

CHAPTER 1: INTRODUCTION

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Overview of Chapter

This chapter provides an introduction and overview of the contents of the book. It introduces the reader to some underlying themes that define what the authors mean by ‘critical issues’ and explains how a critical approach applies to the study of human resource management (HRM). It suggests how the reader can use prior knowledge and understanding gained from previous studies in the functions of HRM and consider what additional issues need to be taken into consideration when confronted with more acute circumstances – a situation that human resource (HR) practitioners could reasonably be expected to face in real-world situations. The chapter finishes by mapping the structure of the book and by providing a rationale to the topics that will be encountered throughout the remainder of the book.

Purpose of the Book

The second edition of this edited textbook is intended to provide for the reader, who is assumed to have studied the basics of HRM before, a companion text for more advanced study in the subject area. The reader is assumed to be either a final year undergraduate student specialising in HRM, or a postgraduate student again specialising in HRM. The purpose of the book is to take the reader through a critical evaluation of core HR topics, building on the knowledge they will have gained through previous study. The aim is to problematise topics previously studied in order for the reader to be able to confront higher-level problems faced in HR. It integrates students’ prior understanding of the key operational aspects of HRM (resourcing, reward, relations, learning and development) with the wider institutional and social contexts in which they occur (firm-level, national, international and sectoral; and, political, economic, social and cultural). It aims to integrate and expand the reader’s knowledge of HR-related theory with wider social science and business theories to enable the reader to apply critical approaches to HR problems. The book offers a wealth of international examples of HR practice.

Scope of the Book

The book covers topics considered emerging and important within the particular subjects addressed in each chapter. It is not within the scope of this book to repeat core theories in managing HR, although some background to the concepts explored is provided in each chapter to refresh the reader’s memory of such theories surrounding the particular topic. Rather, the book aims to present significant new developments in the field, which are and will remain at the forefront of managing HR in the coming years.

The book is divided into three sections. Section 1 of the book deals with the external context of HRM. A core HRM textbook targeted at intermediate undergraduate students would perhaps focus on a more general discussion, introducing theories of organisational, business and corporate strategies and how these link to HR strategies. What this book is exploring, for advanced undergraduate and postgraduate students, is the range of issues considered emerging and important for organisations. Topics such as corporate governance, sociodemographics

and international migration and the emergence of a more ‘political’ socio-economic environment, for example, while not core HR topics, are arguably more influential on future HR policy than are some of the dominant management paradigms (for example, see Bratton and Gold, 2015; Currie, Knights and Starkey 2010; Thompson, 2011). In a similar vein, topics such as globalisation, technology, politics and demography are frequently cited in mainstream HR textbooks in a standard ‘PESTEL’ formulation but presented as important ‘background factors’ influencing the way that HR policy makers need to plan. However, presenting an understanding of the specific shaping events *themselves* is less common.

Section 2 of the book explores the activity of HR policy in practice. The ‘critical approach’ is slightly different to that of section 1. Here, the book moves beyond exploring basic concepts in core HRM activities - that we can assume readers will already have some familiarity with – and instead present a critical approach of emerging issues in each of the subject areas.

Here, the particular approach taken on each topic is personal to each author and reflects the contributors’ diverse adopted positionings of HRM, which are multi-disciplinary in nature. However, in section 2, the issue under discussion is raised because of a particular topicality and because it is rooted in core concepts, hence remaining relevant and current: for example, it is difficult to see the demise of *offshoring* as a most contentious aspect of resourcing policy, or that the issue of defining *performance* within *performance management* will suddenly reach consensus and be unworthy of further discussion.

Section 3 of the book completes this critical approach to exploring current HR issues by providing an analysis of HRM outcomes in a comparative perspective. In contrast to the first edition of this book, where ‘comparative’ was in the form of sector-specific overviews of HR practice, this edition takes on a more international comparative approach. The intent of this section is to demonstrate to the reader that there is no ‘one best way’ to manage HR. Rather, the particularities of an organisation’s geographic range of operations and organisational size need to be taken into consideration before implementing HR strategies. This part, therefore, explores managing HRM from an international perspective, including in multinational corporations, as well as managing HRM in small and medium-sized enterprises.

What is Meant by ‘Critical’?

The term ‘critical’ requires some explanation. Critical could be taken to mean a number of things in the broad social science disciplines that are embedded within the discourse of contemporary HRM. In contrast, criticality takes on a looser, broadly analytical meaning when used in a learning context. Criticality also implies an approach to the selection of evidence used to demonstrate (or refute) assumptions in general practice. These will now be considered in turn.

Critical Theory, Critical Management Studies, Critical Realism

One definition of critical would be that associated with the philosophical notion of *critique* more generally – applied as a challenge to assuming orthodox views on a subject. This has definition stretches from the use applied by Kant, through to Marx and later applied to a more specific definition of Critical Theory associated with Habermas and the Frankfurt School (Rasche and Scherer, 2014). More recent approaches associated with the term ‘critical’ have varied from postmodernism to the now apparent turn away from postmodernism toward critical realism (Bhaskar 1986; Fleetwood, 2014) and Bourdieu. Within the broad academic

areas that are relevant to the study of HRM, a number of these critical approaches have been particularly prominent over the years: from the early 1980s, a whole new area opened up under the broad umbrella of ‘the labour process debate’ associated with Braverman’s (1974) contention that modern work in capitalist society is subject to a continuous process of degradation through the essential nature of the managerial imperative. This debate widened with a significant alternative narrative influenced by Foucault, turning to examine the fundamental importance of *subjectivity* and managerial *discourses* (Knights and Willmot, 1989). More recently, there has been a further turn towards *critical realism* as both a rejection of Foucauldian relativism and an attempt to link the analysis of workplace relationships back to the political economy of the forces determining managerial behaviour (Fleetwood and Ackroyd, 2004; O’Mahoney and Vincent, 2014). Now (at least) two camps – each claiming the mantle of being ‘critical’ – exist in almost parallel discourses with their own favoured conferences and journals (Parker, 2015). There are those adhering to the poststructuralist ‘critical management studies’ school of thought, which is heavily influenced by poststructuralist theory. Then there those staying closer to the labour process tradition, many of which adhere to a critical realist approach. In parallel to these more philosophical approaches to understanding the nature power and relationships in organisations, the work of Hirschfeld (1983) has drawn other writers to move beyond traditional studies of the control issues associated with the control of (predominantly) manual forms of labour to examine the issue of ‘emotional labour’ and how it is managed (Brook, 2009). In contrast to these critical approaches, another approach to conceptualising the organisation of work emerges using Bourdieu’s notion of ‘habitus’ and of *economic, social and cultural capital* (Townley, 2014).

There are, therefore, a number of definitions and approaches associated with the notion of ‘critical’ when considering how we think about studying HRM – and just from the overview above, it can be seen that adopting one particular approach would be putting itself in contestation of another approach. The editors have their own views and preferences on these issues, but this was not a consideration when inviting contributors for the large range of topics contained in this book. In all cases, chapters are presented, to a greater or lesser degree, in such a way that is intended to challenge an assumption about orthodox views of HR practice, but not by adherence to any one specific philosophical view.

Criticality as a Pedagogic Process

At a more pragmatic level, criticality is used to define the level of engagement that the *reader* is expected to make. It is intended that the reader will be aspiring to be ‘thinking critically’ and, therefore, it is anticipated that the reader will read in a critical way (Wallace and Wray, 2006).

It is expected that the reader has some prior exposure to the study of HRM: that they may have studied the basic functions and what processes are involved in HRM and that they know the kinds of activities that an HR manager may be responsible for and may do on a day-to-day basis.

The ‘critical’ aspect of the content of the chapters in this book is that of taking the reader beyond the operational aspects of HR. This is not the same as ‘being strategic’ – though there is a link. Being strategic requires a consideration of ‘the big picture’. Thinking critically sometimes requires thinking about the bigger picture – what larger forces are at work when considering an operational decision about outsourcing, absenteeism, pay awards, *etc.* – but

also may involve a consideration of the micro effects of strategic decisions – the reason that workers may react differently to a *change management* initiative because of differing workforce composition, workplace dynamics, demographic factors or other characteristics.

Critical Case Scenarios

A special feature of this edited textbook is *HRM in the media*, a section in each chapter which presents a relatively contemporary HR news story that has been communicated in the news media. The chapter structure aspires, in a broad sense, to a problem-based learning approach (Boud and Feletti, 1991). Each news story relates directly to the topic of the chapter. News stories were selected based on the scope for discussion they present. Questions for discussion follow these news stories, which are then revisited at the end of the chapter in the *HRM in the media: critical reflections* section. Readers need to remember that it is not the purpose of this textbook to prescribe definitive answers regarding the particular critical HR issues raised. Instead, the purpose is to present current debates in HR and illustrate the complexities of these contemporary HR policies and practices and to encourage the reader to look deeper into the issue to uncover further evidence in order to attempt to understand the reasons for the apparent differences.

The use of this ‘HRM in the media’ device has two components and two important caveats. The first component is, by the reasoning that a story relating to the chapter subject has appeared in the news media, that there must be something within the chosen topic to make it contentious in some way: stories tend not to appear ‘on the news’ if they are routine and unproblematic. There is, then, the potential for the topic under discussion, for outcomes of HR policy, to sometimes not go according to prescribed best practice. Thinking critically should allow the reader to consider the reasons for this. The second component is the realisation that, by virtue of the fact that such linked stories are available, further stories are also almost certainly available. A carefully written case study by a tutor to draw readers’ attention to a topic is a good pedagogic device, but potentially better still is the existence of ‘real life events’ that readers can research themselves. Modern electronic searching facilities make this task relatively easy, in contrast to the painstaking archive research required for such a task in the past. Indeed, being able to make such a search should be considered an important research and study skill in its own right, providing that appropriate caution is taken by understanding the limitations of the technology involved (Devine and Egger-Sider, 2009)

It is taken as given (notwithstanding the induction/deduction dilemma) that being familiar with *theory* is essential to a full understanding of an event. It is also essential in being able to apply an abstract theory to explain (or at least to gain more considered insight into) a real-life situation is equally important to being fully able to grasp what a theory means *in practice*. Given the ease in with which electronic searches are possible, students of HRM using this book should be able to embed their understanding of theory by reflecting upon the reported examples and searching more for themselves.

The first caveat to the above is to acknowledge the limitations of trusting the news media as an indication of ‘facts’. For the first part – and as an important corrective to the point made above – an event being reported in the media, whilst indicating that what may be assumed to be unproblematic could be demonstrated not always to be so, it also needs to be remembered that the other reason why such an event is being reported is that it is not necessarily ‘normal’. A second important caveat is that news media sources should not be assumed to be objective

conduits of ‘the truth’. It has long been established that news outlets distort events around their own ideological (and commercial) interests (Eldridge, 2005). Even those sources bound by the principle of ‘due impartiality’ – public service broadcasting organisations such as the BBC – are still subject to ‘agenda setting’ by the more overtly biased source – particularly the tabloid press. This tendency was linked explicitly to the reporting of industrial relations, for example, in the first of the well-known *Glasgow University Media Group’s* ‘Bad News’ series (1976). Some HR-related stories make for obviously ‘juicy’ news stories: strikes, moral panic over ‘compensation culture’, or the offshoring of call-centre jobs from the global north to the global south. But does the story reflect the background reality? Strikes are the product of discontent about a previous – and unreported – situation; headline stories about large payoffs of unfairly treated employees do not convey the reality from national-level data in the case of the US or UK, for example, showing that the vast majority of unfair dismissal claims put through the *Employment Tribunal* system in the UK are unsuccessful and those that are successful tend to pay modest levels of compensation. Similarly, in addition to offshored call-centre work, less attention is paid to the net jobs that may be being created in this industry (in a country like the UK) than were exported from it.

Using media sources itself requires critical thinking and a degree of ‘filtering’ in order to properly judge how it may link to the topic in question. The overall approach offered would be:

- Be aware of the subject material taken by formal study.
- Be vigilant and observe media stories that appear relevant to study topics.
- Be vigilant about the inherent bias of any one media source.
- While ‘mainstream media’ is biased, it is biased in a more transparent way than is the case for sources found on social media. Therefore, assume all social media-based stories are made up. Verify them from a range of sources.
- Are there differences between formal theory and apparent practice observed via the media?
- Be critical of the theory: does the apparent difference indicate that theory is inadequate in its present form?
- Examine the back-story: what lies behind the reported story? To what extent is the story informed by ‘moral panic’?
- Dig deeper. What other sources can be found on this story? What similar stories on this topic are there?
- Integrate the accumulated findings of the news stories and academic theory. What do you now understand about this subject?

Chapter Format

Each chapter is structured in a way that is intended to stimulate interest in the topic, provoke further enquiry and embed previous knowledge. Each chapter starts with an overview, follows with three to four key learning outcomes – which are expected to be achieved through the reader not just reading the chapter, but engaging with the subject more generally. There then follows a short case study extracted from a media source: ‘HRM in the media’. The main body of the chapter then follows – with an introduction following the case study. Each chapter then continues with a series of sub-headings specific to the topic in question and after the conclusion section, the HRM case study is returned to with some reflections. Some suggested further reading is then provided. As explained, above, the use of the ‘HRM in the media’ device has two purposes. Firstly, it is intended to demonstrate that a seemingly straightforward technical aspect of HR practice – perhaps already known to the reader – does not always go

according to plan and that a critical approach to a particular topic enables a deeper understanding of the topic if such problems are to be resolved or avoided. Secondly, it is intended to challenge the reader to seek out other such dilemmas, notwithstanding the important caveats made about over-reliance on media-based stories as being representative.

Structure of the Book

The book follows the following structure: Part 1 focuses on the external context of HRM and sets the scene for the book. This is intended to mirror what students studying at this level, or an HR practitioner, would need as prerequisite knowledge: an understanding of some critical determining factors that shape the choice of HR policy and practice within a specific organisational context. Chapter 2 by Sepideh Parsa discusses corporate governance and how the differing approaches to the accountability structures of large corporations go on to shape the relationship that such companies choose to have with their stakeholders – including employees. The underlying assumptions that shape these accountability structures go on to shape HR policies and practices. Chapter 3 by Dan Ozarow explores some of the fundamental transformations in HRM practice in recent years, particularly how the global economic crisis has impacted upon jobs, wages and conditions since 2008, and how different kinds of businesses and governments have responded to this global turbulence. Chapter 4 by Ian Roper, Lilian Miles and Phil James explores politics, the regulatory environment and HRM by considering what is meant by ‘the state’ and its role in relation to work and employment. Chapter 5 by Devi Sacchetto, Olga Cretu and Claudio Morison offers a background in migration studies to understand the challenges and opportunities that labour mobility creates for people and organisations. Chapter 6 by Sebastian Fuchs and Anna Frühbuss concludes Part 1 by discussing the nature of HR strategies and their effects on organisational performance and outcomes.

Part 2 of the book focuses on the activity of HR policy into practice. This section covers topics that students studying HRM would be likely to have covered in previous studies: the core operational functions of the HR practitioner, defined here, under the recognisable terms used over a long period and codified by the Chartered Institute of Personnel and Development (CIPD). However, where previous studies should have equipped the student with an understanding of the important foundations in the issues of *people resourcing*, *employee relations*, *employee reward* and *learning and development*, the chapters in this section of the book attempt to take students into particular areas of these subjects. It is not claimed that these chapters represent the final word on the subjects. What they attempt to do, however, is take an aspect of the subject and consider, from each author’s own perspective, an issue that could be seen as problematic or critical in the subject. Chapter 7 by Nick Wylie discusses the role of the HR professional as an internal consultant and explores opportunities, tensions and contradictions likely to emerge in this HR role. Chapter 8 by Rea Prouska explores the dilemmas associated with outsourcing and offshoring work. Chapter 9 by Elizabeth Cotton introduces the work of the Global Union Federations and International Framework Agreements and explores contemporary issues around international employment relations and the regulation of multinational companies. Chapter 10 by Steve Vincent and Scott Hurrell, in contrast to the arguments made in Chapter 6, considers why the link between HR practices and organisational performance remains unclear and highlights problems with HR theory, cultural factors and social structures, which interact to undermine the HRM-performance link. Chapter 11 by Chris Mabey unravels some of the contrasting definitions of Learning and Development and their associated assumptions, explores some of the challenges facing

knowledge-rich organisations and, with a particular emphasis upon HRM professionals, examines what can be done to foster and facilitate learning and development. Chapter 12 by Tim Freeman provides an overview of a range of critical perspectives on leadership, introducing the academic literature on which they are based and exploring their implications for leadership endeavour. Chapter 13 by Geoff White introduces the debate surrounding reward management and explores the background to the phenomenon of the ‘new pay’ and considers whether future pressures may force a return to some older concerns of equity and voice. Chapter 14 by Alex Beauregard and Chapter 15 by Elizabeth Cotton conclude Part 2 of the book by exploring equality, diversity, intersectionality, mental health and resilience in the modern workplace.

Finally, Part 3 explores the outcomes of HRM in a comparative perspective. Past experience has led the editors to believe that students attempting to apply aspects of HRM theory into a specific workplace context often fail to grasp the contextual differences in explaining the manner in which specific HR practices may be applied. This error is either by way of an over-reliance on prescriptive HR models and/or an assumption that ideal-type best-practice will necessarily be embraced (or even possible) in a particular organisational setting. For example, an assumption could be made, on the basis of prescribed best practice, that a ‘social partnership’ approach to employee relations would be welcomed by management in a small non-union organisation; or that an off-the-shelf ‘change management’ programme will be welcomed by staff in a unionised large organisation with a recent history of staff redundancies. Of course, the application of context is not unique to this subject – or indeed this book. And the editors of this book would also not suggest that any serious student should not take their own initiative in investigating important organisational contexts when applying theory to practice. However, the manner in which much HR practice is presented in many textbooks suggests universal applicability. In some cases, this may be the author’s intent or because perhaps there are universally applicable ‘rules’ that can apply. In most cases, however, it is due to the author undoubtedly assuming that the reader would need to do the extra context-specific reading to complete the full picture. This final section therefore provides an overview of contexts and resulting HRM practices associated with these. Chapters 16, 17 and 18 introduce contemporary issues and debates in comparative HRM (Geoff Wood), explore the relationship between multinational enterprises (MNEs) and HRM (Chris Brewster), and discuss the particularities of managing HR in small and medium-sized enterprises (SMEs) (Alexandros Psychogios) respectively.

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