

The Strategic Managing of Human Resources

John Leopold. Lynette Harris & Tony Watson



ontents

<i>List of figures</i>	xv
<i>List of tables</i>	xvi
<i>List of illustrations</i>	xvii
<i>List of case studies</i>	xv'tii
<i>List of activities</i>	xx
<i>Contributing authors</i>	xxii
<i>Acknowledgements</i>	xxvi
<i>Foreword by Kevan Scholes</i>	xxvii
<i>Preface by John Leopold, Lynette Harris and Tony Watson</i>	xxix
<i>Plan of the book</i>	xxxii
<i>Web links</i>	xxxiii

PART I Managing strategic human resourcing in a complex and uncertain organisational, social and economic context

Chapter 1 Organisations, strategies and human resourcing Tony Watson

Learning outcomes	6
Human resourcing from the Stone Age to the twenty-first century	7
The nature of human resources	1
Human resources in modern industrial capitalist societies	9
Human resources, people and work organisations	11
The impossibility of 'managing people'	11
Work organisations as negotiated orders	14
Managing organisations strategically	15
Strategies as patterns that emerge over time	15
Strategy-making in practice	17
Managing HR strategically	21
The nature of human resource strategies	21
Human resourcing as essentially strategic	23
HR strategy as mistress and servant of corporate strategy	23
Choices and circumstances in the shaping of HR strategies	25

'HRM best practices' vs. 'HR practices appropriate to organisational circumstances'	25
Choices and contingencies in HR strategy-making	27
High commitment and low commitment HR strategies in practice	30
Summary	32
Discussion questions	33
Further reading	33

Chapter 2 Managing uncertainty or managing uncertainly?

Colin Bryson and Luchien Karsten 34

Learning outcomes	34
Introduction	34
Conceptualising flexibility	36
Factors promoting a different approach in human resourcing	40
A working definition of flexible employment and managing uncertainty	43
Functional flexibility - multi-skilling	46
Facilitating factors promoting functional flexibility	48
Barriers against functional flexibility (from Clark, 1993)	48
Advantages and disadvantages of functional flexibility	48
Overview	48
Numerical flexibility - fixed-term contracts	49
Facilitating factors promoting use of fixed-term contracts	50
Barriers against use of fixed-term contracts	50
Advantages and disadvantages of fixed-term contracts	51
Overview	51
Numerical flexibility - redundancy	51
Facilitating factors promoting the use of redundancy	52
Barriers against the use of redundancy	52
Advantages and disadvantages of redundancy	52
Overview	52
Temporal flexibility - part-time/variable time	53
Facilitating factors promoting the use of part-time/variable time working	54
Barriers against the use of part-time/variable working	55
Advantages and disadvantages of part-time/variable working	55
Overview	55
Temporal flexibility - overtime	55
Facilitating factors promoting the use of overtime	56
Barriers against the use of overtime	56
Advantages and disadvantages of overtime	56
Overview	57
Implications and outcomes of different approaches to managing uncertainty	58
Conclusion	62
Summary	63

Discussion questions	64
Further reading	64
Chapter 3 Employment law and human resourcing strategies	
Lynette Harris	65
Learning outcomes	65
Law and employment strategies	65
Why regulate?	66
Regulation and approaches to human resourcing	67
The changing legal framework	69
Minimal intervention	71
The era of the social contract	72
The market rules	72
New rights and the impact of the EU	73
A more litigious workforce?	75
Organisational responses	76
Internal expertise	79
Increasing line management's responsibilities	80
Increased proceduralisation	81
Developing line management capability	83
Regulation and the employment relationship	84
Conclusion	85
Summary	86
Discussion questions	87
Further reading	87
Chapter 4 Ethics and strategic human resourcing	
Diannah Lowry	88
Learning outcomes	88
Introduction	88
Ethical issues associated with strategic human resourcing	92
Ethics and performance management	92
Ethics and reward	93
Ethics and quality	93
Ethics and long working hours	94
Ethics and 'flexible' labour	94
Ethics and downsizing	95
The HR manager and ethics	96
Ethical traditions	99
Normative ethical theories	100
Traditional normative ethical frameworks	100
Non-consequentialist theories	100
Duty-based ethics	100

justice-based ethics	101
Consequentialist theories	102
Egoism	102
Utilitarianism	103
Critique of traditional ethical theories	104
Contemporary ethical theories	105
Ethics of virtue	105
Discourse ethics	106
Ethics of care	106
Descriptive ethical theory	107
Moral development, moral awareness and ethical decision-making	107
Summary	109
Discussion questions	110
Further reading	110

PART II Human resourcing policies in practice

Chapter 5	From equal opportunities to diversity management	116
	<i>Carley Foster and Lynette Harris</i>	
	Learning outcomes	116
	Introduction	116
	From equal opportunities to managing diversity	117
	What is managing diversity?	119
	The business case for diversity	121
	Sameness or difference to achieve equality?	124
	Anti-discrimination legislation and approaches to workplace equality	126
	Implementing equality and diversity	129
	The impact of regulation	130
	Managerial capability	132
	HR policies and procedures	133
	Organisational factors	134
	Future challenges	136
	Conclusion	137
	Summary	138
	Discussion questions	138
	Further reading	139
Chapter 6	Assessment, selection and evaluation	140
	<i>Sue Newell</i>	
	Learning outcomes	140
	Introduction	140
	Two perspectives on selection	141

The traditional, systematic approach to selection	142
The processual approach to selection	144
Selection and learning	146
Experience and impression management	148
Reflection and attribution theory	149
Generalisation and personal construct theory	151
Experimentation and validity	156
A critical exploration of 'traditional' practice	162
Defining the job and the ideal candidate	162
Measuring candidates	164
Application forms and biodata	164
Psychometric measures	166
Ability tests	166
Personality questionnaires	167
Performance tests	169
Group selection methods	169
References	170
Interviews	170
Assessment centres	172
Selection decisions	173
'Best practice' recruitment and selection	174
Conclusion	175
Summary	175
Discussion questions	176
Further reading	177

Chapter 7 Performance management and performing management

Colin Fisher

178

Learning outcomes	178
Introduction	178
Performance management as managerial folklore	179
The uses and abuses of performance management	182
Clarifying and publishing objectives	184
Performance measurement	186
Identifying appropriate measures	186
The complexities of performance measurement	187
The balanced scorecard and a stakeholder approach to performance measurement	189
Approaches to performance measurement	190
Target-setting	191
Targets and motivation	192
The skills of target-setting	192
Target-setting and management control	194

Competency frameworks	195
360° appraisal	196
Personal development plans	198
Managing problem staff	200
Staff appraisal	200
Conclusion - does performance management work?	207
Summary	209
Discussion questions	210
Further reading	210
Chapter 8 Reward strategies and paying for contribution	
Lynette Harris	211
Learning outcomes	211
A more strategic approach to paying for contribution?	211
What is performance-related pay?	216
Individual performance-related pay	216
Team-based performance-related pay	217
Competence/skills-related pay	217
A shift to contribution-related pay?	217
Motivational principles and PRP	218
Performance pay and the rewards agenda	219
Problems of application	221
Conflicts between development and measurement	224
Issues of felt fairness	225
Whom does it motivate?	228
Changing the psychological contract	229
PRP and line management	231
New challenges	233
Conclusions - does performance pay improve work performance?	235
Summary	236
Discussion questions	237
Further reading	237
Chapter 9 Parting company: the strategic responsibility of exit management	238
David Walsh and David Bott	
Learning outcomes	238
Introduction	238
Employee-initiated termination of employment	243
A high commitment approach to employee-initiated exits	245
Management-initiated termination of employment (dismissal)	250
Employee deficiency	251
A high commitment approach to discipline and capability dismissal	252

Redundancy	254
A high commitment approach to redundancy dismissal	255
Conclusion	264
Summary	265
Discussion questions	266
Further reading	266

Chapter 10	Human resourcing in international organisations	268
	<i>Dave Doughty and David Walsh</i>	
Learning outcomes		268
Introduction		268
From domestic to international human resourcing		269
Human resourcing in the domestic organisation		271
The single business organisation		271
The multi-unit business organisation		272
Human resourcing in the international organisation		274
National and international human resourcing		276
Globalisation and organisational approaches to international human resourcing		280
The structure of multinational companies		282
The dominant management orientation of multinational companies		284
Changing the mindset		288
Staffing for transnational companies		290
International relocation		293
The pre-departure phase		294
The expatriation phase		295
The repatriation phase		296
Host country employment - contingent factors		297
The analysis of local conditions		298
The employment relationship		298
Cultural factors		302
Determining host country policies and practices		303
Maintaining favourable employee relations		304
Cross-cultural comparisons - the work of Hofstede		306
The four dimensions of culture		307
Power distance		307
Uncertainty avoidance		308
Individualism		308
Masculinity		308
Using Hofstede's value survey model		309
Summary		314
Discussion questions		316
Further reading		317

PART III Managing change and developing capability

Chapter 11	Knowledge organisations, strategies and human resourcing	323
	Carole Tansley	
	Learning outcomes	323
	Can knowledge be 'managed'?	324
	The discourse of knowledge management	326
	The knowledge economy	326
	Knowledge work and knowledge workers	327
	The nature and processes of knowledge	329
	Personal or tacit knowledge	331
	Explicit knowledge	332
	The codification and storage of knowledge	332
	The tacit/explicit relationship	333
	Organisational knowledge	334
	What is organisational knowledge?	335
	Knowledge management and HR practice in organisations	336
	Knowledge management and technology	339
	HR information systems	339
	Integrating HRIS with an Enterprise Resource Planning system	340
	A relational perspective on knowledge	344
	Four innovation stages of an HR ERP project - a knowledge-based analysis	345
	Stage 1: Agenda formation	345
	Stage 2: Design	345
	Communities of practice	346
	Human resourcing features of HR communities of practice	346
	The politics of teamwork - team 'destroyers'	347
	Stage 3: Implementation	348
	Stage 4: Appropriation	348
	Legitimate peripheral participation	349
	Summary	349
	Discussion questions	350
	Further reading	350
 Chapter 12	 Managing processes of human resource development	
	Jan Myers and Susan Kirk	351
	Learning outcomes	351
	HRD in context	351
	HRD as a strategic intervention	358
	Tensions between control and development	363
	Approaches to development processes	365
	Managing learning opportunities	370
	Changing role of HR practitioners and managers	376
	Conclusion	377

Summary	378
Discussion questions	379
Further reading	379

Chapter 13	Developing managers and managerial capacities	
	Jim Stewart	380
	Learning outcomes	380
	Introduction	380
	An overview	381
	The nature of managerial work	382
	The nature of development	383
	Management purposes - development and meanings	384
	Discussion	386
	Summary	387
	Management development approaches and methods	389
	Approaches to MD	390
	Methods	393
	Management development and HR strategy	395
	Future developments in MD	397
	Conclusion	398
	Summary	398
	Discussion questions	399
	Further reading	399

PART IV Managing employment and other human resourcing relationships

Chapter 14	Strategic choice in patterns of employment relationships	
	Tony Watson, John Leopold and Derek Watling	406
	Learning outcomes	406
	Introduction	406
	The interplay of conflict and cooperation	409
	Two levels of conflict and its variety of expressions	412
	Traditional strategic human resourcing options in management-union relations	414
	Patterns of change in union membership, collective bargaining and strike activity	415
	A union-recognition strategic option	419
	A substitution strategic option	421
	A 'black hole' strategic option	421
	'Partnership' as an alternative strategic option for conducting the employment relationship?	424
	Conclusion	431
	Summary	431

	Discussion questions	433
	Further reading	433
Chapter 15	Employee participation, involvement and communications	434
	John Leopold	
	Learning outcomes	434
	Industrial democracy, employee participation and employee involvement	434
	Waves or cycles?	437
	Representative participation	438
	Employee representation on health and safety	440
	European comparators	441
	European practice	443
	Employee involvement	444
	Downward communication	444
	Upward problem-solving	445
	Quality circles and total quality management	446
	Task participation	450
	The restructuring of jobs	450
	Teamworking	451
	Financial involvement	451
	Impact of financial involvement	453
	Conclusion	455
	Summary	459
	Discussion questions	459
	Further reading	460
Chapter 16	Managing consulting and consultancy relationships	461
	Diannah Lowry and Pam Stevens	
	Learning outcomes	461
	Introduction	461
	The nature of exchange in the consultancy relationship	462
	Strategic perspectives of consultancy	463
	Structural perspectives of consultancy	464
	Integration of the strategic and structural perspectives	465
	Models of managing consulting and the consultancy relationship	465
	Ethical issues in managing consulting and the consultancy relationship	474
	Summary	477
	Discussion questions	478
	Further reading	478
	Final thoughts	479
	Bibliography	480
	Index	531