispersed teams; this in light of the globalization which pushes organizations to operate across greater distances. This category emphasizes the dimensions of time (e.g. various time-zones, historical differences) and space (e.g. (inter)national boundaries, virtual distance). Of course, these are not mutually exclusive when we confine ourselves to comparative research. These categories are often comingled with other contextual categories, and should never be seen as 'standing alone'.

Environmental

When conducting comparative research this category holds the contextual dimensions of technical, economic, political, and social. Although this category is often used as a contextual factor when conducting international comparative research, it can also entail regional research or even comparative research within a country. In a country such as Belgium, which has a Flemish and Walloon part (with their own government and economy), differences within can be contextualized by this environmental category (see Buyens et al., 2004).

Psychological

In the psychological category we encounter the cognitive, affective, and emotional dimensions. A lot of comparative research has been conducted with regard to psychological factors, for example, motivation, goal-setting, feedback. The abundance of comparative research between China and the Western world has frequently analyzed cognitive, affective and emotional differences (e.g. Entrekin and Chung, 2001; Shapiro et al., 2007; Tsui, 2006).

Philosophical

The philosophical category consists of the aesthetic, moral, and spiritual dimension. Although research on philosophical comparative research is scant, the commentary of Tsang (2009) discusses some philosophical issues related to contextualizing Chinese management research. The author stresses that contextualization can be interpreted in different ways by different philosophical perspectives. Furthermore, he states that the Duhem-Quine thesis implies that replications, in the form of empirical generalization, are an appropriate means of testing Western theories in a Chinese context.

Communication

Verbal, facial expression, gestures, and body language are contextual dimensions within the category communication. In the study by Archer (1997) on the existence and meanings of gestures, the research findings suggest that there are both cultural 'differences' and also cultural 'meta-differences' more profound differences involving deeply embedded categories of meaning that make cultures unique. Comparative research within this category has focused on the differences in ways people communicate and are understood. It is without saying that differences exist between and within nations. The way people communicate is seen as influenced by culture and therefore should be considered when conducting comparative research.

Sensory

The sensory category entails the contextual variables visual, auditory, olfactory, and kinesthetic. The relevance of this category as contextual factor can be well expressed by the importance of the visual dimension that lies in the very nature of Chinese language, as it is pictographic rather than phonic. Chinese people rely far more on the visual aspects and images of the language in comparison with the Westerners' uses of abstraction found in ancient Greek philosophy (Shapiro et al., 2007). These differences in sensory experience can alter or influence findings or studies that do not take this contextual factor into account. A study by Tavassoli and Lee (2003) shows that when it comes to marketing brands and multimedia advertisement, the English are more influenced by auditory elements than the Chinese and vice versa for visual elements.

Cultural

Culture is the contextual variable most prominent in the relevant literature and often cited in (international) comparative research (e.g. Alas, Kaarelson, and Niglas, 2008; Budhwar and Sparrow, 2002a; Buyens, Dany, Dewettinck and Quinodon, 2004; Hofstede, 1991; Schwartz, 1992; Trompenaars and Hampden-Turner, 1998). Even though culture is a widely used contextual factor, it encompasses different interpretations. Alas, Kaarelson, and Niglas (2008: 50) argue that 'the simplest expressions of societal culture consist of commonly experienced languages, ideological belief systems (including religion and political belief systems), ethnic heritage and history'. Moreover, Sparrow and Hiltrop (1994) noted that differences between societies can be explained by cultural factors (a form of cultural reductionism), and must be modified to consider interactions between cultural norms, legal institutions and underlying economic factors. Therefore, Claus (2003) suggested that differences in approaches to HRM would most likely be the result of the interconnection between the culture and structure of a particular society. Furthermore, cultural differences mean that the management of organizations, and particularly of people, is, and will remain, fundamentally different from country to country. Overall, House and Javidan (2004) emphasize that one of the most important challenges for academics and practitioners is to acknowledge and appreciate cultural values, practices and subtleties in different parts of the world.

Budhwar and Sparrow (2002a) addressed the three pioneering research projects [Hofstede (1991), Schwartz (1992) and Trompenaars and Hampden-Turner (1998)] that have been directly aimed at identifying cultural dimensions from a normative perspective. Scrutinizing the recent HRM literature we can observe the (still) prominent relevance of Hofstede's dimensions. On the basis of his initial work in over 50 countries and later, in 23 further regions and countries, Hofstede (1991) developed five main dimensions of national culture: power distance, uncertainty avoidance, individualism- collectivism, masculinity-femininity, and long-term-short-term orientation. Budhwar and Sparrow (2002a) point out that this work is referred to most in the field of national culture, although a small amount of research examined actual cross-national HRM practices in the light of Hofstede's dimensions of national culture (see, e.g., Ryan, McFarland, Baron, and Page, 1999; Shackleton and Newell, 1991; Hempel 1999; Schuler and Rogovsky 1998). Despite controversies and the limitations of this work (e.g., American bias, representativity, contradictory results – see Singh, 1990; Tayeb, 1994; Hampden and Trompenaars, 1997), we want to stress its importance and relevance for contemporary research. However, with the abovementioned shortcomings in mind, Hofstede's dimensions can simply be seen as a starting point for contextual comparative research.

In recent years the research on culture has regained a notable attention through studies (e.g. Alas et al., 2008; Alas, Kraus & Niglas, 2009; Javidan et al., 2005; Waldman et al., 2006) based on the GLOBE study (House et al., 2004). The GLOBE study has been considered as one of the most comprehensive studies on national cultures, and defines it as the shared motives, values, beliefs, identities and interpretations or meanings for significant events that result from common experience of the members of collectives that are stransmitted across generations (House & Javidan, 2004: 15). The GLOBE Project has studied diverse dimensions of societal and organizational cultures. Based on the analyses of this study nine major attributes of culture were identified (for a more elaborated review we refer to House & Javidan, 2004).

Of course the contextual influence cannot be reduced to a merely cultural impact. As seen by the diversity of interpretations of 'the contextual' (e.g., cultural, economic, technological, political, social, legislation, religion, language, policy, environmental, institutional, historical, managerial, crosscultural comparative), different levels of viewpoints are present. First of all we can look at the versatile meanings of context. The influence of a nation's culture on comparative research is different from the influence of, for instance, that nation's economy or legislation. Second, the context can be compared on a national or international level.

When conducting comparative research, for instance, in India, one can investigate the different national languages that exist within the country; on the other hand, academics can look beyond the languages within a country and compare with languages between countries. The importance this article wants to pinpoint is the influence of the point of view academics and practitioners use while conducting comparative research. Third, in-depth levels of context exist and are often stated as the contextual background for comparative research, which can also be explored (country, region, sector, organization, section, individual). As a result of these three 'ways of looking', the contextual will always have to be defined within the setting of the research conducted.

To stress the diversity of interpretations of 'the contextual', some examples found in literature are given to emphasize its abundance: cultural, economic, technological, political, social, legislation, religion, language, policy, environmental, institutional, historical, managerial, cross-cultural comparative context. As can be seen by the plenitude of examples, the interpretation of the word context seems endless. By using the term 'polycontextuality' we want to sensitize academics and practitioners in comparative research to the fact that not all contextual factors that have to be taken into account are visible or explicitly known. We are advocates of the idea that studies of comparative research can be enriched if the contextualizing that is done to describe the context is not limited to only the context that can be physically seen. Even though not every contextual factor or dimension can be taken into account, it is the awareness that will bring further and more 'context-embedded' comparative research.

4. THE CONTEXT AND HRM: WHAT DOES IT MEAN?

To illustrate the significance of the contextual influence within the HRM research field, Ignjatovic and Svetlik (2003) stated that 'the explicit assumption of a contextual approach is that country-specific factors influence the behavior of individuals and organizations thereby causing differences in HRM institutional settings, strategies and practices. Social policy regimes shape labor markets and employment relations to which organizations then adjust accordingly. They model HRM in line with different social, cultural, political and institutional settings and HRM simultaneously makes its contribution in the adjustment of organizations' (Ignjatovic and Svetlik, 2003: 26).

Rosenzweig and Nohria (1994) suggested that HRM was the area of management most likely to be subject to national differences.

Much of this interest has focused on aspects of national contexts in order to understand and explain the particular HRM policies and practices used, the implication being that HRM practices within any particular country are both historically and socially embedded, that they are context specific and that change is likely to be slow (Leat & El-Kot, 2007). Furthermore, researchers have debated whether it is cultural or institutional factors, or both, that have the greatest influence on national HRM systems (Sparrow, Brewster and Harris, 2004; Quintanilla and Ferner, 2003). Furthermore, institutionalists (e.g. Hall and Soskice, 2001; Whitley, 2000; Lane 1995) argue that national factors such as economics, governance, financial and legal systems and trade unions, which together form the national business system, are the source of the main differences in HRM between nations. Others have emphasized the influence of national culture, a concept that encompasses norms, values and their implications for beliefs, expectations, orientations and behavior and which affect HRM practices (Leat & El-Kot, 2007). Laurent (1986) argued that HRM approaches in any particular country can be seen as cultural artifacts reflecting the basic assumptions and values of the national culture in which organizations are embedded and many studies have sought to use this variable as the major explanatory variable (see, for example, Hofstede, 1993; Huang, 2000).

Budhwar and Sparrow (2002b) asserted that the last two decades of the 20th century witnessed the emergence of a stream of research showing the influence of national culture on HRM policies and practices. Bjorkman (2004) also refers to studies that have been designed to scrutinize the influence of national culture upon HRM practices and points out that the cultural dimensions of Hofstede (1980) have been used to hypothesize how HRM practices may vary across national borders. Moreover, Budhwar (2000) asserts that HRM practice is context-specific and that national HRM practice is determined by both culture-free and culture-bound factors. The HRM practices normally used by employing organizations in a particular country are therefore likely to be influenced by both culture and institutional arrangements. However, as Budhwar and Sparrow (2002b) point out, it is difficult to deconstruct the various cultural and institutional influences upon managerial behavior.

However, although these authors have emphasized the influence of contextual variables on HRM, the question remains which contextual variables are to be taken into account with regard to comparative HRM research. Considering the context-specific nature of HRM and in light of the numerous frameworks for conducting international HRM research (see, Begin, 1992; Gronhaug and Nordhaug, 1992; Hiltrop, 1996; Jackson and Schuler, 1995; Miles and Snow, 1984; Murray, Jain and Adams, 1976; Negandhi, 1975; 1983; Schuler, Dowling, and DeCeri, 1993; Tayeb, 1995; Welch, 1994),

Budhwar and Debrah (2001) made an attempt to provide a comprehensive list of factors and variables (which is by no means complete but is supported by mainstream research), which are known to determine HRM policies and practices (see figure 1). Based on the 'context-specific' premise, the authors believe different configurations of cultural, institutional, sector or business dynamic alter the specific impact that the individual contingency factors have. Understanding the complex interactions and causes-and-effect relationships between these different sets of national factors, contingent variables and organizational strategies and policies now plays a crucial role in highlighting the crossnational, but context-specific nature of HRM in different settings (Locke and Thelen, 1995; Jackson and Schuler, 1995). A detailed explanation of the framework is beyond the focus of this paper, but it should be taken into account that this framework sheds a clearer light on the various contextual variables influencing HRM models.

Insert Figure 1

Another useful categorization for conducting comparative HRM research is the classification used by Pudelko (2006). Pudelko used a systematic approach to include a variety of socio-economic contextual factors in the analysis of HRM practices and provided a framework that depicts the causal relationships between contextual factors and the HRM system as well between the contextual factors themselves. In the model, four layers of contextual factors were created, and each of these were subdivided into three categories, so that in total 12 different categories of socio-economic contextual factors affecting HRM were included in the analysis (see figure 2).

Insert Figure 2

Although these approaches can be useful or transferred to other comparative HRM research approaches, the specific point of view limits the transferability and makes similar aims in another context nearly impossible. Hence, these two approaches are just examples of the endless interpretation of the word contextual in the field of (comparative) academic research. The enumeration of all these variables precedes the goal of this paper and any paper for that matter. Therefore, we can only agree with Shapiro et al. (2007) and state that it is our strong belief that researchers should rethink what is meant by 'context' and, more specifically, researchers should define context in ways that address as many of the relevant contextual variables, including 'ways that address how these contextual variables may be nested within each other' (Shapiro et al., 2007: 139). While we clearly stated the abundance of context-related interpretations, it is advisable for authors to take in as much of the context possible, and distinguish which are the most relevant dimensions of context in comparative research one wishes to study.

5. HOW HAS CRANET HELPED BRING OUT THE CONTEXTUALITY IN COMPARATIVE HRM RESEARCH?

In this paragraph we will explore the role that the Cranet network of surveys on Comparative Human Resource Management (Brewster et al., 2004) - during its existence over the last 20 years — has played. Next, we analyze in which way the Cranet network has aided the field of International comparative HRM research in enlightening and clarifying academics and practitioners how 'context' matters. We create a framework to categorize existing comparative literature based on Cranet-data. Furthermore, we describe in which research setting Cranet has provided findings. Finally, we address the gaps that need to be filled.

This model shows a possible categorization of comparative research. We differentiate the empirical studies based on two criteria, i.e. specific vs. general subjects of HRM and a country-regionalglobal focus of the study. In the specific focus we categorize the HRM-related subjects that emphasize on a more specific HRM topic, for example, recruitment (Tanova and Nadiri, 2005), training (Nikandrou et al., 2008), impact of M&A experience (Nikandrou and Papalexandris, 2007), and outsourcing (Galanaki and Papalexandris, 2005). For the general focus the scope of the study is on a more broad HRM subject, for example, characteristics of HRM (Poór et al., 2009), bundles of HRM practices (Cunha and Cunha, 2009), HRM in transition (Milikic, Janicijevic and Petkovic, 2008), trends and developments in HRM practice (Kaarelson and Alas, 2008), and changes in HRM (Nikandrou, Apospori, and Papalexandris, 2005). For the geographical focus (country-regional-global), we opted to add a regional focus where we cluster a group of countries which are related. For example, Gooderman, Parry, and Ringdal (2008) studied the impact of bundles of strategic human resource management practices on the performance of firms, located in European Union countries. The global-focus relates more to comparative research between different countries not specifically related, for instance, in the study of Poór, Karoliny and Farkas (2007), six Eastern European countries are globally compared to 32 other countries. The countryfocus holds studies that conduct research within a country, for example, exploring the partnership between line managers and HRM in Greece (Papalexandris and Panayotopoulou, 2005).

Insert Table 2

To gain a better idea of this model and its cells, we will explain and exemplify each cell on the basis of our review of the Cranet articles.

We like to stress that this review is far from exhaustive, but it gives us a succinct idea where and in what way Cranet-data has been used. Papers were selected for this review on the basis of their publication in a journal article, their empirical relevance (meta-analytical/review articles were excluded), and availability in the EBSCOhost-database.

Based on these criteria 44 relevant Cranet-articles were identified. By categorizing them on the different axes, we explore in which area Cranet data is ample and in which data is scant. For each category we will elaborate on three studies, as clarifying examples of the different foci between the six categories.

Country-Specific research is situated in a specific country with an emphasis on specific HRM subject. Based on these criteria eight studies were categorized within this research cell (Galanaki and Papalexandris, 2005; Heraty and Morley, 1998; Kjellberg, Söderström and Svensson, 1998; Nikandrou et al., 2007; Papalexandris et al., 2005; Rasmussen and Corbett, 2008; Supangco, 2008; Tanova et al., 2005). In the study of Supangco (2008) organizational determinants of contingent employment in the Philippines were analyzed. The study is based on data derived from a convenience sample of 56 organizations that participated in the Cranet survey on comparative human resource management conducted in 2004 in the Philippines. Rasmussen and Corbett (2008) addressed teleworking, its rationale and its failure to deliver on its initial hype, in New Zealand. In a third study, Nikandrou et al. (2007) discussed the impact of M&A experience on strategic HRM practices and organizational effectiveness in Greek firms.

Country-General research entails studies that focus on a general HRM subject within a local setting. Based on these criteria three studies were categorized within this research cell (Dolan et al., 2005; Kaarelson and Alas, 2008; Milikic et al., 2008). Milikic et al. (2008) observed HRM in transition economies in Serbia (Milikic et al., 2008). Kaarelson and Alas (2008) presented trends and developments in human resource management practices in Estonia in the institutional context. Dolan, Mach and Olivera (2005) focused on HRM contribution to a firm's success, examined from a configurational perspective, based on Spanish Cranet data.

Regional-Specific research focuses on research that is situated in a regional setting - as aforementioned, a regional focus entails a cluster or group of countries which are related - with an emphasis on specific HRM subjects. Based on these criteria thirteen studies were categorized within this research cell (Brewster et al., 1997; Brewster et al., 2007; Goergen et al., 2009a; Goergen et al., 2009b; Gooderham et al., 1999; Hegewisch et al., 1996; Kabst et al., 2006; Larsen et al., 2003; Nikandrou et al., 2008; Papalexandris et al., 2002; Pendleton et al., 2002; Tregaskis et al., 2006; Valverde et al., 2000). Nikandrou et al. (2008) focused on training and firm performance in Europe: it combines national and organizational factors through a hierarchical linear model to explore the training and development and performance relationship in fourteen European countries. Kabst, Matiaske and Schmelter (2006)

observed financial participation in British, French and German organizations from a neo-institutionalist perspective. Larsen and Brewster (2003) reported line management responsibility for HRM within Europe

Regional-General research focuses on research that is situated in a regional setting with an emphasis on general HRM subjects. Based on these criteria eleven studies were categorized within this research cell (Cunha et al., 2002; Farndale et al., 2008; Filella, 1991; Gooderham et al., 2003; Gooderham et al., 2008; Ignjatovic et al., 2003; Karoliny et al., 2009; Nikandrou et al., 2005; Poutsma et al., 2006; Stavreau-Costea, 2005; Stavreau-Costea et al., 2005). Karoliny et al. (2009) analyze Hungarian and Central Eastern European characteristics of human resource management are compared. Based on analysis of the Cranet survey, similarities and differences found between six countries of the Central Eastern European region are described. In the paper it is concluded that "the once rather similar HR practices of the former socialist countries have gone through significant changes, which are, however, different in terms of their direction and extent" (Karoliny et al., 2009: p. 44). Gooderham et al. (2008) discuss the impact of bundles of strategic human resource management practices on the performance of European firms. Igniatovic and Svetlik (2003) identified clusters of European countries in which HRM can be seen to take distinctive forms. Twenty-four European countries were grouped into four distinctive clusters, with each having different HRM models: the Central Southern, the Eastern, the Nordic, and the Western cluster [for a more elaborated review we refer to Ignjatovic and Svetlik (2002)]. Further on in this paper we emphasize this method of clustering as 'a golden mean' option in the Universal-Contextual and Convergence-Divergence debates

In Global-Specific research we situate studies that have a more global setting and aim at a specific subject related to HRM. Based on these criteria four studies were categorized within this research cell (Brandl et al., 2007; Dany et al., 2008; Galanaki et al., 2007; Gooderham et al., 2006). Dany, Guedri and Hatt (2008) discuss new insights into the link between HRM integration and organizational performance by analyzing the moderating role of influence distribution between HRM specialists and line managers, based on twelve European and Non-European countries within the Cranet data. Brandl, Mayrhofer and Reichel (2007) focus on gender-egalitarian culture and differences in strategic integration among women and men in HR director positions, by cross-country comparison of HR managers involving twenty-two countries based on the 2004 Cranet survey. Galanaki and Papalexandris (2007) analyze internationalization as a determining factor of HRM outsourcing by looking at Greek

companies and foreign multinationals, i.e. USA, UK, France Germany, other EU-countries and other non-EU countries.

Studies that consist of a more general HRM subject and that are located on a global level are situated in Global-General research. Based on these criteria four studies were categorized within this research cell (Alas et al., 2008; Cunha et al., 2009; Papalexandris et al., 2004; Poór et al., 2009). The study of Poór et al. (2009) addresses the similarities and differences of human resource management in private and public sector organizations in the light of new public management in international comparison. In this study, a detailed strategic analysis is made for three geographical subsets, i.e. new public management countries, Eastern Europe, and all other countries, of the Cranet Survey 2004. Alas, Kaarelson and Niglas (2008) explore how human resource management practices in different countries (EU and non-EU) and regions have been influenced by cultural peculiarities. Papalexandris and Panayotopoulou (2004) explore the mutual interaction of societal culture and human resource management practices based on evidence from nineteen countries. The study of Papalexandris and Panayotopoulou (2004) contributes to a better explanation of HRM in an international environment. On a practical basis, the present findings could serve as a guide in transferring HRM policies within the MNC's, as they provide an indication of the most culture-sensitive practices and the way they relate to characteristics of societal culture.

We acknowledge that the focus of this review has been on the 'geographical' context of comparative HRM research within the Cranet network. Geography is only a rough indicator of contextuality, as such, geographical differences might be reflections of differences at many underlying contextual levels, (e.g. socio-political, economical and cultural) (see Pudelko, 2006). Further, more fine-grained studies could help to bring fragmentary findings together and to create a more profound holistic view on this matter. As we mentioned before, a conclusive review on this subject transcends the aim of this paper, otherwise, it clearly emphasizes the limited contextual data available within the comparative HRM literature.

First of all we like to emphasize that what we posit here is not all-embracing, perpetual or even conclusive, but it can help us frame some usefulness and applicability of empirical studies based on data from the Cranet Network. Looking at the studies we examined in our review, a prudent, but initial remark can be made with regard to the research setting. The data gathered from the Cranet Survey comes from various countries (EU and non-EU); however, the – limited - results from our categorization indicate a greater emphasis on contextual research conducted within a country, rather than studies comparing results from different (EU and non-EU) countries. Nevertheless, for the remaining studies we see salient effect in the form of a phenomenon that arises and engenders a refreshing look at comparative research, namely the clustering from different countries, or bundling of various HRM practices.

With regard to the bundling of HRM practices we see that research on the link between HRM and performance has moved from a focus on separate HRM practices to a more bundling of the overall set of HRM practices (Bowen and Ostroff, 2004). The central argument in the configurational perspective is that the impact of HRM on organizational performance is dependent on the adoption of an effective combination of HRM practices, i.e. HRM bundles (MacDuffie, 1995), and it is postulated in Ichniowski, Shaw and Prennushi (1997) that these bundles produce greater performance effects than individual HRM practices. An example of this bundling can be seen in Gooderham et al. (2008) where the authors use data derived from the Cranet data, and investigate the impact of bundles of strategic human resource management practices on the performance of European firms [for a more detailed explanation we refer to Gooderham et al. (2008)].

One of the academic pillars on the study of clustering countries is Ronen (e.g. Ronen, 1986; Ronen and Shenkar, 1985; Ronen and Shenkar, 1988), who rigorously and extensively discussed the value of clustering countries, according to similarities on certain contextual dimensions. He states that 'one of the most popular methods for analyzing variables within one culture or attempting to compare variables across societies (using countries/states) involves the need to categorize variables, in order either to support an existing theory or to establish an underlying structure by reducing the number of variables to more basic categories or dimensions. 'Such clusters may provide valuable advantages to the researcher' (Ronen and Shenkar, 1988: 74). An example of clustering can be seen in the study of Ignjatovic and Svetlik (2003) where the authors used data from the Cranet-E database to identify four clusters, based on twenty-four European countries, in which HRM can be seen to take distinctive forms:

the Central Southern cluster with its management supportive model, the Eastern cluster with its management focused model, the Nordic cluster with its employee focused model, and the Western cluster with its professional model To underline the work of Ronen we stress the importance of clustering as an appropriate method for researching various phenomena in cross-cultural and comparative research. Furthermore, clusters can help academics and practitioners by defining the extent to which findings can be generalized to other countries (Ronen and Shenkar, 1985). A final advantage point was noted by Ronen and Shenkar (1988) who supported the idea that 'the resulting map allows us to realize which domains are underrepresented, and thus serves as a stimulus for further research in these areas' (Ronen and Shenkar, 1988: 85).

By using the method of clustering, academics can look beyond their country-specific contexts and combine different nations as a group, based on contextual factors, for example, comparing EUmembers, or in light of non-EU-members. In this way the contextual can transcend local specificities and become a more regional or even global characteristic. We claim that this phenomenon can be a golden mean option in the further discussion of the two recurrent debates, i.e. the universalistic versus the contextual and the convergence versus the divergence approach. By combining the convergence - often intertwined with the universalistic approach - and the contextual approach, i.e. clustering of countries based on similar contextual factors, we offer another option to the debates, by transcending the conflict of these debates. Although this view is helpful, we are fully aware it is not the solution to the dilemma, and can therefore only be seen as a way to adapt comparative research within the two paradigms. Taking these caveats into consideration we encourage further research to fill the gap of scant research involving the clustering of countries on a global scale, both on specific and general HRM-related subjects. The Cranet Network, its researchers, and academics have provided considerable and insightful findings on a country-based, regional and global level. In doing so the Cranet network elevates itself as an ambitious, vastly growing international network that tackles topics relevant for the field of comparative research and its future endeavors.

Academic scholars need to understand the sensitivity of 'the contextual' when embarking on comparative HRM studies involving diverse contexts. 'These studies would need to be placed within the broader historical context and geographical location they take place' Kamenou (2007: 2005). Comparative HRM research within a management context warrants a different approach. With crosscultural comparative HRM research becoming a popular organizational issue and with the focus being on business case for managing across borders, management academics wanting to expand knowledge in this topic need to step back and analyze their position in the research acknowledging the possibility of contextual influences. However, we agree with Kamenou (2007), by emphasizing that, although most research studies in a comparative design are very specific in location, analysis and in the groups they involve, it is contended that the methodological discussions related to differential comparative HRM research can be applied to different contexts, samples and areas of investigation, as the emerging issues are of a universal nature. Claiming that all comparative research is subjected to contextual factors, is overstating the aim of this paper. The emphasis on the importance of the context cannot be confined to the statement that 'everything should be subjected to context'; otherwise, comparative research could never be 'comparative' again. Taking these caveats in to account, finding the right balance will be a challenging quest for any academic or practitioner.

To identify the value of the Cranet network we advert to a quote of Mayrhofer and Brewster (2005), who argued that 'ambitious international comparative research efforts cannot be done 'alone' or with only a small group of people. Its scope in terms of content and methods, the geographical spread, the financial involvement and the time investment requires a larger research group with dedicated actors – in other words: an international research network' (Mayrhofer and Brewster, 2005: 47).

This review has sought to draw new insights and research directions from the extant literature on the contextualization of comparative HRM research and the role the Cranet Network has played within this debate. In identifying the broad spectrum, the versatile meaning and the abundance of definitions of the word context; by identifying some relevant models as framework and starting point for further research; and by creating a contextual categorization to map the research studies based on Cranet data, this paper has attempted to contribute to a more translucent consciousness of context in the area of international comparative HRM research.

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TABLE 1. CATEGORIES OF CONTEXTUAL VARIABLES THAT SPAN 'WAYS OF KNOWING' (SHAPIRO ET AL., 2007)

Category	Possible contextual variables (dimensions)
Temporal-spacial	Historical
	Geographical
	Time
	Personal space
Environmental	Technical
	Economic
	Political
	Social
Cultural	Behaviours and artifacts
Cultural	Values
	Assumptions and beliefs
	Assumptions and benefit
Psychological	Cognitive
, 3	Affective
	Emotional
Philosophical	Aesthetic
	Moral
	Spiritual
Communication	Verbal
	Facial expression
	Gestures
	Body Language
Soncory	Visual
Sensory	Auditory
	Olfactory
	Kinesthetic
	Milestiletic

FIGURE 1. ADAPTED CONTEXTUAL MODEL OF FACTORS DETERMINING HRM POLICIES AND PRACTICES (BUDHWAR AND DEBRAH, 2001)

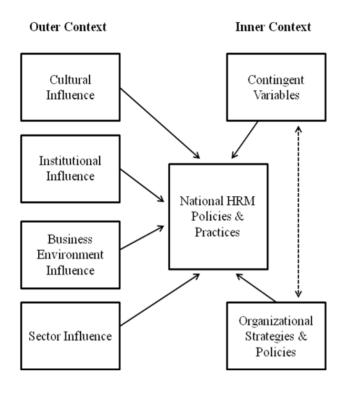
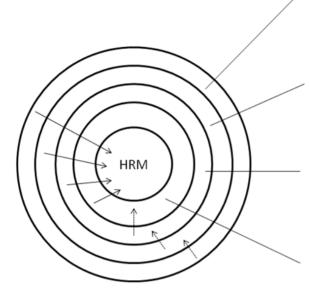


FIGURE 2. HRM AND ITS SOCIETAL-CONTEXTUAL FACTORS (PUDELKO, 2006)



Cultural contextual factors

- General characteristics
- Geert Hofstede's dimensions
- Fons Trompenaars' dimensions

Socio-political contextual factors

- Overall economic system
- Socio-demographic factors
- Educational system

Economic contextual factors

- Macro economic factors: Distribution of work and income
- Market characteristics
- Industrial relations

$\frac{Management\text{-related contextual}}{\underline{factors}}$

- Management principles
- Organisational structure
- Significance of HRM for overall management

TABLE 2. CATEGORIZATION OF EMPIRICAL RESEARCH BASED ON CRANET DATA.

	Specific	General
Country	 Galanaki and Papalexandris (2005) Heraty and Morley (1998) Kjellberg, Söderström and Svensson (1998) Nikandrou et al. (2007) Papalexandris et al. (2005) Rasmussen and Corbett (2008) Supangco (2008) Tanova et al. (2005) 	- Dolan, Mach and Olivera (2005) - Kaarelson and Alas (2008) - Milikic et al. (2008)
Regional	 Brewster, Mayne and Tregaskis (1997) Brewster, Brookes, Croucher and Wood (2007) Goergen, Brewster and Wood (2009a) Goergen, Brewster and Wood (2009b) Gooderham, Nordhaug and Ringdal (1999) Hegewisch, Brewster and Koubek (1996) Kabst, Matiaske and Schmelter (2006) Larsen and Brewster (2003) Nikandrou et al. (2008) Papalexandris and Chalikias (2002) Pendleton, Poutsma, Brewster and van Ommeren (2002) Tregaskis and Brewster (2006) Valverde, Tregaskis and Brewster (2000) 	- Cunha, Cunha, Morgado and Brewster (2002) -Farndale, Brewster and Poutsma (2008) - Filella (1991) - Gooderham and Brewster (2003) - Gooderham et al. (2008) - Ignjatovic and Svetlik (2003) - Karoliny et al. (2009) - Nikandrou et al. (2005) - Poutsma, Ligthart and Veersma (2006) - Stavreau-Costea (2005) - Stavreau-Costea and Brewster (2005)
Global	 Brandl, Mayrhofer and Reichel (2007) Dany, Guedri and Hatt (2008) Galanaki and Papalexandris (2007) Gooderham, Nordhaug and Ringdal (2006) Ozcelik and Aydinli (2006) 	 - Alas, Kaarelson and Niglas (2008) - Cunha and Cunha (2009) - Papalexandris and Panayotopoulou (2004) - Poór et al. (2009)