

HRM practices in Uruguay 1997-2007[♦]

Cassoni, Adriana^Y
Universidad ORT Uruguay

Labadie, Gaston J.[¥]
Universidad ORT Uruguay

Mayo de 2013

Abstract

The average HRM profile of medium and large firms in Uruguay is quite professionalized and formalized. It is largely oriented towards improving efficiency levels and, to a lesser extent, the degree of employees' commitment to the organization, no matter neither the firm's characterization nor its economic performance. However, given that successful companies do exhibit a more strategy-oriented behavior than the rest, the disregard of collaborative practices may be rooted on the optimality of a sequential adoption of managerial activities. The temporal evolution of the observed average patterns, the characterization of HRM practices used by innovative firms and the comparison of the profiles under different scenarios of union influence are all consistent with such hypothesized path. The existence of several 'best' configurations of practices across clusters of firms with distinct characteristics, such as their sales market and the degree of union influence, would also explain these findings. The evidence further suggests that there may be union substitution effects of HRM only in firms that are scarcely subject to union influence, as opposed to the 'mutual gains' derived from union-management collaboration in case unionization levels are sufficiently high.

Keywords: *HRM profiles; calculative and collaborative practices; union; contingent factors.*

Resumen

El perfil de gestión de recursos humanos promedio de las empresas medianas y grandes en Uruguay posee un grado de profesionalismo y formalidad aceptable. Está mayormente orientado a promover los niveles de eficiencia y, en menor medida, el grado de compromiso de los trabajadores con la organización, independientemente de las características de la firma y de su desempeño económico. Sin embargo, dado que las empresas exitosas exhiben un comportamiento más estratégico que el resto, el escaso énfasis en el uso de prácticas colaborativas podría estar vinculado a la adopción secuencial de actividades de distinto tipo. La hipótesis es consistente con la evolución temporal de los perfiles promedio, la caracterización de la gestión en empresas innovadoras y en organizaciones sujetas a distintos niveles de sindicalización. La existencia de varias configuraciones 'óptimas' dependiendo del mercado en el que opera la firma y del grado de influencia sindical constituye una explicación alternativa de las tendencias identificadas. La evidencia también sugiere que la gestión de recursos humanos podría tener un efecto sustitutivo de la acción sindical en escenarios de baja sindicalización mientras que en un marco de alta influencia sindical la colaboración entre la organización y el sindicato generaría 'ganancias mutuas'.

Palabras clave: *perfil de gestión de recursos humanos; prácticas calculativas y colaborativas; sindicatos; factores contingentes.*

Documento de Investigación, Nro. 94, Mayo de 2013. Universidad ORT
Uruguay. Facultad de Administración y Ciencias Sociales. ISSN 1688-6275

♦ We gratefully acknowledge the financial support received from the Agencia Nacional de Investigación e Innovación within the frame of the grant Fondo María Viñas (Project N° 3227), 2009.

^Y Universidad ORT Uruguay. Facultad de Administración y Ciencias Sociales. Email: adriana.cassoni@gmail.com

[¥] Universidad ORT Uruguay. Facultad de Administración y Ciencias Sociales. Email: labadie@ort.edu.uy

HRM practices in Uruguay 1997-2007

Adriana Cassoni and Gaston J. Labadie

1. Theoretical and empirical benchmark

As of today, the academic evidence on Uruguayan firms' Human Resources Management (HRM) practices is meager, partially due to scarce data availability. Surveys on the topic have been carried out only twice and just for a restricted target population – that of medium and large private enterprises - which are only around 5% of total firms despite accounting for almost 40% of employment.¹ The scant empirical research reports and publications based on these datasets (Font, 2010; Labadie, 2005; Labadie and Cassoni, 2011; Rodríguez-Gustá *et al.*, 2003) have nonetheless identified some theoretically consistent stylized facts.

The characterization of HRM profiles is generally done differentiating practices, as done in the international literature, according to whether they seek to improve the efficiency level of workers or their degree of commitment to the organization. Following Gooderham *et al.* (1999), we here denote these two types of practices, respectively, as *calculative* and *collaborative*. The concept of 'calculative' HRM activities as defined by Gooderham *et al.* (1999), refers to practices that are aimed to enhance efficiency levels instead of promoting employees' commitment to the organization, in parallel to the rationale embedded in Fombrun *et al.*'s (1984) 'Michigan Model'. The collaborative model is in turn consistent with Beer *et al.*'s 'Harvard Model' (1985), which highlights that the recognition of the employees' interests would increase their involvement with the organization and hence have a positive impact on performance.

A further distinction set in the empirical work for Uruguay relates to the degree of professionalism and formalization of HR management, that is linked to the scientific/non-scientific nature of practices (e.g., recruitment through specialized agencies or among unsolicited workers) and to the channels through which they are administered (e.g., written *versus* personal communication flows). Depending on the HRM dimension and the type of practice, these characteristics are expected to enhance efficiency and commitment levels. A highly qualified HR manager and the outsourcing of key practices are generally associated to a professionalized management while the HR manager participation in the board of directors

¹ Data referred to the early 1990s were collected through the "Survey on Best HRM Practices", carried out in two waves by Universidad ORT Uruguay and Price Waterhouse Coopers. Data referred to 1999-2001 and 2007 were gathered through a second survey, the "Survey on Labour Relations and HRM Practices", performed in 2007-08 by Universidad ORT Uruguay and Equipos Mori polling company. The questionnaire used in both cases was designed following the CRANET methodology.

and her/his involvement in policy design are linked to a strategic profile (Brewster, 2007). The existence of a HR department (HRD) at the firm is in turn considered a reflection of formal and professionalized management. Further, the fact that a qualified staff is in charge of all tasks associated to HR functions is assumed to more effectively promote efficiency while the concentration of labor relations at the firm would facilitate management-employees communication and hence result in a more strategically-oriented HRM (Strandberg, 2009).

Taking into account the above typology of practices, the following stylized facts stem from the reported evidence for Uruguay:

- Leaving aside the starring role of collective bargaining, the focus of HRM is generally set on hiring and training practices, as compared to those linked to performance evaluation and monetary payments
- The short-run horizon of employer-employees relations observed across most Uruguayan firms (Labadie, 2005) is in line with the prevalence of efficiency over commitment-oriented practices
- The pure simple management of human resources that prevailed in the 1990s (Labadie, 2005; Rodríguez-Gustá *et al.*, 2003) has progressively evolved towards more strategic and professionalized configurations of quite heterogeneous nature (Font, 2010; Labadie and Cassoni, 2011)
- The theoretical linkages between the existence of a HRD at the firm and an increased professionalism of management have not been unequivocally established (Font, 2010; Labadie, 2005; Rodríguez-Gustá *et al.*, 2003). The expected association becomes however apparent once acknowledging for the profile of HRDs (Labadie and Cassoni, 2011). Firms without a HRD and those in which the HRD imitates practices of other organizations and/or that just acts as an administrative unit have a less professionalized profile relative to those with a HRD that is updated with international practices

A long-dated discussion within the international literature refers to whether the outreach of optimal HRM configurations is universal or contingent on certain characteristics of the organization and/or its external context (Brewster, 2007). At the empirical arena, the debate materializes in the identification of HRM profiles across clusters of successful firms classified by, e.g., size, sales market, national/family ownership, societal structure and/or main competitive advantage.

Similarly, 'best' practices may also differ under distinct institutional benchmarks, with a particular emphasis on the eventual divergences driven by unionization. In this respect, a

major paradigm within the theoretical literature postulates that HRM activities are partially aimed at counterbalancing union action and would thus exert a ‘union substitution effect’ (Kochan, 1980). The alternative view argues that unions may play a partnership-oriented role instead, that would generate ‘mutual gains’ to both workers and management (Gill, 2009).

The analysis of the Uruguayan case is most suitable to contribute to the above debate due to the institutional changes that took place in the country along the last decades. Starting in 1991, the government stopped participating from centralized collective negotiations on wages and hence agreements became non-enforceable to other firms thereafter. As a consequence, sector-level bargaining was progressively abandoned (except in the case of Construction, Health-care services and Transport) and unions became increasingly weaker. By the end of the 1990s, voluntary firm-level collective negotiations were undertaken by a share of private firms, both over wages and employment conditions. In 2005, the new government reinstated industry-level wage councils with a mandatory character and for a larger number of economic activities, especially within Commerce. Union membership thus increased substantially and the number of firm-level collective agreements declined accordingly.

The applied research for Uruguay analyzes HRM profiles acknowledging for the eventually contingent character of practices across firms differentiated by the above-mentioned characteristics and under distinct institutional frames of labor relations. The focus is set on divergences linked to the extent and structure of collective bargaining and on the degree of union influence at the firm. The main findings reported are:

- Professionalized and/or strategic management is mainly adopted by large-sized, corporate, non-full-national firms and those oriented to the international market (Font, 2010; Labadie, 2005; Labadie and Cassoni, 2011; Rodríguez-Gustá et al., 2003)
- Firms that have played a leading role in the adoption of more strategic and professionalized HRM practices are of different types depending on the HRM dimension (Labadie and Cassoni, 2011). Large and non-national companies are responsible for the observed evolution in the use of training practices while medium-sized and full-national enterprises are linked to those related to hiring. Medium-size firms are also the most intensive adopters of evaluation systems, particularly if aimed at developing career programs
- HRM configurations are contingent on the institutional frame of labour relations, defined in terms of the existence and structure of collective bargaining as well as of the degree of union influence at the firm. Even though the regularities identified by early

studies (Font, 2010; Labadie, 2005) did not allow for a robust rationalization of the mechanisms at work, new insights have been gained within more narrowly defined institutional scenarios (Labadie and Cassoni, 2011). The preliminary results indicate that calculative practices, once accepted by unions, generate mutual gains for firms and workers and are hence associated to an improved organizational performance. Collaborative HRM, in contrast, seems to be less effective

HRM activities are universally expected to impact on the organizational and economic performance of firms. The theoretical literature initially studied the subject under the assumption that the effects were originated in particular practices, both taken in isolation or grouped in an additive manner (see the review in Brewster, 2007). This view was later on questioned by noting that it rules out the existence of complementarities among practices. An alternative perspective thus proposed to analyze the linkages between performance and certain configurations of HRM activities, denoted as ‘bundles’ (Stavrou and Brewster, 2005) or ‘work systems’ (Guthrie, 2001).

The existing work on Uruguay analyzing these issues identified the following regularities:

- Firms with more professionalized and strategically-oriented HRM profiles have a comparatively improved performance, particularly when calculative practices are involved (Font, 2010). The existence and size of the effects vary depending on the chosen indicator of performance - based on productivity, quality or profitability (Labadie and Cassoni, 2011)
- Complementarities among practices within each HRM dimension exist although the interactions and the size of the effects are contingent on the institutional framework of labor relations and the dimension of performance (Labadie and Cassoni, 2011)

The characterization and role of HRM activities in Uruguay that stem from the above-listed stylized facts is still poor and therefore unable to support a robust rationalization of the prevailing behavioral patterns. We here argue that such failure is partially rooted on methodological aspects related to the indicators used to proxy practices and contingent factors as well as to the statistical treatment of the datasets. We hence contribute to the existing knowledge by proposing a re-definition of practices and contingent dimensions based on theoretical and statistical arguments. We analyze the role played by the institutional framework of labor relations under a wider range of scenarios defined in terms of both the current setting (in 2007) and its temporal evolution (with respect to 2004). We further provide insights on the inherent dynamics of HR management by comparing the profiles that prevail

in 2007 with those in 1999-2001 using the answers of SLR respondents on a subset of HRM activities. Moreover, since 1999-to-2001 is a period immediately before the occurrence of a major economic crisis (in 2002) and 2007 is characterised by prosperous economic conditions, this evidence also sheds light on the linkages between HRM configurations and stages of the economic cycle.

In the next section we discuss some methodological aspects related to the sample, the information set and the definition of variables. The behavior of firms in 2007 according to the re-defined HRM practices is summarized in Section 3 both for the whole sample and across subsets of firms that result from their classification according to their economic performance, competitive advantage, economic activity, size, ownership, societal structure and sales market. We also explore the patterns that prevail under distinct institutional frameworks (high/low and increased/stable unionization). In section 4 we compare the 2007 profiles with those observed in 1999-2001 while we summarize the main findings in Section 5. We state some concluding remarks in the final section.

2. Methodological issues

2.1. Sample design

The information used in the analysis is based on 2007 primary data collected within the frame of the 'Survey on Labour Relations and HRM Practices' (SLR). The survey was conducted using an extended version of the CRANET questionnaire that included two additional modules.² The aim of the added questions was to gather information on the current and past (in 2004) roles of trade unions and collective bargaining and on the use of several HRM practices in the past (1999-2001).

The target population of the survey is the subset of 1172 medium and large firms that operated in the Uruguayan manufacturing and construction industries; commerce; and services during 2007. Size is defined in terms of employment. We postulate that firms with 50 to 99 employees are medium-sized while large companies employ 100 or more workers. The initial sample, selected using a two-stage stratified sampling model defined in terms of economic sector and size, was afterwards accrued with an additional subset of companies of particular interest. As a consequence, the sample distribution of firms does not match that in the population. Industrial companies are slightly over-represented in the sample (in 7pp)

² The CRANET questionnaire has been used by researchers in many European countries for over 15-16 years now (Stavrou and Brewster, 2005; Brewster, Mayrhofer and Morley, 2004). It includes eighty composite closed-questions, each of which presents a number of options/items covering most facets of HRM. The unit of analysis is the organization and the interviewee is the top manager of it.

while the distribution by size is severely biased towards large-sized units (see figures in black fonts in Table 1). We hence perform the analyses controlling for the actual sample design in order to avoid the introduction of biases (Fazio *et al.*, 2008).³

Table 1. Population and sample composition by size and sector in 2007 (number / % firms)

	<i>Medium-sized</i> (50-to-99 workers)		<i>Large-sized</i> (over 99 workers)		<i>Total</i>	
	Number	%	Number	%	Number	%
<i>Total Population</i>	660	56%	512	44%	1172	100%
Industry & Construction	280	24%	203	17%	483	41%
Commerce	134	11%	63	6%	197	17%
Services	246	21%	246	21%	492	42%
<i>Total Sample</i>	88	32%	186	68%	274	100%
Industry & Construction	48	18%	83	30%	131	48%
Commerce	10	3%	24	9%	34	12%
Services	30	11%	79	29%	109	40%

Source: Survey on Labour Relations and HRM Practices.

2.2. Definition of variables

2.2.1. HRM practices

The analysis focuses on seven dimensions of HRM: (i) hiring (distinguishing between recruitment and selection activities); (ii) training; (iii) evaluation systems; (iv) pay and compensation (both regular and extraordinary); (v) organizational culture; (vi) communication; and (vii) features related to the qualification of HR managers; his/her involvement in decision-making and policy design; the existence or not of a HR department; and the degree of outsourcing of HRM practices, a subset of activities that we group under the label ‘Organizational characteristics of HRM’ (Table 2).

We associate the use or not of a HRM activity to binary variables while the intensity in the use of a practice is linked to a categorical proxy. Following Fowler (2009) and Kanouze and Elliot (2010), we re-define the original scale by grouping the cases within the two lowest and the two highest strata so as to turn the five reported categories into three.

³ Our figures differ at times from those previously reported given that most of the existing literature (except for Labadie and Cassoni, 2011) do not control for sample design effects.

Table 2. Original HRM practices

Hiring	Training	Pay & compensation	Organizational culture	Communication	Organiz. characts. of HRM
1. Recruitment sources ^{1/} :	1. Programs exist or not ^{1/}	1. Wage setting:	1. Formalization:	1. Channels	1. HRM carried out:
Internal to the firm	2. By goal sought:	Individual at firm ^{1/}	Written statements	Consultive board	At the firm
Specialized agencies	Improve tech. skills ^{2/}	Collective bargaining ^{1/}	Unwritten statements	Representative body ^{2/}	No HRDept.
Educ. & tech. Institutes	Improve team-work ^{2/}	Sector agreement	2. Statements on:	To teams ^{2/}	Low profile HRDept. ^{2/}
Word of mouth info.	Access to premia ^{2/}	Firm agreement	Corporate mission	Individual ^{2/}	High profile HRDept. ^{2/}
Adverts(papers/web)	Identif. w/firm values ^{2/}	2. Benefits ^{2/} :	Corporate strategy	2. Formalization ^{2/} :	Outsourced
Public pools	Tech. skills for career	Important % of wage	HR strategy	Written	Partially ^{2/}
Unsolicited workers	Attitude skills for career	Linked to seniority	Corporate values	Unwritten	Fully
2. Profile of candidates ^{2/} :	Evaluation	Linked to performance	Ethics	3. Subjects ^{1/} :	2. HR manager profile:
Proven experience	1. Formal system ^{1/} :	Future-oriented	Responsibility	Organiz. strategy	Qualified
Actual skills	Exists or not	Future-oriented	Diversity	Financial results	Involved in policy design
Expected future skills	2. By goal sought ^{2/} :	3. Premia:	Communication	Work organization	Member of board of directors
Team- work ability	Determine wage levels	Any type ^{2/}			
Identif. w/firm values	Improve efficiency	Firm shares ^{1/}			
Odds of long-term relation	(indiv./team)	Monetary bonuses ^{1/}			
3. Selection based on ^{1/} :	Develop career at firm				
Panel or Personal interview	Assess accomplishment				
Scientific tests	of task (indiv./team)				
Personal references	Communication				

Notes: ^{1/} Practices are reported by occupation. ^{2/} Answers are reported in terms of the intensity in the use of the practice (generally within a 1-5 scale).

Source: Survey on Labour Relations and HRM Practices.

The fact that some of the above-listed individual practices are almost universally (or else most rarely) embraced hinders at times the identification of distinct configurations across firms. A similar outcome stems when HRM activities are reported by occupational category (managers and directors; professionals and technicians; administrative staff; and blue-collars) or in the case of those that are always jointly used (or discarded), so that the distributions of firms according to their original definition become empirically undistinguishable from each other.

In order to overcome these empirical problems, we define new indicators following two criteria: (i) combining information on a particular practice that is originally reported in a disaggregated manner (e.g., by occupation category) so as to give rise to a new ‘individual’ practice; or (ii) combining different individual practices that are intrinsically related to each other into a new one that is ‘composed’ in nature (e.g., training methods aimed at developing a career at the firm, such as coaching, mentoring, networking, etc.). We describe the process in detail in Section 3 and we also compare the ability of the original and re-defined indicators to identify HRM profiles.

2.2.2. Contingent dimensions

We explore the eventually contingent character of HRM configurations over seven dimensions of firms: economic sector (Industry, Commerce and Services); size (medium and large); main sales market (local, regional and world-wide); ownership (family-owned or not and with foreign capital participation or not); societal structure (corporate character or not); and main source of competitive advantage (innovation activities, cost management, marketing strategies, workers’ commitment to the organization, workers’ efficiency levels and various features of the overall organizational performance).

‘Innovation activities’ include advantages rooted on investing in R&D and/or on the introduction of diverse innovations (products; merchandising; brands; and marketing strategies). ‘Cost management’ encompasses price policies as well as those aimed at reducing labour costs (through an efficient HR department) and/or other variable costs (by means of an effective strategy for the acquisition of raw materials). ‘Marketing strategies’ refer to non-innovative advertising methods and to the provision of services to clients. We group advantages rooted on workers’ shared knowledge of the organization’s ideology and on their sense of belonging to the company in the source named ‘Workers’ Commitment’ while if founded instead on their high skill-level, we denote it as ‘HR efficiency’. We

gather a subset of factors that relate to diverse organizational aspects (strategic cooperation; systematic improvement; operational efficiency; and the setting of individual, team and overall goals) in a last source labeled as ‘Organizational performance’. We proxy each source of competitive advantage with a 3-strata categorical variable that is equal to ‘0’ whenever the firm considers that none of the factors included in the definition of a particular source is relevant. The highest value (‘2’) corresponds to the opposite case, i.e. whenever all factors are most important sources of competitive advantage, while the indicator is equal to ‘1’ if only some of them are influential.

We analyze the linkages between HRM profiles and the economic and/or organizational performance of firms taking into account three distinct dimensions - quality, productivity and profitability. We use the respondent’s subjective view on the firm’s productivity level and quality standard with respect to its competitors to define the corresponding indicators of performance.

We turn the 5-values original self-ranking into a 3-values scale (grouping the answers rated in the lowest/highest two categories). On the other hand, we use the reported level of gross benefits over the three precedent years to proxy performance in terms of profitability. The indicator ranges from ‘0’ to ‘3’ depending on the firm reporting losses, no losses nor profits, minor benefits or major profits.

More than two thirds of sampled firms are large-sized and almost half belong to Industry, as opposed to the minor share (12%) of those in Commerce (Table 1). There is prevalence of full national companies and, to a lesser extent, of non-corporate and local-market oriented firms, while the distribution by family ownership and by external sales markets (regional and world-wide) are both balanced (Table 3).

The bulk of organizations outperform their competitors regardless of the indicator used, a result in line with the enhanced difficulties faced by small enterprises relative to those of larger size. This successful performance is based, in the majority of cases, on the characteristics of human resources at the firm.

A second subset of competitive advantage are linked to organizational aspects and cost management policies while innovation and marketing activities seem to be the least observed sources at the root of firms’ success.

Table 3. Composition of the sample according to diverse dimensions in 2007 (% firms)

Family Ownership		National Ownership		Corporate	Sales market		
Family	51	National	83	Yes	39	Local	58
Non-family	49	Non-national	17	No	61	Region	19
						World	23
Firm economic performance according to:							
	Productivity		Quality		Gross benefits		
	Below avg	6	Below avg	1	Losses	13	
	Average	40	Average	30	No profits	20	
	Above avg	54	Above avg	69	Mild profits	52	
					High profits	15	
Success based on:	Marketing	Innovation	Cost mgt.	Workers' commit.	HR efficiency	Organiz. perform.	
Scarcely	20	23	15	13	21	4	
Moderately	44	67	63	30	21	74	
Largely	36	10	22	57	58	22	

Source: Survey on Labour Relations and HRM Practices.

2.2.3. Institutional framework

We characterize the institutional framework of labor relations based on several aspects, such as the rate of union membership; the existence and type of collective agreements; and the degree of influence of unions at the firm.

Information on the firm's workforce membership to unions is reported either as inexistent or else as a percentage within five intervals (1-to-10%, 11-to-24%, 25-to-49%, 50-to-74% and 75-to-100%). Collective agreements are differentiated by the degree of centralization of bargaining - at the level of the firm or the economic sector.

The degree of union influence at the firm is reported within a 5-values scale starting with the case in which it is fully irrelevant. We group the original answers in two scenarios by postulating that unionization is 'high' whenever unions are perceived as quite or largely influential while otherwise it is defined as 'low'. Firms can also be classified in terms of the temporal evolution of unionization – increased, stable or reduced - with respect to 2004 (when the regulatory framework was different).

The composition of the sample according to these dimensions is depicted in Table 4. Except for firms in Commerce and medium-sized companies in Services, the rates of union membership in the sample are similar to the private sector's overall average (over 20% according to Bianchi *et al.*, 2011).

The share of firms that are subject to sector-level collective agreements is larger in Industry than in other sectors, as expected, while the lowest percentage of companies uncovered by centralized contracts is observed for medium-sized firms in Commerce. In contrast, firm-level collective agreements are signed by a homogeneous share of sample units across almost all the defined categories (those in Industry with less than 100 workers are the sole exception).

Most companies, particularly in Commerce, declare that union influence at the firm is low and stable with respect to 2004, suggesting that the new frame of labour relations was not fully operational by 2007. On the other hand, unions are comparatively more influential across large organizations in Industry and across firms in Services regardless of their size, while increases in unionization are more frequently experienced by large than medium enterprises in all sectors.

Table 4. Union membership, collective agreements and union influence in 2007 (% firms)

	Affiliat. rate at Firm	Collective agreement		Degree of Union influence		Trend in Union influence		
		Sector	Firm	High	Low	Increased	Reduced	Stable
Total firms	11-25	75	10	12	88	32	4	64
Medium	11-25	74	8	10	90	27	5	68
Large	11-25	76	12	15	85	40	2	58
Industry	11-25	82	7	15	85	35	5	60
Medium	11-25	84	4	10	90	31	6	63
Large	11-25	80	10	21	79	41	3	56
Commerce	<10	66	11	1	99	37	0	63
Medium	<10	60	10	0	100	33	0	67
Large	<10	79	12	4	96	44	0	56
Services	11-25	72	13	14	86	28	5	67
Medium	<10	70	11	14	86	18	7	75
Large	11-25	73	14	14	86	38	3	59

Source: Survey on Labour Relations and HRM Practices.

Based on the discussion in Section 1 and given the negligible share of firms in which unionization went down, we turn the above categories into four different scenarios that acknowledge for union action at the firm - low and high union influence – and also for its temporal evolution along 2004-2007 – increased or not. The new picture that arises is depicted in Table 5. The proposed re-definition of scenarios allows for identifying diverse otherwise undetected patterns.

Table 5. Composition of the sample by union influence in 2007 (% firms)

	High union influence		Low union influence	
	Up	Down/Stable	Up	Down/Stable
Total firms	56	44	29	71
Medium	59	41	23	77
Large	53	47	38	62
Industry	51	49	32	68
Medium	40	60	29	71
Large	58	42	37	63
Commerce	100	0	36	64
Medium	0	0	33	67
Large	100	0	42	58
Services	60	40	23	77
Medium	75	25	8	92
Large	44	56	37	63

Source: Survey on Labour Relations and HRM Practices.

Most enterprises that were already highly unionized experience a further increase in union influence regardless of their economic activity. Large firms are the main drivers of such trend. Even though unionization remains unchanged for the majority of organizations in which unions are scarcely influential, increases are indeed observed in around 40% of large companies within this subset.

Therefore, the depicted patterns suggest that large and/or highly unionized organizations tend to adjust to the new institutional frame of labour relations by promoting an enhanced cooperation between management and workers mirrored in the increased incidence of unions at the firm.

3. HRM practices in 2007

3.1. Overall HRM patterns and firm performance in 2007

We discuss the relative frequencies in the use of each type of practice by HRM dimension. The comparison of the estimated distribution of firms controlling for sample design with those reported in previous studies unravels the significance of the biases that are introduced by ignoring the issue.

Based on the patterns that stem from the use of the original practices, we re-define some of them following the criteria stated in Section 2.2.1. We use a set of HRM activities (that includes both original and re-defined practices) to identify the prevailing HRM profiles. We also explore differences in the managerial activities across firms with distinct economic performance, competitive advantage and union influence.

3.1.1. Hiring practices

We distinguish between hiring practices related to the recruitment of prospective workers and to selection processes. The SLR provides data by occupational category on whether recruitment sources and selection methods are used or not. Information on the general profile of candidates sought in selection, regardless of the type of vacancy to be filled, is reported within a 5-values scale.

Firms recruit managers, for the most part, within the organization itself, through specialized agencies and, to a lesser extent, through adverts. Over 40% of enterprises use adverts and specialized agencies as recruitment sources for professionals, technicians and administrative employees, although 25% or more also choose applicants within educational institutes or based on qualified word of mouth information. In the case of blue-collars, adverts are the main source of recruitment but a non-negligible share of firms (almost 40%) also fill vacancies with unsolicited applicants or else based on word of mouth information (Table 6).

Table 6. Individual HRM practices in 2007 – Hiring (% firms)

Recruitment sources		Selection method	
Internal to the firm	71	Unsolicited	38
Managers	52	Managers	4
Professionals & Technicians	30	Professionals & Technicians	12
Administrative staff	43	Administrative staff	17
Blue-collars	30	Blue-collars	37
Specialized agencies	59	Public pools of workers	14
Managers	45	Managers	4
Professionals & Technicians	48	Professionals & Technicians	8
Administrative staff	41	Administrative staff	9
Blue-collars	16	Blue-collars	14
Educational & Tech. institutes	42	Selection profile	
Managers	10	Proven experience	90
Professionals & Technicians	29	Frequently	60
Administrative staff	24	Always	31
Blue-collars	17	Current skills	97
Qualified word of mouth	48	Frequently	41
Managers	14	Always	56
Professionals & Technicians	26	Long-term work-relations	80
Administrative staff	25	Frequently	48
Blue-collars	37	Always	32
Adverts	68	Expected future skills	91
Managers	30	Frequently	60
Professionals & Technicians	47	Always	31
Administrative staff	55	Compatibility w/staff	90
Blue-collars	51	Frequently	41
		Always	49
		Identification w/firm ideology	96
		Frequently	52
		Always	44
		Interview (panel)	38
		Managers	34
		Professionals & Technicians	28
		Administrative staff	18
		Blue-collars	12
		Interview(personal)	99
		Managers	73
		Professionals & Technicians	79
		Administrative staff	87
		Blue-collars	82
		Scientific Tests: skills	58
		Managers	33
		Professionals & Technicians	41
		Administrative staff	37
		Blue-collars	27
		Scientific Tests: other	59
		Managers	46
		Professionals & Technicians	42
		Administrative staff	27
		Blue-collars	33
		Personal references	74
		Managers	56
		Professionals & Technicians	57
		Administrative staff	62
		Blue-collars	54

Notes: Total percentages refer to the use of the practice for at least one occupational category.

Source: Survey on Labour Relations and HRM Practices.

Leaving aside the distinction by occupation, the evidence shows that most firms do not rely on a unique recruitment source. The company itself (associated to collaborative recruitment), advertisements (a non-professionalized source) and specialized agencies (a professional source generally but not solely linked to calculative recruitment) are the sources of most widespread use. Therefore, the apparent recruitment profile is more strategy than efficiency oriented while there is not a clear prevalence in the use of professionalized over non-professionalized sources or *viceversa*.

In order to more accurately characterize actual patterns, we propose an alternative classification according to the degree of professionalism of sources but keeping adverts as a sole type due to its widespread use. Taking into account the composition of the sample in terms of the original practices, we assign a different weight to the use of internal to the firm recruitment depending on whether or not it involves managers. The proposed new sources are:

1. Non-professional recruitment – Adverts. Individual practice linked to the frequent or generalized use of any sort of adverts (newspapers, webpages, etc.) for workers in at least one type of occupation (binary indicator)
2. Non-professional recruitment – Others. A ‘composed’ practice associated to the at least frequent filling of vacancies of any type with unsolicited applicants *and/or* choosing among those offering their services through public pools (binary indicator)
3. Professionalized recruitment. A ‘composed’ practice associated to the frequent or generalized use of specialized agencies, educational & technical institutes *and/or* qualified word of mouth information⁴ for workers in at least one type of occupation (binary indicator)
4. Internal to the firm recruitment – ‘individual’ practice proxied by a categorical indicator that is equal to ‘2’ when managers *and* employees of at least one of the remaining three occupations are frequently or always recruited within the firm. It is equal to ‘1’ when the practice is either restricted to managers *or else* to workers in other occupations *except* for managers while the indicator is equal to ‘0’ when these sources are rarely or never used

⁴ In small economies with underdeveloped capital markets, word of mouth information provides meaningful orientation with respect to organizational and management performance, in parallel to that obtained from public firms (with shares publicly traded) and capital markets.

The profile of applicants is differentiated according to six characteristics: current skills; proven experience; identification with the ideology of the firm; compatibility with the existing workforce so as to perform within teams; the odds of establishing a long-lasting work relationship; and the applicant's expected future performance regardless of her/his current abilities. The intensity with which the firm emphasizes each of these features is measured within a 5-values scale that we turn into 3 following the previously mentioned criterion.

The fact that the bulk of firms set the emphasis on all characteristics, at least on a frequent basis, hampers the identification of eventually differentiated behaviors (Table 6). This shortcoming may be however overcome by re-classifying profiles based on whether their intrinsic nature is linked to the current technical abilities of applicants, their expected long-term performance or their likely degree of commitment to the organization.

The cross-tabulation of cases depicted in Table 7 largely supports the proposed categorization.

Table 7. Cross-tabulation according to the profile of new workers in 2007 (% firms)

Proven experience		Current skills			Total
		Never	Frequently	Always	
Never		1	3	6	10
Frequently		1	27	24	52
Always		1	11	26	38
Total		3	41	56	100
Future-oriented		Expected skills			Total
		Never	Frequently	Always	
Never		2	5	1	8
Frequently		12	35	13	60
Always		6	8	18	32
Total		20	48	32	100
Compatible with fellow workers		Identification w/firm ideology			Total
		Never	Frequently	Always	
Never		1	8	2	11
Frequently		2	26	13	41
Always		1	18	29	48
Total		4	52	44	100

Source: Survey on Labour Relations and HRM Practices.

The re-defined selection profiles are:

1. Strategy-oriented. When the focus is set on the applicant's identification with the ideology of the firm *and/or* her/his compatibility with the existing staff
2. Efficiency-oriented. When the focus is set on the applicant's current skills *and/or* proven experience

3. Future-oriented. When the focus is set on the applicant's expected future performance *and/or* the odds of establishing of a long-lasting work relation

We proxy the new practices by 3-categories indicators that are equal to '2' whenever at least one of the two characteristics is always most relevant to decide upon applicants. The indicators are equal to '1' whenever both facets are frequently emphasized while they are otherwise equal to '0'.

Regarding selection methods, almost all firms decide upon new hirings for at least one category of workers by means of personal meetings with applicants, as opposed to the small share that use panels of specialized interviewers (Table 6). Individual interviews are also the most frequent method of selection for each occupation, followed by the consideration of personal references. The use of scientific tests is quite widespread but to an extent that varies across occupations.⁵

As before, such a widespread use of all the listed practices hinders the distinction among heterogeneous HRM profiles. We hence propose to group selection techniques into 'composed' practices as follows:

1. Scientific methods. A 'composed' practice associated to the selection of workers through a specialized panel of interviewers *and/or* based on the results of scientific tests to determine skill-levels or other characteristics of prospective employees (binary indicator)
2. Non-scientific methods. A 'composed' practice associated to the selection of workers through personal interviews *and* references (binary indicator)
3. Multiple selection methods. A 'composed' practice associated to the selection of workers through different types of methods. We proxy the practice with a categorical variable that is equal to '0' when new workers are selected *just* through non-scientific methods; is equal to '1' in case firms use scientific methods *and* personal interviews *but not* references; and is equal to '2' when selection is based on scientific methods *and* personal interviews *and* references

As shown in Table 8, the use of the three subsets of re-defined hiring practices enables to differentiate between otherwise undistinguished patterns.

The new classification of recruitment sources brings forth the large prevalence in the use of those of a professionalized character. Even though prospective employees that are

⁵ In Table 6 we report the diverse tests aggregated in two types for the sake of simplicity. The percentages corresponding to the original practices are available upon request.

likely to develop high degrees of commitment to the organization would also be better recruited through professional sources, the reduced share of firms that recruit both managers and other workers within the organization suggests that the average profile is more oriented to the use of calculative over collaborative practices.

Table 8. HRM practices in 2007 – Hiring (% firms)

Recruitment sources	
Non-professionalized sources - Adverts	68
Non-professionalized sources - Other	52
Professionalized sources	86
Internal to the firm recruitment: Only managers OR only other occup.	33
Internal to the firm recruitment: Managers & other occupation	38
Selection profiles	
Strategy-oriented profile	
Ident.w/firm's ideology & w/eventual fellow workers - Frequently	26
Ident.w/firm's ideology &/OR w/eventual fellow workers - Always	62
Efficiency-oriented profile	
Current skills & proven experience – Frequently	28
Current skills &/OR proven experience – Always	67
Future-oriented profile	
Expected skills & long-lasting relation - Frequently	35
Expected skills &/OR long-lasting relation - Always	46
Selection methods	
Non-scientific methods (personal interviews and/or references)	75
Scientific methods (panel interviews and/or diverse tests)	81
Multiple methods	
Only non-scientific methods	21
Managers	45
Professionals & Technicians	22
Administrative staff	40
Blue-collars	59
Only scientific methods & personal interviews	18
Managers	10
Professionals & Technicians	20
Administrative staff	17
Blue-collars	16
Scientific methods & personal interviews & personal references	61
Managers	45
Professionals & Technicians	58
Administrative staff	43
Blue-collars	25

Source: Survey on Labour Relations and HRM Practices.

A large percentage firms (at least 62% to 67%) seek applicants with that are likely to be skilled and committed to the organization while in 50% of cases they also set the emphasis on the establishment of long-lasting work-relations. The balanced treatment given to skill and experience as indicators of work-efficiency levels as well as to the applicant's compatibility with the ideology of the firm and its eventual fellow workers as measures of

commitment is at the root of the result since it allows the diverse facets for exerting a distinct impact on work performance depending on the type of vacancy.

The proposed re-categorization of selection methods suggests a behavioral pattern that is not fully in line with that associated to the original set of practices. Indeed, the apparent preponderance of non-scientific methods (references and personal interviews) vanishes once scientific tools are grouped in one category. The extended usage of a variety of perceptions to decide upon applicants becomes evident through the isolation of firms that use both types of methods (79%) from the rest, as reflected by the ‘multiple methods’ indicator.⁶

In summary, our evidence suggests that medium and large firms in Uruguay exhibit a professionalized hiring profile and pose a similar emphasis in the use of calculative and collaborative practices. This characterization is not in place, however, in the case of blue-collar workers, for whom professionalized recruitment sources and scientific selection methods are rarely used. The finding is worth a more in-depth analysis that enables the comprehension of both its underlying rationale and its eventual impact on the organizational and economic performance of firms.

3.1.2. Training practices

The SRL information allows for classifying firms according to whether or not they offer training to workers in diverse occupations. It further reports the degree of intensity with which firms use training aimed at improving different dimensions of workers’ performance regardless of their occupation.

As shown in Table 9, the share of firms that train workers is most homogeneous across occupations. We therefore propose to ignore such distinction and define instead an individual practice (proxied by a binary variable) that states whether or not the firm offers training to at least one type of workers.

The excessive disaggregation of programs according to their main objective, in turn, is likely to hamper the identification of actual regularities of relevance. However, the intrinsic common nature of particular subsets of goals and the similar shares of firms that offer these types of training suggest their grouping in four categories.⁷

⁶ It is worth noting, however, that personal interviews and background information are generally quite reliable selection methods despite their non-scientific nature within countries with a small-sized population like Uruguay

⁷ We do not report the sample composition according to the original goals of training for the sake of simplicity. Tabulations are available upon request.

A first subset includes programs aimed at the preparation of employees for future and multiple tasks as well as at improving the individual technical abilities of new and existing workers regardless of their actual skills. The second type gathers instead those that seek to improve the collective performance of the staff through the consolidation of teams and/or by enhancing the degree of commitment to the organization. A further purpose refers to the access to monetary rewards conditional on the participation from training programs while the last category involves the development of a career within the firm by improving the learning capabilities of employees (through e-learning; attending to specialized training programs; or participating in projects and team-work activities) or else their attitude towards the organization (by targeting high-potential managers; through the provision of formal career plans; participating from temporal visits to other organizations; networking; coaching; or monitoring).

The proposed grouping of programs shows that, except for those that grant the access of employees to monetary premia (used by a minority of companies), a large and homogeneous share of firms frequently or regularly use training programs aimed at any of the re-defined goals. Therefore, the evidence is consistent with an average prevailing training profile that is both efficiency and strategy oriented.

Table 9. HRM practices in 2007 – Training (% firms)

Training		
Any goal		71
	Managers	56
	Professionals & Technicians	60
	Administrative staff	58
	Blue-collars	57
Aimed at improving:		
	Individual skills	70
	Frequently	30
	Always	40
	Commitment to firm	69
	Frequently	37
	Always	32
	Access to monetary premia	44
	Frequently	34
	Always	10
	Career development	73
	Frequently	36
	Always	37

Source: Survey on Labour Relations and HRM Practices.

3.1.3. Evaluation practices

Less than 50% of firms evaluate the performance of their staff through formal systems, a result that, in line with previously reported findings, suggests a poor development of this

HRM dimension (Table 10). Even though administrative employees and blue-collars are relatively more subject to evaluation than managers and the professional and technical staff is, differences by occupation are not substantial. We thus propose to define an individual practice in terms of the existence or not of a formal evaluation system for at least one category of workers (that is hence proxied by a binary variable).

The survey explores the use of evaluation with distinct purposes that are classified in eleven types. As is the case with training programs, such detailed disaggregation largely hinders the identification of clear patterns. We hence follow the same strategy and group the diverse goals in five categories that are both theoretically and statistically robust. We distinguish between evaluation systems aimed at: (i) wage determination (when it is a means to set and/or administer wages); (ii) identifying inefficiencies (that stem from qualification needs and/or operational bottlenecks); (iii) promoting communication with workers (acknowledging employees’ opinions and feelings); (iv) verifying/recognizing the accomplishment of tasks (in terms of specific and/or overall goals); and (v) developing a career at the firm (when it is a means to promote workers).

The share of firms is quite homogeneous across the above-defined categories except, as in the case of training, when aimed at wage determination (in 40% of cases).

Table 10. HRM practices in 2007 – Evaluation (% firms)

Evaluation systems			
Formal			48
	Managers		30
	Professionals & Technicians		33
	Administrative staff		39
	Blue-collars		38
Aimed at:			
	Wage determination	40	Accomplishment of tasks
	Frequently	24	Frequently
	Always	16	Always
	Identify inefficiencies	47	Career development
	Frequently	21	Frequently
	Always	26	Always
	Promote communication w/ workers	44	
	Frequently	21	
	Always	23	

Source: Survey on Labour Relations and HRM Practices.

The cross-tabulation of the cases that correspond to the use of evaluation practices oriented to enhance the degree of commitment of workers (i.e., that promote communication and career development) and of those aimed at improving efficiency levels (i.e., that verify the accomplishment of tasks and identify inefficiencies) shows that there is

an extremely high percentage of firms that undertake both practices with equal intensity within each of the two subsets (90% and 83%, respectively).

Since no loss of information would result from their joint consideration, we define two ‘composed’ practices – ‘Calculative’ and ‘Collaborative’ evaluation – and proxy them using categorical variables that are equal to ‘0’ in case the firm does not seek neither of the two goals within each subset; they are equal to ‘1’ if evaluation is frequently intended to attain at least one of the goals; and they are equal to ‘2’ if the aim of evaluation systems is always one or both goals.

The resulting distribution of firms according to the two new indicators and their cross tabulation is depicted in Table 11.

Even though under the new categorization the majority of firms never evaluate the performance of their workers (52%), organizations that regularly do so are more numerous than those that only intermittently carry out evaluation.

Table 11. HRM practices in 2007 – Evaluation (% firms)

Calculative evaluation	Collaborative evaluation			<i>Total</i>
	Never	Frequently	Always	
Never	52	0	0	52
Frequently	0	14	8	22
Always	0	2	24	26
Total	52	16	32	100

Source: Survey on Labour Relations and HRM Practices.

Moreover, the subsets of firms that undertake calculative and collaborative evaluation practices within a certain category (frequently/always) are almost fully coincidental, suggesting that there is a cluster of organizations (around one forth of the sample) that are characterised by a professionalized evaluation profile that is both strategy and efficiency-oriented.

3.1.4. Pay and compensation practices

The dimension comprises wage setting practices and the use of regular benefits and extraordinary premia linked to diverse aspects.

Given the mandatory legal character of sector-level agreements, wages above the bargained levels would act as an incentive for workers to keep their current jobs and hence to increase their effort and productivity (as proposed by the Theory of Efficiency Wages) while they may also act as a means to reward workers for their commitment to the company. Therefore, we assimilate wage determination at the firm to both a strategy and/or

efficiency oriented practice, particularly when it involves blue-collars and administrative employees.⁸

In line with the prevailing institutional framework, wages for at least one occupation category are most generally set through collective negotiations. However, a large share of organizations also determine wages at the firm, particularly in the case of managers, professionals and technicians, as expected (Table 12).

Table 12. HRM practices in 2007 – Pay & compensation (% firms)

Wage set at firm	67	Wage set by collective agreement	85
Managers	58	Managers	23
Professionals & Technicians	50	Professionals & Technicians	37
Administrative staff	43	Administrative staff	62
Blue-collars	30	Blue-collars	75
		Collective agreement	85
		Sector-level	75
		Firm-level	10
Benefits on a regular basis			
Important share of wages	49		
Frequently	30		
Always	19		
Future-oriented	78	Linked to organizational goals	36
Frequently	43	Frequently	22
Always	35	Always	14
Linked to seniority	58	Linked to indiv. work perform.	43
Frequently	26	Frequently	28
Always	32	Always	15
Premia	32		
Frequently	16		
Always	16		
Premia: firm shares ^{1/}	19	Premia: monetary bonuses ^{1/}	49
Managers	17	Managers	37
Professionals & Technicians	6	Professionals & Technicians	31
Administrative staff	4	Administrative staff	25
Blue-collars	2	Blue-collars	29

Note: ^{1/} The percentages refer to the use or not of the practice and hence they also include firms that rarely use these premia.

Source: Survey on Labour Relations and HRM Practices.

Benefits are an important share of regular pay only for at most half of firms in the sample. They are mainly future-oriented incentives, consistent with a strategic management of human resources. Those associated to seniority are equally frequent, but their character in terms of HRM profiles cannot be asserted *a priori* given the legal regulations on the matter. On the other hand, a relatively small share of firms use performance-contingent benefits, linked to both individual work performance and the accomplishment of team and organizational goals.

⁸ Wages for managers and professionals are rarely set through collective agreements in Uruguay.

In contrast, the use of annual premia to reward workers' performance is not a widespread practice. A low but yet non-negligible proportion of firms use firm-shares as contingent premia only for managers and directors while the use of monetary bonuses is instead a more frequent practice in the case of employees in other occupations.⁹

Such insufficient use of premia and benefits suggests that pay and compensation practices are far behind the expected characterization of strategy-oriented HRM profiles.

3.1.5. Formalization and organizational culture practices

We evaluate managerial practices linked to organizational culture in terms of the existence of explicit statements on eight features: corporate mission; corporate strategy; HR strategy; corporate values; diversity; code of ethics; social responsibility; and communication policies. We assimilate its degree of formalization to the frequency with which the statements are written.

According to the SLR data, 97% of firms have an explicit statement on at least one organizational culture aspect while there is at least one of them that is written in around two thirds of companies. Except in the case of diversity, the shares are quite similar across statements and although to a lesser extent, they are also homogeneous across written statements (Table 13).

Table 13. HRM practices in 2007 – Organizational culture (% firms)

Corporate mission	79	Diversity	44
	Unwritten 30		Unwritten 27
	Written 49		Written 17
Corporate strategy	79	Code of ethics	75
	Unwritten 38		Unwritten 42
	Written 41		Written 33
HHRR strategy	77	Social responsibility	69
	Unwritten 46		Unwritten 39
	Written 31		Written 29
Corporate values	66	Communication policy	74
	Unwritten 27		Unwritten 44
	Written 39		Written 30

Source: Survey on Labour Relations and HRM Practices.

We thus propose to reflect the different levels of firms' strategic HRM behavior by combining statements with distinct formalization degrees on the diverse features to define a 5-categories 'composed' practice – denoted as 'formalization/organizational culture'.

⁹ The available information on premia by occupation type does not distinguish between the degrees of usage of the practices. In contrast, the aggregated figures only involve the frequent and/or regular use of premia. Therefore, the overall shares are always smaller than those reported by occupation are.

We assimilate firms with written statements on all eight aspects to those with a fully-formalized strategic HRM profile and include them in the top category (5.5% of cases). At the other end, those without a statement, written or not, on any of the eight features correspond to firms with a non-strategic HRM profile and are gathered in the bottom-stratum (3.5%).

The second lowest category includes organizations that have statements on one or more aspect but none of them is written (30% of cases). We argue that the common profile of firms in this subset is linked to the informal character of their organizational culture, as opposed to the arbitrary nature of any alternative ranking based on the number of statements.

In between the second and fifth categories (61% of cases), we define two types of HRM profiles based on the regularities that stem from the distribution of firms that have some but not all statements written (Table 14) as well as from the results obtained from multiple cross-tabulations of cases.¹⁰

Corporate mission is by far the most formalized aspect of organizational culture across these firms, followed by corporate strategy and values. In contrast, only 19% of companies have written statements on diversity.

Table 14. Firms with partially formalized organizational culture in 2007 (% firms)

Corporate mission		92	Diversity		48
	Unwritten	21		Unwritten	29
	Written	71		Written	19
Corporate strategy		90	Code of ethics		82
	Unwritten	32		Unwritten	37
	Written	58		Written	45
HHRR strategy		86	Responsibility		75
	Unwritten	44		Unwritten	36
	Written	42		Written	39
Corporate values		80	Communication policy		79
	Unwritten	25		Unwritten	39
	Written	55		Written	40

Source: Survey on Labour Relations and HRM Practices.

The absolute majority of firms with a written statement on corporate mission (53%) also have a formalized statement on both corporate strategy and values while a written clause on any of the other dimensions is only present in at most 25% of cases.

¹⁰ The tables are omitted for the sake of simplicity but are available upon request.

At the other end of the spectrum, less than 10% of firms that do not have written statements on these three organizational aspects do have a formalized clause on any of the other five while none has written statements on all aspects.

The above evidence thus suggests that firms that have written statements on corporate mission, strategy and values plus at least one written statement on any of the other features exhibit a more formalized profile in terms of organizational culture than the rest. We therefore group them in the second-highest stratum of our indicator.

We include the remaining cases in the mid-range category that would thus be linked to a scarcely formalized organizational culture. The categorization of firms according to the proposed indicator is shown in Table 15.

The grouping of the original practices related to organizational culture reflects that one third of firms exhibit a scarcely formalized profile, a result that is in line with previously reported findings.

However, the proposed indicator also serves to identify a most distinct behavioral pattern among 27% of firms, characterized by a quite extended and highly formalized managerial profile.

Table 15. HRM practices in 2007 – Formalization/organizational culture (% firms)

Non-strategic profile		3.5		
Non-formalized strategic profile		30		
Low formalized strategic profile		39		
Highly formalized strategic profile		22		
Fully formalized strategic profile		5.5		
		Non-formalized strategic profile	Low formalized strategic profile	Highly formalized strategic profile
Corporate Mission	Unwritten	17	12	----
	Written	----	22	22
Corporate Strategy	Unwritten	19	19	----
	Written	----	14	22
HHRR Strategy	Unwritten	19	20	6
	Written	----	14	13
Corporate values	Unwritten	12	15	----
	Written	----	12	22
Diversity	Unwritten	9	12	5
	Written	----	4	8
Code of ethics	Unwritten	19	15	7
	Written	----	15	13
Responsibility	Unwritten	17	16	6
	Written	----	11	13
Communication policies	Unwritten	20	17	7
	Written	----	12	13

Source: Survey on Labour Relations and HRM Practices.

3.1.6. *Communication practices*

The dimension encompasses the use of diverse channels to communicate with several topics. We differentiate between degrees of formalization according to the use of written or unwritten communication channels as well as in terms of the existence of workers' representative bodies and/or consultive boards.

We further consider that the individual or collective nature and the participation of the subordinate staff in communication flows that involve diverse topics are a reflection of the efficiency and/or strategy oriented character of communication policies.

Following the above distinction, the evidence shows that most firms use both formal and informal as well as individual and collective communication channels while a similar percentage of companies rely on one type or the other. In contrast, less than a third of firms in the sample have a consultive board and/or communicate with workers through representative bodies (Table 16).

The bulk of companies communicate with workers other than managers on topics related to work organization and, to a lesser extent, to the organizational strategy. In contrast, less than 50% of them provide information to the subordinate staff on the firm's financial results. Therefore, the quite formalized HRM profile in terms of communication is in line with a strategically oriented management.

Table 16. HRM practices in 2007 – Communication (% of firms)

Communication interlocutors & channels		Topics & interlocutors	
Interlocutors		Topics	
Consultive Board	32	Organizational strategy	98
Workers' representative bodies	27	Managers	96
Individual	69	Other workers	74
To teams	53	Financial results	94
Collective flows	71	Managers	93
Individual & collective flows	40	Other workers	47
Channels		Work organization	94
Written	72	Managers	94
Unwritten	78	Other workers	87
Written & Unwritten	54		

Source: Survey on Labour Relations and HRM Practices.

3.1.7. *Organizational characteristics of HRM*

This dimension encompasses the degree of professionalism of HR management and the role it plays in terms of decision-making and policy design. We explore the topic through

the description of outsourcing practices and the characterization of HR managers and HR departments (HRDs).

Around 50% of companies have a HRD and they almost unanimously consider its role as largely relevant for the organization. HRDs are generally in charge of firm-level negotiations materialized in collective agreements and, to a lesser extent, in sector-level bargaining. One third of HRDs are in charge of bureaucratic tasks and/or imitate managerial activities undertaken by other firms while in 50% of cases they are updated with international practices (Table 17).

Table 17. HRM practices in 2007 – HR department types and roles at the firm (% firms)

HR department		Head of HR Department				
Formal department at the firm	52	Qualified	49			
Important	93	Imitative/bureaucratic	45			
Imitative/bureaucratic	32	Updated/professionalized	58			
Updated/professionalized	50	Belongs to Board of Directors	60			
Involved in sector-level bargaining	57	Imitative/bureaucratic	38			
Involved in firm-level bargaining	79	Updated/professionalized	71			
		Involved in policy design	95			
		Imitative/bureaucratic	41			
		Updated/professionalized	72			
<i>Outsourcing</i>	No	Full	Partial	Pay	Hiring	Training
Imitative/bureaucratic	36	7	57	25	30	47
Updated/professionalized	24	9	67	35	42	49

Source: Survey on Labour Relations and HRM Practices.

Regardless of the HRD's profile, most firms outsource some or all HR functions, especially those linked to training, hiring and pay.

In contrast, the share of companies in which the HR manager is qualified for the task and participates from decision-making and policy design among those with a professionalized HRD is larger compared to that among firms with a bureaucratic HR division.

Even though around 60% of companies have a non-qualified HR manager, the percentages differ across firms with and without a HRD: the share observed among those without such formal unit is almost twice that corresponding to firms with a HRD. HR managers are involved in policy design in less than 50% of cases, although the opposite holds for those that companies with a HRD (Table 18).

On the opposite, non-qualified managers are members of the board of directors more frequently than HR specialists are while the participation from decision-making is also comparatively more widespread across organizations without a HRD than otherwise.

Table 18. HRM practices in 2007 – HR manager characterization (% firms)

HR Manager	Total firms	HR department		HR manager qualified	
		Yes	No	Yes	No
Qualified	39	49	27	---	---
Belongs to Board of Directors	67	60	74	59	71
Involved in policy design	39	56	20	48	33
Outsourcing					
No	36	27	46	17	46
Full	4	6	2	2	6
Partial	60	67	52	81	48
Pay	24	28	19	23	25
Hiring	31	36	26	42	25
Training	41	52	30	55	33

Source: Survey on Labour Relations and HRM Practices.

Similarly, the propensity to outsource some or all HR functions is relatively larger across companies with a HRD and/or with a qualified HR manager. The patterns that characterize firms with bureaucratic/imitative HRDs are at the root of these findings (see Table 17).

The resulting characterization in terms of the organizational characteristics of HRM is therefore consistent with a partially professionalized and strategic HRM profile. The bulk of firms with the highest standards – qualified HR managers, involved in policy design and decision processes - are also those with professionalized/updated HRDs.

3.1.8. HRM patterns by economic performance and competitive advantage in 2007

Our findings suggest that the average profile of medium and large firms in Uruguay is quite professionalized and formalized. It is largely oriented towards improving efficiency levels and, to a lesser extent, the degree of employees' commitment to the organization.

The prevailing patterns are however distinct between subsets of firms, a finding that may stem from their divergent economic performance (according to profitability, productivity and quality levels) or else from their differing main competitive advantage, among other reasons. We analyze these issues using the indicators of performance and competitive advantage defined in Section 2.2.2.

The average HRM profile of successful organizations is professionalized and oriented towards improving efficiency to a similar extent than that of non-successful firms. In contrast, even though high performance organizations pose a comparatively enhanced emphasis on the use of particular commitment-oriented practices (related to hiring, training, contingent pay and organizational culture aspects), their average profile can be considered as strategic only in terms of particular dimensions of management.

This is the case of the organizational characteristics of HRM and the use of formal evaluation systems as well as of wage setting mechanisms and contingent monetary bonuses whenever performance is measured in terms of profitability or productivity (Table A.1 in Appendix A).¹¹

Except for those that root their success on developing innovations, the patterns are also quite homogeneous across firms with distinct competitive advantage. The differentiated intensity in the use of particular HRM activities observed within specific clusters is, as before, insufficient to set a distinction between the prevailing HRM profiles. One example is that of organizations with main competitive advantages rooted on cost management that use collaborative and calculative evaluation systems to a much larger extent than other firms (Table A.3 in Appendix A).

Innovative organizations exhibit a more strategy-oriented HRM profile with respect to the rest and they also put a larger emphasis on establishing long-lasting work relations through diverse channels.

They recruit workers within the firm and select prospective workers using both scientific and non-scientific methods to a larger extent than other companies do. They offer training to their staff aimed at improving both efficiency levels and the understanding of the business and also as a means for employees to develop a career within the firm. They use of evaluation to decide upon promotions and reward the individual and collective performance of workers using future-oriented regular benefits.

Their communication policies are formalized and most inclusive (workers in all occupations are informed on all topics much more generally than in other firms). Although the average qualification level and roles of HR managers in innovative companies are similar to those observed for other organizations, they more frequently have a formal HRD that is updated with international managerial practices.

3.2. HRM patterns by firm-characteristics in 2007

The above-identified configurations of HRM practices may be the reflection of a particular and generalized managerial behavior but they may also be the result of combining the eventually heterogeneous patterns that characterize diverse subsets of enterprises.

In order to explore the issue, we compare HRM profiles across firms classified by economic sector, size, ownership, societal structure and sales market (as defined in Section

¹¹ Comparisons among categories in the text are done taking into account a 95% confidence level.

2.2.2). The detailed description of the corresponding data is summarized in Tables A.3 to A.8 in Appendix A.

The configurations observed for *family and non-family owned* organizations are largely similar across all HRM dimensions and particularly in the case of those that involve hiring and training practices. The slight differences observed for a reduced number of practices is insufficient to set a distinction between the prevailing average patterns (Table 19).

Table 19. HRM practices by firm characteristics in 2007 (% firms)

Practices	All firms	Large	Non-National	Corporation	World Exporter
Hiring					
Recruitment - Professionalized	86	92	97	88	93
Recruitment - At the firm Man.& Other	38	41	54	40	45
Selection profile - Efficiency-oriented	67	72	76	70	73
Selection profile - Strategy-oriented	62	63	73	63	66
Selection method-Scient. & intvs. & refs	61	68	69	64	66
Training					
Individual skills	40	47	65	46	55
Access mon.premia	10	11	20	17	15
Career development	37	42	39	37	42
Evaluation					
Formal system	48	55	76	56	58
Calculative Evaluation	36	38	64	41	43
Collaborative Evaluation	33	30	48	32	38
Pay and Compensation					
Wage setting - At the firm	67	73	80	77	71
Benefits always linked to organiz. goals	14	16	33	20	18
Benefits always linked to performance	15	29	49	36	36
Monetary premia: Firm shares	19	19	25	29	21
Monetary premia: Bonuses	49	55	76	63	64
Organizational culture					
Highly formalized	22	23	52	33	24
Fully formalized	5,5	6	28	13	16
Communication					
Individual & collective	40	47	53	52	47
Written & unwritten	54	62	67	69	62
On organiz. strategy- Managers	96	97	99	100	98
On organiz. strategy- Others	74	71	83	85	79
On financial results- Managers	93	92	97	95	95
On financial results- Others	47	43	61	56	55
On work org. - Managers	94	95	98	97	96
Organizational characteristics of HRM					
HRD	52	70	65	61	56
HRD - Updated/professionalized	50	50	63	47	48
HR Manager - Policy design	39	43	53	43	50
HR Manager - Board of directors	67	62	84	66	72
Partial outsourcing of HR functions	60	68	72	68	70

Notes: 'I': Industry; 'C': Commerce. Black fonts indicate statistically significant differences at a 95% confidence level.

^{1/}The percentages refer to the use or not of the practice and hence they also include firms that rarely use these premia.

Source: Survey on Labour Relations and HRM Practices.

The percentage of organizations that use professionalized and calculative practices is also most homogeneous across *economic sectors* and *size* strata, as opposed to the much more strategic management profile observed for those in Commerce and across large companies.

The key differentiating features relate to the use of pay and compensation practices (contingent monetary bonuses and wage setting at the firm), generalized in Commerce and absent in other economic sectors, and to the more frequent existence of HRDs and qualified HR managers across large than medium companies. Firms with distinct *societal structure* also differ in the use of some particular practices (both calculative and collaborative) within most HRM dimensions. However, the extent of the discrepancies allows for identifying a divergent profile just in terms of communication policies. Indeed, a widespread use of all types of communication channels (written and unwritten; individual and collective) and an enhanced involvement of both managers and other workers in all topics are only observed across corporations, suggesting these organizations put a comparatively stronger emphasis on commitment oriented communication practices than non-corporate companies do.

On the opposite, even though the prevailing character and/or degrees of professionalism and formalization of many managerial activities are quite homogeneous across firms that participate from distinct *sales markets* (linked to selection, sector-level collective bargaining and communication flows), strong divergences are observed in terms of the use of those related to training, evaluation, wage setting at the firm and contingent pay.

Less substantial but yet non-negligible differences exist with respect to the use of recruitment sources and communication channels, the degree of formalization of organizational culture and the characterization HRDs and HR managers.

The evidence reveals that the bulk of exporters, particularly those focused on world markets, use professionalized and formalized calculative and, to a lesser extent, collaborative practices. Such behavior is observed, in contrast, among a much smaller share of local-market oriented companies.

Lastly, the patterns that characterize firms with distinct *national ownership* are by far the most divergent. Organizations that are partially or fully owned by foreign entrepreneurs exhibit a highly professionalized and formalized HRM profile that is strongly oriented towards the use of both calculative and collaborative practices.

Differences with respect to the profile that prevails across full national organizations are substantial, particularly with respect to the use of strategy-oriented HRM activities, while the configurations of practices linked to hiring are, in contrast, the least divergent.

The above discussion shows the major differences in HRM profiles stem from the distinct national ownership of firms and to a lesser extent from their societal structure and/or main sales market.

Size is in turn relevant just in terms of the strategic character of management while firms' family ownership is not influential.

Differences by economic sector are not clear-cut, although an enhanced emphasis on commitment is observed across firms in Commerce and Services while those in Industry seem to be more focused on efficiency-oriented activities.

3.3. HRM patterns by framework of labour relations at the firm in 2007

We distinguish between four distinct institutional frames of labor relations (following the discussion in Section 2.2.2) according to the actual and past levels of unionization (high and increased, high and stable, low and increased or low and stable).

The configurations of practices that prevail across firms subject to strong and weak union influence are quite heterogeneous. The profile of scarcely unionized organizations also differs depending on the temporal evolution of unionization degrees, as opposed to the minor discrepancies observed in case unions are already largely influential (Table A.9 in Appendix A).

The average HRM profile of firms with strong unions is quite consistent with the characterization of 'High Performance Work Systems' (HPWS) as defined in Huselid and Becker (1995). On the opposite, only a minority of those that face a low and unchanged degree of union influence exhibit such behavioral patterns.

Compared to firms in which unions are weak, the prevailing configuration across highly unionized companies includes a larger number of both collaborative and calculative practices within all HRM dimensions. Their profile is also more professionalized (in terms of hiring practices and the organizational characteristics of management) and formalized (with respect to the use of formal evaluation systems, organizational culture and to a lesser extent communication policies).

The HRM profile of highly unionized firms is relatively more efficiency-oriented whenever union influence is unchanged with respect to 2004 while their use of particular

collaborative practices is also more widespread (future-oriented training, evaluation systems and contingent monetary bonuses). The comparison of the overall strategic character of management between both subsets is however not clear-cut given organizations that face increases in unionization set an enhanced emphasis on the use of other collaborative practices (contingent benefits and firm shares, the preference for applicants that are identified with the firm's ideology and organizational culture aspects).

On the other hand, a large share of scarcely unionized organizations seem to face an increase in union influence by undertaking professionalized HRM activities aimed mostly at improving efficiency (hiring, training and characterization of HRDs and/or partial outsourcing of management) and, although to a lesser extent, also at promoting employees' commitment to the company (future oriented training and inclusive communication policies on organizational strategy).

The relative use of distinct wage setting mechanisms varies across the diverse scenarios. Wage setting at the firm is much more generalized across scarcely than largely unionized organizations. However, a rise in a still low union influence is matched to a substantially enhanced use of the mechanism for managers. Almost all firms participate from collective bargaining once unionization levels go up, particularly to set wages for administrative employees and blue-collars but, while firm-level agreements are abandoned by a large share of scarcely unionized companies, they become more frequent across those in which unions are strong.

The evidence thus suggests that firms face a progressively larger union influence by first undertaking professionalized and calculative HRM while only afterwards they engage in collaborative HRM activities starting by those referred to the recruitment and selection of new workers.

4. Temporal evolution of HRM practices: 1999 – 2007

Information on all the previously described practices is not available for both 1999 and 2007 or else it is reported with distinct disaggregation levels. In particular, no data can be analyzed related to organizational culture; existence and typology of HR departments; and characteristics of the HR manager. We are also unable to differentiate firms neither by their main competitive advantage nor in terms of their economic performance in 1999.

Consistent with the stylized facts reported by the studies previously reviewed our evidence shows that there is a clear trend towards the use of professionalized HRM practices of both calculative and collaborative nature (Table 20).

Table 20. HRM practices 1999 and 2007 (% firms)

	1999	2007	% increase
Hiring			
Selection profiles			
Efficiency-oriented	58	68	17
Strategy-oriented	56	63	13
Future-oriented	41	46	12
Selection methods			
Only non-scientific	57	21	-63
Scientific & interviews	4	18	350
Scientific & interviews & references	39	61	56
Training			
Any goal	51	72	41
Aimed at improving:			
Individual skills	19	41	116
Commitment to firm	47	69	47
Access to monetary premia	5	10	100
Evaluation			
Formal system	16	34	113
Calculative	17	32	88
Collaborative	15	26	73
Pay and Compensation			
Wage setting			
Through collective	47	90	91
Firm-level collective agreement	13	10	-23
Sector-level collective agreement	40	81	103
Benefits	9	19	111
Seniority	31	33	0
Organizational performance	7	14	6
Individual/team performance	17	26	53
Future development	26	35	35
Contingent monetary premia	7	16	129

Note: Black fonts indicate statistically significant differences at a 95% confidence level.
Source: Survey on Labour Relations and HRM Practices.

The most notorious improvements are found in terms of the use of professionalized selection methods, followed by practices related to training, contingent pay and evaluation systems, particularly those oriented to enhance efficiency levels. In contrast, a smaller share of companies sign firm-level collective agreements.

The restructuring of the universe of firms after the 2002 crisis towards a greater participation of large and non-full national companies may partially explain these dynamics. However, they are also consistent with the observed behavior of firms subject to a high or else weak but increased union influence and hence they may be linked to the change in the institutional framework of labor relations.

Further still, the observed trends may be linked to the dynamics inherent to the business cycle. Indeed, the prosperous economic conditions that prevailed in 2007 were reflected not only on high levels of product demand but also on a reduced excess supply of labour, particularly that of highly skilled workers. Therefore, the financial effort associated to the use of 'High Performance Practices' (HPPs) would be reduced while efficiency-wages arguments would explain the observed tendencies (particularly with respect to contingent pay practices).

5. Main findings

The regularities described in the precedent sections can be summarized as follows:

- The average overall HRM profile of medium and large Uruguayan firms in 2007 is quite professionalized and mostly oriented to improving the technical abilities of employees
- Most firms left behind the poorly developed HRM pattern that prevailed in the past
- The profiles are not fully homogeneous across the diverse dimensions of management
- The most professionalized configurations are those that involve hiring practices
- The average degree of formalization and the emphasis on commitment are still weak
- Communication policies are the most formalized and strategy-oriented HRM activities, as opposed to the meager use contingent pay to reward the effort of employees
- The HRM profiles that prevail across subsets of firms with distinct characteristics are in several cases heterogeneous. Yet, there is always a prevalence in the use of efficiency over strategy oriented practices
- Although still low, the share of successful companies that use collaborative practices, particularly those related to the characterization and roles of HRDs and HR managers and to evaluation systems, is larger than that observed for non-successful firms
- The most profitable and productive organizations pose an enhanced emphasis on the use of firm-level wage setting mechanisms and contingent monetary bonuses while those that best perform in terms of quality levels are more prone to offer calculative and collaborative training to their workers than the rest

- Innovative organizations exhibit a more strategy-oriented HRM profile and they more generally focus on establishing long-lasting work relations through diverse channels than other firms do
- There are not substantial divergences in the patterns across companies with other competitive advantages but those that root their success on cost management strategies are more prone than the rest to use practices linked to contingent pay and evaluation
- The use of HPPs is most generalized across firms with foreign capital participation and, to a lesser extent, across corporations and world exporters
- Although more strategy-oriented than that of medium companies, the profile of large organizations is not fully in line with a HPWS
- The behavioral patterns are homogenous across family and non-family owned enterprises while sectoral differences relate only to firms in Commerce's enhanced use of collaborative practices
- The average profile of organizations subject to a strong union influence is consistent with that of a HPWS
- Firms subject to a high and stable degree of union influence use calculative practices more generally than those in which unionization levels went up. The opposite holds with respect to the use of collaborative practices
- Firms in which the influence of unions is low but has increased with respect to its 2004 level use professionalized calculative practices, and to a lesser extent those of strategic nature, more frequently than companies in which such influence is unchanged
- Wage setting at the firm is more widespread across scarcely than largely unionized companies
- Highly unionized firms set wages through firm-level collective agreements more frequently than the rest

6. Concluding remarks

Our findings suggest that the average profile of medium and large firms in Uruguay is quite professionalized and formalized. It is largely oriented towards improving efficiency levels and, to a lesser extent, the degree of employees' commitment to the organization, no matter neither the firm's characterization nor its economic performance.

The disregard of collaborative practices cannot be however explained by their nil impact on performance, given that successful companies do exhibit a more strategy-oriented behavior than the rest. The pattern may be instead rooted on the optimality of a sequential adoption of managerial practices, initially involving those that focus on efficiency levels and only at a second stage embracing practices aimed at fostering employees' commitment to the organization. The temporal evolution of the average HRM profile, the characterization of managerial activities used by innovative firms and the comparison of the patterns under different scenarios of union influence are all consistent with such hypothesized path.

Even though the configurations of practices that prevailed in the 1990s were far behind the expected characterization of HPWSs, they are much more oriented towards improving efficiency levels than strategic aspects. In turn, the fact that a skilled workforce and a highly operational efficiency are two major pre-requisites for firms to engage in innovation activities (Cassoni and Ramada-Sarasola, 2012) would explain why they put a larger emphasis on collaborative practices than companies with a distinct competitive advantage.

On the other hand, increases in a still low union influence are matched to a more generalized use of calculative than collaborative HRM activities. Conversely, the average profile of largely unionized firms is in line with the characterization of HPWSs but, depending on whether or not unionization levels are unchanged with respect to 2004, the focus is set on the use of efficiency or commitment oriented practices.

The contingent approach provides an alternative rationalization of the observed trends since it predicts the existence of several 'best' configurations of practices across clusters of firms with distinct characteristics, as is the case for Uruguay with respect to their national ownership, societal structure, sales market and size. The relative weight of the diverse clusters within the subset of successful organizations would thus explain the unbalanced nature of the prevailing profiles.

This the case of the divergent managerial profiles identified for firms subject to a different degree of union influence as well as for those that operate in different markets. Given that the shares of successful enterprises are homogeneous under the four scenarios of unionization and they are also equal for world exporters and other firms, a highly strategy-oriented management seems to be optimal only for highly and increasingly unionized organizations and for those that participate from international markets. The same

argument applies for corporations but only when performance is measured in terms of quality standards.

Conversely, the ‘best’ HRM profile is suggested to be unaffected by the size and national ownership of organizations: the more professionalized and formalized characterization of the configurations that prevail across large and non-full national companies is matched to their increased odds to outperform medium and full national firms. A similar rationale would be in place for the societal structure of firms whenever performance is measured by profitability and productivity levels: corporations’ comparatively stronger emphasis on commitment oriented practices is matched to them exhibiting a higher rate of success.

The evidence also suggests that there is a sequential adoption of practices within the seven distinct dimensions of management analyzed. A first stage involves the use of ‘best’ hiring HRM activities and communication policies, shortly followed by those related to training and the organizational characteristics of management (outsourcing degrees and the profile and roles of HRDs and HR managers). Only afterwards would firms use contingent pay and at the firm wage setting mechanisms (particularly in the case of those that outperform their competitors in terms of quality). The next step would in turn involve the adoption of evaluation systems and the development of a highly formalized organizational culture.

A last most relevant pattern suggested by our findings refers to the apparent existence of union substitution effects of HRM whenever firms are scarcely subject to union influence, as opposed to the ‘mutual gains’ derived from union-management collaboration in case unionization levels are sufficiently high.

Given the stylized facts here reported, future work should focus on the analysis of the linkages between firms’ economic performance and HRM profiles conditional on the institutional frame of labor relations. An additional relevant topic relates to the measurement of the relative impact of the diverse managerial activities on distinct dimensions of performance taking into account that the effects are likely to vary depending on certain firm characteristics. Our evidence suggests that the emphasis should be posed on their contingent nature with respect to the degree of market competition faced by the firm.

References

- Beer, M. and B. Spector (1985). *Readings in Human Resource Management*, New York: Free Press.
- Bianchi, S., M. Hansz and M. Rubido (2011). *Persistencia del desempleo en Uruguay*, unpublished thesis, Facultad de Ciencias Económicas y Administración, Universidad de la República, Montevideo.
- Brewster, C. (2007). “A European perspective on HRM”, *European Journal of International Management*, 1(3): 239-259.
- Brewster, C., W. Mayrhofer and M. Morley (Eds.) (2004). *Human Resource Management in Europe: Evidence of Convergence?*, London: Butterworth Heinemann.
- Cassoni, A. and M. Ramada-Sarasola (2012). “The returns to innovation in Latin America: inexistent or mismeasured?”, *Latin American Business Review* 13(2): 141-169.
- Fazio, G., H. Lam and F. Ritchie (2008). “Sample Bias in Microeconomic Analyses of Official Data”, UK: Office for National Statistics, Department of Trade and Industry Report, No. URN 06/737. Available at: <http://www.scientificcommons.org/40659044>.
- Fombrun, C.J., N. Tichy and M. A. Devanna (1984). *Strategic Human Resource Management*, New York: Wiley.
- Fowler Jr., F.J. (2009). *Survey Research Methods*, Thousand Oaks: SAGE Publications.
- Font, L. (2010). *Gestión de los Recursos Humanos, Relaciones Laborales y Desempeño en las Empresas Uruguayas*, unpublished thesis, Universidad ORT Uruguay, Montevideo.
- Gill, C. (2009). “Union Impact on the Effective Adoption of High Performance Work Practices”, *Human Resource Management Review* 19(1): 39-50.
- Gooderham, P., O. Nordhaug and K. Ringdal (1999). “Institutional and Rational Determinants of Organizational Practices: Human Resource Management in European Firms”, *Administrative Science Quarterly* 44(3): 507-531.
- Guest, D. E. (1987). “Human Resource Management and Industrial Relations”, *Journal of Management Studies* 24(5): 503-521.
- Guthrie, J. P. (2001). “High-Involvement Work Practices, Turnover, and Productivity: Evidence from New Zealand”, *Academy of Management Journal* 44(1): 180-190.
- Huselid, M.A. and B.E. Becker (1995). “The Strategic Impact of High Performance Work Systems”, Academy of Management Annual Meeting, Vancouver, Canada. Available at: http://www.bhbassociates.com/docs/articles/1995_Strategic_Impact_of_HR.pdf.

- Kanouse, D. and M. Elliott (2010). “Reporting Results for the C & G Survey: Strategies for Analysis and Scoring”, Available at: <https://www.cahps.ahrq.gov/Consumer-Reporting/~media/Files/NewsandEvents/Events/UGM/12thUGM/CAHPS/Kanouse.pdf>
- Kochan, T. (1980). *Collective Bargaining and Industrial Relations*. Homewood: Irwin Inc.
- Labadie, G. J. (2005). “Human Resource Management in Uruguay”, in M. Elvira and A. Davila (Eds.): *Managing Human Resources in Latin America: An Agenda for International Leaders*, London: Routledge.
- Labadie, G.J. and A. Cassoni (2011). “Organizational Performance, Human Resource Practices and their Relationship to Labour Relations in Uruguay”, presented at the 1st Israeli Global Human Resource Management Conference, November 23-25, Karmiel, Israel.
- Rodríguez Gustá, A. L., G. J. Labadie, L. Font, R. Prego and G. Cedrola (2003). “Prácticas de Gestión de Recursos Humanos en Uruguay: un Análisis Cuantitativo”, *Relaciones Laborales* 1: 13-34.
- Stavrou, E. and C. Brewster (2005). “The Configurational Approach to Linking Strategic Human Resource Management Bundles with Business Performance: Myth or Reality?”, *Management Revue* 16(2): 186-201.
- Strandberg, C. (2009). “The role of human resource management in corporate social responsibility”, Report for Industry Canada. Available at: http://corostrandberg.com/wp-content/uploads/files/CSR_and_HR_Management1.pdf
- Walton, R. E. (1985). “From Control to Commitment in the Workplace”, *Harvard Business Review* 63(2): 77-84.

Appendix A. HRM practices by firm performance and firm characteristics in 2007

Table A1. HRM practices by firm performance in 2007 (% firms)

		Profitability		Productivity		Quality	
		High	Low	High	Low	High	Low
HIRING							
<i>Recruitment</i>							
	Non-profess.- Adverts	74	61	71	72	71	67
	Non-profess.-Other	53	44	52	49	51	55
	Professionalized	89	80	90	84	91	76
	At firm-Man.OR Other	30	36	30	38	35	30
	At firm-Man.& Other	37	32	43	32	38	34
<i>Selection profile</i>							
	Efficiency-oriented	68	68	73	58	67	67
	Strategy-oriented	67	65	67	57	65	58
	Future-oriented	47	42	49	41	46	45
<i>Selection method</i>							
	Only non-scientific	22	24	19	24	18	29
	Scientific & interviews	17	14	16	14	16	19
	Scientific & interviews & references	61	62	65	62	66	51
TRAINING							
	Any goal	74	73	73	72	76	59
	Individual skills	46	29	43	38	43	28
	Commitment to firm	37	28	35	29	37	20
	Access monetary premia	12	8	12	9	12	6
	Career development	41	36	42	27	41	26
EVALUATION							
	Formal system	55	58	61	33	53	41
	Calculative	53	41	57	33	52	35
	Collaborative	53	41	57	33	52	35
WAGE SETTING							
	At the firm	75	46	81	58	69	63
	Through collective agreement	78	91	74	91	79	91
	Firm-level coll. bargaining	8	10	13	4	12	4
	Sector-level coll. bargaining	73	82	69	83	72	80
	Managers - at firm	61	45	67	52	61	50
	Managers - Coll.bargaining	21	29	21	24	23	22
	Profs. & Techns. - at firm	61	26	68	33	52	43
	Profs. & Techns. - Coll.barg.	33	47	36	39	36	39
	Administrative staff - at firm	53	24	57	30	45	37
	Admin. staff - Coll.bargaining	56	76	55	67	60	65
	Blue-collars - at firm	32	22	41	17	29	28
	Blue-collars - Coll.bargaining	74	77	69	84	72	83
BENEFITS							
	Always linked to:						
	Seniority	31	35	35	28	31	37
	Organizational Performance	17	6	17	11	14	14
	Indiv./Team Performance	27	22	29	22	27	22
	Future development	36	32	36	32	38	27
MONETARY PREMIA							
	<i>Firm shares</i> ^{1/}	39	21	41	24	32	34
	Managers	23	17	22	15	22	13
	Professionals & Technicians	22	12	18	16	19	15
	Administrative staff	5	8	5	8	8	2
	Blue-collars	4	6	3	5	6	1
	Blue-collars	1	3	2	3	2	2

(continues)

							<i>(T A.1 continued)</i>
<i>Monetary bonuses^{1/}</i>		57	36	59	41	48	50
	Managers	46	23	46	30	39	33
	Professionals & Technicians	39	15	39	22	32	30
	Administrative staff	30	19	35	15	27	23
	Blue-collars	30	29	35	24	31	25
FORMALISATION/ORGANISATIONAL CULTURE							
	Non-strategic	3	5	3	3	5	1
	Non-formalized strategic	28	36	26	38	24	44
	Low formalized strategic	36	47	34	40	40	37
	High formalized strategic	27	8	29	16	25	13
	Full formalized strategic	6	4	8	3	6	5
COMMUNICATION							
	<i>Interlocutors</i>						
	Consultive Board	28	39	27	37	29	37
	Workers' representative bodies	30	20	27	30	26	29
	Individual flows	71	64	78	58	68	72
	Collective flows	74	62	67	75	71	68
	Individual & collective flows	45	27	46	33	40	40
	<i>Channels</i>						
	Written	75	62	78	66	71	75
	Unwritten	80	78	83	73	78	81
	Written & unwritten	58	42	63	44	52	60
	<i>Topics</i>						
	Organizational strategy						
	Managers	99	93	99	96	97	94
	Other workers	77	72	80	69	76	69
	Financial results						
	Managers	96	94	94	95	93	94
	Other workers	45	57	52	42	48	45
	Work organization						
	Managers	97	94	97	95	95	94
	Other workers	89	87	91	85	90	82
HR DEPARTMENT							
	Imitative/bureaucratic	31	32	22	44	27	43
	Updated/professionalized	55	45	55	45	56	37
	Sector-level bargaining	68	46	65	51	58	61
	Firm-level bargaining	71	---	73	92	78	80
HR MANAGER							
	Qualified	38	34	36	41	37	40
	Policy design	42	30	41	40	40	38
	Board of Directors	68	70	71	62	73	52
OUTSOURCING							
	No	35	36	34	35	36	38
	Full	6	4	7	1	6	0
	Partial	59	60	59	64	58	62

Note: Black fonts indicate statistically significant differences at a 95% confidence level.

^{1/}The percentages refer to the use or not of the practice and hence they also include firms that rarely use these premia.

Source: Survey on Labour Relations and HRM Practices.

Table A.2. HRM practices by competitive advantage in 2007 (% firms)

	Competitive advantage					
	Cost Mgmt.	Mktng	Innov	HR Comm	HR Effic	Org Perf
HIRING						
<i>Recruitment</i>						
Non-profess.- Adverts	67	62	67	67	67	66
Non-profess.-Other	48	47	47	50	46	46
Professionalized	93	88	92	85	84	87
At firm-Man.OR Other	30	30	31	30	25	30
At firm-Man.& Other	35	39	63	43	42	40
<i>Selection profile</i>						
Efficiency-oriented	68	71	73	74	71	73
Strategy-oriented	63	70	46	72	68	68
Future-oriented	52	50	44	50	49	49
<i>Selection method</i>						
Only non-scientific	18	22	8	15	20	22
Scientific & interviews	21	21	15	18	19	19
Scientific & intervs & references	61	57	76	66	61	59
TRAINING						
Any goal	69	69	79	76	72	70
Individual skills	50	39	58	50	43	43
Commitment to firm	39	31	49	39	36	35
Access monetary premia	15	4	7	11	10	9
Career development	50	41	52	47	41	38
EVALUATION						
Formal system	54	34	49	39	36	34
Calculative	50	29	36	36	34	32
Collaborative	52	30	37	31	29	27
WAGE SETTING						
<i>At the firm</i>	76	69	73	68	72	67
<i>Through collective agreement</i>	92	96	93	90	92	90
<i>Firm-level coll. bargaining</i>	13	11	7	10	12	10
<i>Sector-level coll. bargaining</i>	78	84	86	80	81	80
Managers - at firm	70	61	70	62	60	58
Managers - Coll.bargaining	21	25	28	25	24	23
Prof. & Techns. - at firm	62	53	51	60	54	51
Prof. & Techns. - Coll.barg.	33	41	38	37	36	36
Administrative staff - at firm	49	43	39	48	45	46
Admin. staff - Coll.bargaining	58	63	64	61	60	59
Blue-collars - at firm	34	29	25	32	30	29
Blue-collars - Coll.bargaining	84	78	80	73	73	75
BENEFITS	19	27	22	22	19	19
Always linked to:						
Seniority	26	35	52	32	32	30
Organizational Performance	14	16	21	16	16	15
Indiv./Team Performance	27	25	42	26	28	26
Future development	49	38	66	40	36	36
MONETARY PREMIA						
<i>Firm shares</i> ^{1/}	21	25	10	20	19	32
Managers	19	19	10	17	16	19
Professionals & Technicians	5	5	1	3	6	15
Administrative staff	1	4	1	4	3	5
Blue-collars	1	1	0	2	2	3

(continues)

							<i>(T.A.2 continued)</i>
<i>Monetary bonuses</i> ^{1/}	53	50	36	52	48	48	
Managers	46	37	27	44	39	37	
Professionals & Technicians	31	31	34	37	30	29	
Administrative staff	28	30	34	31	27	25	
Blue-collars	35	31	36	26	26	25	
FORMALISATION/ORGANISATIONAL. CULTURE							
Non-strategic profile	2	1	0	3	2	3	
Non-formal. strategic profile	26	27	40	24	29	30	
Low formal. strategic profile	41	36	30	39	38	40	
High formal. strategic profile	22	26	21	27	24	21	
Full formal. strategic profile	9	10	9	7	7	6	
COMMUNICATION							
<i>Interlocutors</i>							
Consultive Board	38	28	33	33	31	30	
Workers' representative bodies	34	22	35	28	26	26	
Individual flows	65	73	66	71	71	68	
Collective flows	79	68	71	76	71	71	
Individual & collective flows	43	41	37	48	42	39	
<i>Channels</i>							
Written	67	77	80	78	75	71	
Unwritten	77	81	73	80	79	79	
Written & unwritten	50	61	54	60	57	53	
<i>Topics</i>							
Organizational strategy							
Managers	99	95	100	97	97	97	
Other workers	84	78	85	78	76	75	
Financial results							
Managers	98	94	100	95	94	93	
Other workers	48	50	50	52	47	46	
Work organization							
Managers	96	96	100	96	95	95	
Other workers	92	92	98	91	90	89	
HR DEPARTMENT							
Imitative/bureaucratic	21	29	27	34	32	30	
Updated/professionalized	63	60	73	57	51	51	
Sector-level bargaining	61	60	79	69	58	58	
Firm-level bargaining	85	86	100	82	79	81	
HR MANAGER							
Qualified	49	47	52	40	38	39	
Policy design	39	41	42	42	41	40	
Board of Directors	69	70	54	69	66	67	
OUTSOURCING							
No	22	25	29	29	34	36	
Full	7	8	9	6	4	3	
Partial	71	67	62	65	62	61	

Note: Black fonts indicate statistically significant differences at a 95% confidence level.

^{1/}The percentages refer to the use or not of the practice and hence they also include firms that rarely use these premia.

Source: Survey on Labour Relations and HRM Practices.

Table A.3. Hiring and training practices in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family owned</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
HIRING														
<i>Recruitment</i>														
Non-profess.- Adverts	69	78	67	67	73	71	70	67	87	65	79	69	66	76
Non-profess.-Other	62	51	39	45	60	54	47	52	48	49	56	47	56	61
Professionalized	90	96	77	82	92	87	85	84	97	86	88	83	90	93
At firm-Man.OR Other	31	32	37	29	39	34	34	34	30	33	35	35	29	34
At firm-Man.& Other	35	41	37	33	41	36	38	34	54	35	40	35	34	45
<i>Selection profile</i>														
Efficiency-oriented	65	65	71	65	72	66	72	66	76	66	70	69	57	73
Strategy-oriented	60	71	64	64	63	63	66	61	73	64	63	63	64	66
Future-oriented	42	47	49	45	47	45	48	46	47	49	41	50	39	42
<i>Selection method</i>														
Only non-scientific	18	28	21	25	16	23	18	22	19	18	26	21	21	19
Scientific & intvs.	19	17	16	19	16	16	19	18	12	22	10	19	18	15
Scient. & intvs. & refs.	63	55	63	56	68	61	63	60	69	60	64	60	61	66
TRAINING														
Any goal	67	82	72	74	68	71	72	69	85	69	75	68	73	79
Individual skills	38	44	41	35	47	37	44	35	65	37	46	36	36	55
Commit. to firm	28	37	34	31	33	33	32	30	38	32	32	29	35	37
Access mon.premia	10	9	11	9	11	9	11	8	20	6	17	7	13	15
Career develop.	34	44	36	33	42	35	39	36	39	36	37	36	35	42

Notes: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.

Table A.4. Evaluation practices in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family owned</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
EVALUATION														
Formal system	44	48	52	42	55	46	50	41	76	42	56	45	43	58
Calculative	26	33	37	27	38	28	36	24	64	27	41	29	26	43
Collaborative	22	33	27	23	30	23	29	21	48	22	32	23	18	38

Notes: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.

Table A.5. Pay & compensation practices in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family owned</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
WAGE SETTING														
At the firm	68	88	57	62	73	67	66	64	80	61	77	63	74	71
Through collective agreement	88	69	81	79	85	84	80	85	65	86	74	87	85	65
Firm-level coll. bargaining	7	11	13	8	12	9	10	11	6	10	10	12	9	4
Sector-level coll. bargaining	83	66	72	74	77	74	77	75	77	75	75	77	72	75
Managers - at firm	60	63	52	53	62	54	60	55	66	51	67	53	68	58
Managers - Coll.bargaining	22	15	28	24	23	23	24	26	15	25	21	28	20	15
Prof. & Techns. - at firm	53	67	39	45	55	46	52	45	73	41	63	44	57	58
Prof. & Techns. - Coll.barg.	35	31	42	35	40	34	41	38	32	41	30	42	35	26
Administrative staff - at firm	43	67	31	40	46	47	38	38	66	34	57	38	48	50
Admin. staff - Coll.bargaining	61	47	69	62	61	56	65	66	41	69	50	69	57	47
Blue-collars - at firm	28	63	16	30	28	34	23	28	36	24	38	31	21	32
Blue-collars - Coll.bargaining	88	68	65	73	78	82	69	80	52	80	66	79	83	60
BENEFITS	46	65	44	47	41	41	48	47	58	39	54	47	45	56
Always linked to:														
Seniority	28	28	38	35	34	33	30	35	20	39	22	36	29	26
Organizational Performance	12	17	14	12	16	9	20	10	33	10	20	11	19	18
Indiv./Team Performance	26	20	27	23	29	20	32	20	49	19	36	18	35	36
Future development	36	28	37	30	40	35	33	33	39	34	35	32	32	43
MONETARY PREMIA														
<i>Firm shares</i> ^{1/}	24	17	15	19	19	21	17	18	25	13	29	17	31	21
Managers	22	12	15	18	17	18	15	16	22	13	24	13	28	20
Professionals & Technicians	7	8	4	7	5	11	0	6	5	2	12	5	14	1
Administrative staff	6	0	5	4	4	7	2	5	3	1	10	4	9	1
Blue-collars	3	1	1	1	3	4	0	2	3	1	4	1	5	3
<i>Monetary bonuses</i> ^{1/}	42	71	46	43	55	46	52	42	76	40	63	47	38	64
Managers	28	50	41	30	46	32	43	29	74	28	50	32	28	56
Professionals & Technicians	24	47	31	27	35	30	32	26	47	28	35	29	30	35
Administrative staff	18	44	25	24	27	28	23	26	24	24	27	31	17	18
Blue-collars	28	41	25	25	35	33	25	29	28	28	31	31	21	30

Notes: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

^{1/}The percentages refer to the use or not of the practice and hence they also include firms that rarely use these premia.

Source: Survey on Labour Relations and HRM Practices.

Table A.6. Formalization & organizational culture practices in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family owned</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
Non-strategic	3	4	4	3	3	2	5	4	0	5	1	6	0	0
Non-formalized strategic	35	29	26	36	23	40	19	35	6	34	24	30	42	21
Low formalized strategic	42	29	39	35	45	41	39	44	14	45	29	42	32	39
High formalized strategic	17	27	25	21	23	15	28	16	52	15	33	21	22	24
Full formalized strategic	3	11	6	5	6	2	9	1	28	1	13	1	4	16

Note: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.

Table A.7. Communication practices in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family ownership</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
INTERLOCUTORS														
Consultive Board	37	29	27	32	32	34	32	32	23	34	28	28	48	28
Workers' representative bodies	36	20	20	24	31	30	26	28	23	27	27	23	38	28
Individual flows	64	83	68	68	69	71	67	67	76	62	79	71	50	79
Collective flows	72	73	69	66	77	67	70	70	77	70	73	69	81	69
Individual & collective flows	36	56	36	34	47	38	37	37	53	32	52	40	31	47
CHANNELS														
Written	60	85	78	60	86	64	80	67	76	65	82	72	55	83
Unwritten	80	88	73	83	73	85	72	79	77	75	85	80	74	79
Written & unwritten	46	73	53	47	62	52	56	51	67	44	69	53	44	62
TOPICS														
Organizational strategy														
Managers	100	95	93	96	97	98	94	96	99	94	100	95	96	98
Other workers	83	68	68	77	71	72	77	72	83	68	85	71	79	79
Financial results														
Managers	95	95	89	93	92	96	89	92	97	91	95	92	92	95
Other workers	46	52	45	50	43	43	52	43	61	41	56	43	47	55
Work organization														
Managers	98	96	90	94	95	99	89	94	98	93	97	93	96	96
Other workers	89	95	81	89	85	89	85	87	90	87	88	83	95	91

Notes: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.

Table A.8. Organizational characteristics of HRM in 2007 in 2007 (% firms)

	<i>Economic sector</i>			<i>Size</i>		<i>Family ownership</i>		<i>Full-national</i>		<i>Corporate character</i>		<i>Main sales market</i>		
	I	C	S	M	L	Yes	No	Yes	No	No	Yes	L	R	W
HR DEPARTMENT														
Imitative/bureaucratic	31	5	43	29	34	35	29	34	20	36	27	31	29	37
Updated/professionalized	57	67	38	49	50	40	60	47	63	52	47	45	63	48
Sector-level bargaining	80	61	37	52	61	58	57	55	64	52	64	49	57	77
Firm-level bargaining	74	86	77	100	70	82	75	82	64	88	68	79	72	86
HR MANAGER														
Qualified	41	31	39	29	51	33	45	39	38	42	33	37	44	37
Policy design	39	60	29	36	43	38	39	36	53	36	43	34	38	50
Board of Directors	63	80	65	70	62	62	71	64	84	67	66	66	64	72
OUTSOURCING														
No	26	41	43	42	28	37	34	39	21	40	27	40	34	25
Full	3	11	3	4	4	5	3	3	7	4	5	4	3	5
Partial	71	49	54	54	68	58	63	58	72	56	68	56	63	70

Notes: 'I': Industry; 'C': Commerce; 'S': Services; 'M': Medium; 'L': Large; 'L': Local; 'R': Region; 'W': World. Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.

Table A.9. HRM practices by union influence in 2007 (% firms)

	Union influence high		Union influence low	
	Increased	Non- increased	Increased	Non- increased
HIRING				
Recruitment				
Non-profess.- Adverts	56	75	69	70
Non-profess.-Other	43	27	51	44
Professionalized	73	87	90	84
At firm-Man.OR Other	10	49	33	29
At firm-Man.& Other	64	24	41	37
Selection profile				
Efficiency-oriented	70	81	67	68
Strategy-oriented	74	55	53	68
Future-oriented	73	61	37	43
Selection method				
Only non-scientific	12	14	17	26
Scientific & interviews	32	27	14	18
Scientific & interviews & references	56	59	69	56
TRAINING				
Any goal	62	81	84	67
Individual skills	32	76	51	34
Commitment to firm	39	44	34	31
Access monetary premia	9	10	5	11
Career development	29	40	46	33
EVALUATION				
Formal system	41	63	30	32
Calculative	41	63	27	30
Collaborative	29	44	22	26
WAGE SETTING				
At the firm	51	59	81	62
Through collective agreement	89	100	100	85
Firm-level coll. bargaining	19	11	6	11
Sector-level coll. bargaining	86	89	94	89
Managers - at firm	47	59	64	55
Managers - Coll.bargaining	18	32	24	24
Prof. & Techns. - at firm	25	49	55	49
Prof. & Techns. - Coll.barg.	31	53	37	38
Administrative staff - at firm	28	35	44	45
Admin. staff - Coll.bargaining	58	70	69	58
Blue-collars - at firm	10	29	29	31
Blue-collars - Coll.bargaining	75	87	96	66
BENEFITS	32	15	21	15
Always linked to:				
Seniority	34	36	46	25
Organizational Performance	44	15	7	11
Indiv./Team Performance	44	22	25	22
Future development	45	25	34	33
MONETARY PREMIA	32	17	13	13
Firm shares ^{1/}	16	12	20	21
Managers	7	12	19	17
Professionals & Technicians	7	3	7	6
Administrative staff	2	3	3	5
Blue-collars	4	0	2	2

(continues)

(Table A.9 continued)

Monetary bonuses ^{1/}	47	65	50	47
Managers	42	54	39	35
Professionals & Technicians	34	44	26	30
Administrative staff	37	41	22	24
Blue-collars	32	31	22	26
FORMALISATION/ORGANISATIONAL CULTURE				
Non-strategic profile	6	0	4	3
Non-formalized strategic profile	25	22	32	32
Low formalized strategic profile	29	49	37	39
High formalized strategic profile	40	24	24	19
Full formalized strategic profile	0	5	3	7
COMMUNICATION				
Interlocutors				
Consultive Board	35	23	44	24
Workers' representative bodies	47	64	46	15
Individual flows	54	54	63	70
Collective flows	74	88	82	63
Individual & collective flows	37	41	45	35
Channels				
Written	67	75	72	68
Unwritten	64	72	78	78
Written & unwritten	54	47	56	50
Topics				
Organizational strategy				
Managers	89	100	96	96
Other workers	67	70	80	72
Financial results				
Managers	79	100	92	94
Other workers	54	69	45	44
Work organization				
Managers	75	100	97	95
Other workers	82	97	87	85
HR DEPARTMENT	56	50	51	51
Imitative/bureaucratic	36	52	28	33
Updated/professionalized	38	74	52	46
Sector-level bargaining	82	69	83	38
Firm-level bargaining	---	62	74	80
HR MANAGER				
Qualified	48	61	39	31
Policy design	49	37	34	38
Board of Directors	73	83	61	69
OUTSOURCING				
No	24	19	27	43
Full	5	0	8	3
Partial	71	81	65	54

Note: Black fonts indicate statistically significant differences at a 95% confidence level.

Source: Survey on Labour Relations and HRM Practices.