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HUMAN RESOURCE MANAGEMENT, INDUSTRIAL RELATIONS AND ACHIEVING MANAGEMENT OBJECTIVES

BY

S.R. de Silva

Senior Specialist in Employers' Activities
East Asia Multidisciplinary Advisory Team
I.L.O., Bangkok

[\[Top\]](#)

[\[Next\]](#)

Table of Contents

[Factors Influencing Trends](#)

[Trends in Human Resource Management and Management Objectives](#)

[The Theory of the Conflict Between Industrial Relations and Human Resource Management](#)

[Reconciling the Conflict and Trade Union Views](#)

[Endnotes](#)

[\[Top\]](#)

[\[Contents\]](#)

[\[Previous\]](#)

[\[Next\]](#)

FACTORS INFLUENCING TRENDS

The objectives of managements, the ways in which enterprises are managed to achieve these objectives and the human resource management (hereinafter referred to as "HRM") and industrial relations (hereinafter referred to as "IR") initiatives in this regard, are affected by pressures, many of which are exerted by globalization. Changes in IR practices (rather than in institutions and systems) such as increased collective bargaining at enterprise level, flexibility in relation to forms of employment as well as in relation to working time and job functions have occurred as a result of such factors as heightened competition, rapid changes in products and processes and the increasing importance of skills, quality and productivity. These factors have also had an impact on HRM policies and practices. In managing change, the key elements include employee involvement in effecting change, greater customer orientation, and ensuring that the skills of employees are appropriate to the production of goods and the provision of services acceptable to the global market. As such, managing people in a way so as to motivate them to be productive is one important objective of HRM. The implications and consequences of globalization include the following:

1. Countries are more economically interdependent than before, particularly in view of foreign direct investment interlocking economies, as well as increased free trade. The inability of economies to be 'self-sufficient' or 'self-reliant' or 'self-contained' has been accompanied by a breakdown of investment and trade barriers.
2. Governments are increasingly less able to control the flow of capital, information and technology across borders.
3. There has been de-regulation of financial and other markets, and the integration of markets for goods, services and capital such as the European Community.
4. It has led to the de-nationalization of enterprises and the creation of global companies and global webs.
5. Production of goods and services acceptable to the global market, and the convergence, to a great extent, of customer tastes across borders determined by quality.
6. The need to achieve competitiveness and to remain competitive in respect of attracting investment, goods and services. This means, inter alia, the necessity for high quality skills at all levels to attract high value-added activities, as distinct from cheap labour low value-added ones, and improvements in productivity.

Enterprises driven by market pressures need to include in their goals improved quality and productivity, greater flexibility, continuous innovation, and the ability to change to respond rapidly to market needs and demands. Effective HRM is vital for the attainment of these goals. Improved quality and productivity linked to motivation can be achieved through training, employee involvement and extrinsic and intrinsic rewards. The growing interest in pay systems geared to performance and skills reflects one aspect of the increasing significance of HRM in realizing management goals and a gradual shift from collectivism to the individualisation of pay. In such pay systems a critical attraction is the possibility of achieving these goals without increasing labour costs but at the same time increasing earnings. Realizing management goals and managing change need employee involvement, commitment and training, employee participation, cooperation and team-work - all important HRM initiatives and activities. The dominant position towards which HRM is moving points to a

"change in power relations and highlights the supremacy of management. The management prerogative is rediscovered but in place of command and control the emphasis is on commitment and control as quality, flexibility and competence replaces quantity, task and dumb obedience. To put it another way: the managerial agenda is increasingly focused on innovation, quality and cost reduction. Human resource management makes more demands on employees, work is intensified there is less room for managerial slack and for indulgency patterns."¹

From a purely HRM perspective, one writer² has identified the following six factors as accounting for the increasing interest in and resort to HRM practices:

- a. Improving the management of people or utilizing human resources better as a means of achieving competitive advantage.
- b. The numerous examples of excellence in HRM have created an interest in such models.
- c. The traditional role of personnel managers has failed to exploit the potential benefits of effective management of people; neither did personnel management form a central part of management activity.
- d. In some countries the decline of trade union influence has opened the way for managements to focus on more individual issues rather than on collectivist ones.

- e. The emergence of better educated workforces with higher individual expectations, changes in technology and the need for more flexible jobs have, in turn, created the need to incorporate HRM into central management policy.
- f. Many important aspects of HRM such as commitment and motivation emanate from the area of organizational behaviour, and place emphasis on management strategy. This has provided an opportunity to link HRM with organizational behaviour and management strategy.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)
[\[Next\]](#)

TRENDS IN HUMAN RESOURCE MANAGEMENT AND MANAGEMENT OBJECTIVES

When identifying some of the trends in HRM and when subsequently analysing how they could contribute to achieving management objectives, it is necessary to voice a note of caution. The fact that one elaborates on an ideal model of HRM does not mean that such models have been widely adopted in the real corporate world.³ As Thomas A Kochan and Lee Dyer point out, "even today we find that the human resource function within many American corporations remains weak and relatively low in influence relative to other managerial functions such as finance, marketing, and manufacturing ... despite the outpouring of academic writing on 'strategic human resource management' little progress has been made in developing systematic theory or empirical evidence on the conditions under which human resources are elevated to a position where the firm sees and treats these issues as a source of competitive advantage."⁴ The 'best practice' models are really the exceptions, but their value is that they, in a sense, prove the rule, so to speak. Absence of widespread practice is no argument against such a model, but is rather a reason to advocate it, in the same way that the absence of a harmonious IR system in a given situation or country is no argument against advocating it. However, it is possible that the various pressures on enterprises in the 1990s will result in increased resort to effective HRM policies and practices. In the ultimate analysis, HRM and IR are about how people are treated, and their relevance increases where an enterprise takes a long-term view, rather than a short-term one, of what it wants to achieve. Two writers, after examining some of the successful companies such as IBM, GE, Hewlett Packard and Matsushita, observe that

"there are a series of things concerned with corporate objectives and culture that seem to matter. Agreement on basic directions for the long-term development of the business, and on how to treat people within the firm, are perhaps the most essential common features of these companies."⁵

The increasingly significant role of HRM in achieving management objectives is reflected in the transformation of the personnel management function. Over the last two decades this function was often marginalized in terms of its importance in management activities and hierarchy. It has evolved from a concentration on employee welfare to one of managing people in a way so as to obtain the best and highest productivity possible from the employee, through methods that provide the employee with both intrinsic and extrinsic rewards.⁶ Therefore today

"far from being marginalised, the human resource management function becomes recognized as a central business concern; its performance and delivery are integrated into line management; the aims shift from merely securing compliance to the more ambitious one of winning commitment. The employee

resource, therefore, becomes worth investing in, and training and development thus assume a higher profile. These initiatives are associated with, and maybe are even predicated upon, a tendency to shift from a collective orientation to the management of the workforce to an individualistic one. Accordingly management looks for 'flexibility' and seeks to reward differential performance in a differential way. Communication of managerial objectives and aspirations takes on a whole new importance."⁷

What separates or distinguishes HRM from the traditional personnel function is the integration of HRM into strategic management and the pre-occupation of HRM with utilizing the human resource to achieve strategic management objectives. HRM "seeks to eliminate the mediation role and adopts a generally unitarist perspective. It emphasizes strategy and planning rather than problem-solving and mediation, so that employee cooperation is delivered by programmes of corporate culture, remuneration packaging, team building and management development for core employees, while peripheral employees are kept at arms"length."⁸

HRM strategies may be influenced by the decisions taken on strategy (the nature of the business currently and in the future) and by the structure of the enterprise (the manner in which the enterprise is structured or organized to meet its objectives)⁹. In an enterprise with effective HRM policies and practices, the decisions on HRM are also strategic decisions influenced by strategy and structure, and by external factors such as trade unions, the labour market situation and the legal system. In reality most firms do not have such a well thought-out sequential model. But what we are considering here is effective HRM, and thus a model where HRM decisions are as strategic as the decisions on the type of business and structure.

At a conceptual level the interpretations of HRM indicate different emphases which lead to concentration on different contents of the discipline. The various distinctions or interpretations indicate that HRM

"can be used in a restricted sense so reserving it as a label only for that approach to labour management which treats labour as a valued asset rather than a variable cost and which accordingly counsels investment in the labour resource through training and development and through measures designed to attract and retain a committed workforce. Alternatively, it is sometimes used in an extended way so as to refer to a whole array of recent managerial initiatives including measures to increase the flexible utilization of the labour resource and other measures which are largely directed at the individual employee. But another distinction can also be drawn. This directs attention to the 'hard' and 'soft' versions of HRM. The 'hard' one emphasizes the quantitative, calculative and business-strategic aspects of managing the headcounts resource in as 'rational' a way as for any other economic factor. By contrast, the 'soft' version traces its roots to the human-relations school; it emphasizes communication, motivation, and leadership."¹⁰

There are several ways in which HRM has changed earlier attitudes and assumptions of personnel management about managing people.¹¹ The new model of HRM includes many elements vital to the basic management goal of achieving and maintaining competitiveness.

First, HRM earlier reacted piece-meal to problems as they arose. Effective HRM now increasingly seeks to link HRM issues to the overall strategy of the organization. Organizations

with the most effective HRM policies and practices seek to integrate such policies in corporate strategies and to reinforce or change an organization's culture. Integration is needed in two senses -integrating HRM issues into an organization's strategic plans and securing the acceptance and inclusion of a HRM view in the decisions of line managers. The HRM policies in respect of the various functions (e.g. recruitment, training, etc.) should be internally consistent. They must also be consistent with the business strategies and should reflect the organization's core values¹². The problem of integrating HRM with business strategy¹³ arises, for example, in a diversified enterprise with different products and markets. In such cases there is the difficulty of matching HRM policies with strategies which could vary among different business activities, each of which may call for different HRM policies. For instance, in particular cases "the 'hard' version of human resource management appears more relevant than the 'soft' version of human resource management. In other words, matching HRM policies to business strategy calls for minimizing labour costs, rather than treating employees as a resource whose value may be enhanced by increasing their commitment, functional flexibility, and quality."¹⁴ This contradiction is sometimes sought to be resolved through the claim that developing people is possible only where the business is successful. Therefore if reducing the labour force or dispensing with poor performers is dictated by business conditions, resorting to such measures and treating people as a resource are not antithetic. Another reconciliation of this contradiction is sought through management initiatives to change business strategy (e.g. in sectors where reducing costs is a common practice such as in mass production and supermarket retailing) through greater employee involvement, commitment and training.

Second, building strong cultures is a way of promoting particular organizational goals, in that "a 'strong culture' is aimed at uniting employees through a shared set of managerially sanctioned values ('quality', 'service', 'innovation', etc.) that assume an identification of employee and employer interests."¹⁵ However, there can be tension between a strong organizational culture and the need to adapt to changed circumstances and to be flexible, particularly in the highly competitive and rapidly changing environment in which employers have to operate today. Rapid change demanded by the market is sometimes difficult in an organization with a strong culture. IBM has been cited as a case in point. Its firmly-held beliefs about products and services made it difficult to effect change in time, i.e. when the market required a radical change in product and service (from mainframe, customised systems, salesmen as management consultants to customer-as-end user, seeking quality of product and service) to personal computers (standardized product, cost competition, dealer as customer).¹⁶ Nevertheless in the long term a strong organizational culture is preferable to a weak one:

"Hence it could be said that the relationship between 'strong' cultures, employee commitment, and adaptability contains a series of paradoxes. Strong cultures allow for a rapid response to familiar conditions, but inhibit immediate flexibility in response to the unfamiliar, because of the commitment generated to a (now) inappropriate ideology. 'Weak' cultures, in contrast, when equated with ambiguous ideologies, allow flexibility in response to the unfamiliar, but cannot generate commitment to action. Yet strong cultures, through disconfirmation and eventual ideological shift may prove ultimately more adaptive to change, assuming the emergence of a new strong yet appropriate culture. This may be at the cost of a transitional period when ability to generate commitment to any course of action -new or old - is minimal."¹⁷

Third, the attitude that people are a variable cost is, in effective HRM, replaced by the view that people are a resource and that as social capital can be developed and can contribute to

competitive advantage. Increasingly, it is accepted that competitive advantage is gained through well-educated and trained, motivated and committed employees at all levels. This recognition is now almost universal, and accounts for the plausible argument that training and development are, or will be, the central pillar of HRM. By the end of the 1980s leading companies in Germany, Japan and the USA were spending up to 3% of turnover on training and development, but in the UK such expenditure amounted to only about 0.15%.¹⁸ The economic performance of some of the East Asian countries (Japan, Korea, Hong Kong and Taiwan) and of some of the South East Asian countries (Singapore and Malaysia) are intimately connected with their high level of investment in education and training. Other countries are now placing human resource development at the centre of their national strategic plans - Indonesia being a recent example. Thus

"The existence of policies and practices designed to realize the latent potential of the workforce at all levels becomes the litmus test of an organization's orientation."¹⁹

Fourth, the view that the interests of employees and management or shareholders are divergent and conflictual - though substantially true in the past - is giving way to the view that this need not necessarily be so. HRM seeks to identify and promote a commonality of interests. Significant examples are training which enhances employment security and higher earning capacity for employees and which at the same time increases the employee's value to the enterprise's goals of better productivity and performance; pay systems which increase earnings without significant labour cost increases, and which at the same time promote higher performance levels; goal-setting through two-way communication which establishes unified goals and objectives and which provides intrinsic rewards to the employee through a participatory process.

Fifth, top-down communication coupled with controlled information flow to keep power within the control of management categories is gradually giving way to a sharing of information and knowledge. This change facilitates the creation of trust and commitment and makes knowledge more productive. Control from the top is being replaced by increasing employee participation and policies which foster commitment and flexibility which help organizations to change when necessary. The ways in which the larger Japanese enterprises have installed participatory schemes and introduced information-sharing and two-way communication systems are instructive in this regard.

In enterprises which tend to have corporate philosophies or missions, and where there are underlying values which shape their corporate culture, HRM becomes a part of the strategy to achieve their objectives. For example, in Matsushita Electric Company "finance, personnel and training are all fully centralised Personnel and training exist to create 'harmony' In other words the central role of these functions is to help build and maintain the Matsushita culturepeople are seen as the critical resource."²⁰ In some types of enterprises such as ones in which continuous technological change takes

place, the goal of successfully managing change at short intervals often requires employee cooperation through emphasis on communication and involvement. As this type of unit grows,

"If there is strategic thinking in human resource management these units are likely to wish to develop employee-relations policies based on high individualism paying above market rates to recruit and retain the best labour,

careful selection and recruitment systems to ensure high quality and skill potential, emphasis on internal training schemes to develop potential for further growth, payment system designed to reward individual performance and cooperation, performance and appraisal reviews, and strong emphasis on team work and communication ... In short, technical and capital investment is matched by human resource investments, at times reaching near the ideals of human resource management."²¹

If, as is often the case, (the UK is a good example²²), enterprises are dominated by financial issues, HRM will not be a part of the central strategy of such enterprises.

HRM as a means of achieving management objectives - at least in enterprises which have recognized, or have been compelled to recognize, the utilization of the human resource in achieving competitive edge - becomes clear from an examination of four important goals of effective HRM.²³ HRM is closely linked to motivation, leadership and work behaviour. An enterprise's policies and practices in these areas have an impact on whether HRM contributes to achieving management goals.

The first goal of HRM is integration, which in itself has four aspects. Although "a comprehensive corporate strategy is essential to continuing business success ... in many cases, human resource planning is not an integral part of strategic planning, but rather flows from it"²⁴, so that giving effect to strategic plans becomes more difficult. This is especially so in today's context when the success of the process of adapting to change requires an increasing degree of individual and group involvement, so that human resources need to be integrated into strategic plans. As has been aptly stated in regard to managing change.²⁵

"Corporate entrepreneurs - single-minded individuals that they are - still get their projects done by crafting coalitions and building teams of devoted employees who feel a heightened sense of joint involvement and contribution to decisions. The integrative, participative vehicles surrounding innovators - open communication, interdependent responsibilities, frequent team efforts- keep them close to the power sources they need to operate, ensuring access to information, resources and the support needed for implementation. Involving grass roots employees on participative teams with control over their own outcomes helps the organization to get and use more ideas to improve performance and increase future skills. Whether called 'task forces', 'quality circles', 'problem-solving groups', or 'shared-responsibility teams', such vehicles for greater participation at all levels are an important part of an innovating company. Masters of change are also masters of the use of participation."

Human resource policies should also be internally consistent in the sense that policies in each area of human resources (e.g. selection, motivation, rewards) should further common strategic objectives. Further, successful integration depends on line managers accepting and practising the appropriate HRM policies. Moreover, employees should be integrated (as in the case of the best practice in Japanese companies) so that there is as little divergence of interests between those of the enterprise and the employee.

The second is the goal of commitment, which involves identification of the type of commitment sought e.g. attitudinal, behavioural.²⁶ Commitment could be to the organization, to the job, to career advancement. Commitment could be seen as acceptance of enterprise values and goals, and could be reflected in behaviour which seeks to further these goals. Thus:

"The theoretical proposition is therefore that organizational commitment, combined with job related behavioural commitment will result in high employee satisfaction, high performance, longer tenure and willingness to accept change."²⁷

Among measures to achieve commitment are setting objectives through a two-way communication process which requires consultation and involvement; performance appraisal systems based on agreed goals and performance measures; intrinsic and extrinsic rewards.

The third is the goal of flexibility and adaptability, which in essence means the ability to manage change and innovation and to respond rapidly to market demands and changes. This requires a HRM policy which is conducive to change at all levels of the organization, a structure which is not bureaucratic, rigid and hierarchical, with an absence of rigid job demarcations and with functional flexibility (flexible skills and willingness to move from one task to another). Promoting these is possible only "if employees at all levels display high organizational commitment, high trust and high levels of intrinsic motivation."²⁸ Measures to achieve flexibility would include training, work organization, multi-skilling and removal of narrow job classifications.

The fourth goal of HRM is the goal of quality. This assumes the existence of policies and practices to recruit, develop and retain skilled and adaptable staff, and the formulation of agreed performance goals and performance measures. To these goals could be added two broader goals - building a unified organizational culture and achieving competitive advantage through the productive use of human resources.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)
[\[Next\]](#)

THE THEORY OF THE CONFLICT BETWEEN INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

In considering the relationship between HRM and IR, two central concerns are: in what way does HRM pose a challenge to IR and how can conflicts between the two, if any, be reconciled so that they can complement each other? This section concerns itself with the first of these two issues. In considering the issue, it is necessary to identify the broad goals of each discipline. The goals of HRM have already been identified in the previous section. It remains to consider some of the basic objectives of IR, which could be said to include the following:

1. The efficient production of goods and services and, at the same time, determination of adequate terms and conditions of employment, in the interests of the employer, employees and society as a whole, through a consensus achieved through negotiation.
2. The establishment of mechanisms for communication, consultation and cooperation in order to resolve workplace issues at enterprise and industry level, and to achieve through a tripartite process, consensus on labour policy at national level.
3. Avoidance and settlement of disputes and differences between employers, employees and their representatives, where possible through negotiation and dispute settlement mechanisms.
4. To provide social protection where needed e.g. in the areas of social security, safety and health, child labour, etc.

5. Establishment of stable and harmonious relations between employers and employees and their organizations, and between them and the State.

IR is essentially pluralistic in outlook, in that it covers not only the relations between employer and employee (the individual relations) but also the relations between employers and unions and between them and the State (collective relations). IR theory, practice and institutions traditionally focus more on the collective aspect of relations. This is evident from the central place occupied by labour law, freedom of association, collective bargaining, the right to strike, employee involvement practices which involve unions, trade unionism and so on. HRM deals with the management of human resources, rather than with the management of collective relations. There is of course a certain measure of overlap. Individual grievance handling falls within the ambit of both disciplines, but dispute settlement of collective issues more properly falls within the scope of IR. Policies and practices relating to recruitment, selection, appraisal, training and motivation form a part of HRM. Team-building, communication and cooperation, though primarily HRM initiatives, have a collectivist aspect. Thus joint consultative mechanisms are as much IR initiatives, which may (as in Japan) supplement collective bargaining. But IR has not, in regard to team-building for instance, developed any techniques or theories about how to achieve it; in fact, it is not a focus of attention because it implies a potential loyalty to the enterprise through the team and is seen as conflicting with loyalty to the union. IR has a large component of rules which govern the employment relationship. These rules may be prescribed by the State through laws, by courts or tribunals, or through a bipartite process such as collective bargaining. HRM differs in this respect from industrial relations in the sense that it does not deal with such procedures and rules, but with the best way to use the human resource through, for example, proper selection and recruitment, induction, appraisal, training and development, motivation, leadership and intrinsic and extrinsic rewards. Thus "at its most basic HRM represents a set of managerial initiatives."²⁹ Four processes central to a HRM system - selection, appraisal, rewards and development³⁰ - leave only limited room for IR as a central element in the human resource system. "Based on theoretical work in the field of organizational behaviour it is proposed that HRM comprises a set of policies designed to maximise organizational integration, employee commitment, flexibility and quality of work. Within this model, collective industrial relations have, at best, only a minor role."³¹

A discernible trend in management is a greater individualisation of the employer-employee relationship, implying less emphasis on collective, and more emphasis on individual relations. This is reflected, for instance, in monetary and non-monetary reward systems. In IR the central monetary reward is wages and salaries, one of its central themes (given effect to by collective bargaining) being internal equity and distributive justice and, often, standardisation across industry. HRM increasingly places emphasis on monetary rewards linked to performance and skills through the development of performance and skills-based pay systems, some of which seek to individualise monetary rewards (e.g. individual bonuses, stock options, etc.). HRM strategies to secure individual commitment through communication, consultation and participatory schemes underline the individualisation thrust, or at least effect, of HRM strategies. On the other hand, it is also legitimate to argue that HRM does not focus exclusively on the individual and, as such, does not promote only individual employment relations. Though much of HRM is directed at the individual,

"at the same time there is a parallel emphasis on team work, whether in the form of quality circles or functional flexibility, and above all, on the individual's commitment to the organization, represented not just as the sum of the individuals in it, but rather as an organic entity with an interest in survival. The

potential conflict between emphasizing the importance of the individual on the one hand, and the desirability of cooperative team work and employee commitment to the organization, on the other, is glossed over through the general assumption of unitarist values ..: HRM stresses the development of a strong corporate culture -not only does it give direction to an organization, but it mediates the tension between individualism and collectivism, as individuals socialised into a strong culture are subject to unobtrusive collective controls on attitudes and behaviour."³²

Some of the tensions between IR and HRM arise from the unitarist outlook of HRM (which sees a commonality of interests between managements and employees) and the pluralist outlook of IR (which assumes the potential for conflict in the employment relationship flowing from different interests). "It is often said that HRM is the visual embodiment of the unitarist frame of reference both in the sense of the legitimation of managerial authority and in the imagery of the firm as a team with committed employees working with managers for the benefit of the firm."³³ How to balance these conflicting interests and to avoid or to minimize conflicts (e.g. through promotion of negotiation systems such as collective bargaining, joint consultation, dispute settlement mechanisms within the enterprise and at national level in the form of conciliation, arbitration and labour courts) in order to achieve a harmonious IR system is one central task of IR. The individualization of HRM, reflected in its techniques which focus on direct employer-employee links rather than with employee representatives, constitutes one important difference between IR and HRM. It has been observed that:

"The empirical evidence also indicates that the driving force behind the introduction of HRM appears to have little to do with industrial relations; rather it is the pursuit of competitive advantage in the market place through provision of high-quality goods and services, through competitive pricing linked to high productivity and through the capacity swiftly to innovate and manage change in response to changes in the market place or to breakthroughs in research and development ... Its underlying values, reflected in HRM policies and practices, would appear to be essentially unitarist and individualistic in contrast to the more pluralist and collective values of traditional industrial relations."³⁴

How does HRM more specifically challenge IR and trade unions, though HRM is not per se anti-union and its central themes are not necessarily inconsistent with unionism ? First, HRM does not focus, as does IR, on collective bargaining, which is a central institution in IR. However, collective bargaining should not be understood only in the narrow sense of negotiation of terms and conditions of employment leading to a formal agreement. It should be viewed as a process, and as including all mechanisms introduced to arrive at a consensus on matters affecting the two social partners, even if they do not result in formalised agreements. If viewed in this way, it reduces the conflict between HRM and IR within this area. A second area in which HRM is said to pose a challenge to unions is on the issue of flexibility- critical in HRM but traditionally absent as a factor in IR where a degree of standardisation for purposes of internal equity has been an objective of unions and of IR. Here the scene is undergoing considerable change. There is today a major thrust towards achieving flexibility in the labour market on matters such as functions, working time, pay and types of contracts. Unions are being compelled to 'participate' in these changes as an alternative to being marginalized. The trend towards greater decentralization of collective bargaining has compelled viewing issues more from a workplace perspective. It has provided an opportunity for unions in countries with a high rate of unionization to be involved in issues other than wages and related ones, such as

technology introduction, new work processes and organization, It involves, on the one hand, the willingness of employers to deal with unions on such matters (which they have to be willing to do in high union-density enterprises), and on the other the willingness of unions to cooperate on legitimate measures to achieve competitiveness -especially where the employees themselves are willing to do so -and to adapt to the realities of the workplace.

A third - and perhaps the principal challenge - emanates from employee loyalty and commitment, which are central objectives of HRM. The issue here is whether dual allegiance is possible i.e. commitment to the goals and values of the organization, and to contribute to its success on the one hand, and commitment to the trade union on the other. It is at this point that IR becomes a critical factor. In principle there should be no antithesis, because trade unionism need not (and should not) be conflictual in approach and attitude. Much of the empirical evidence drawn from the USA indicates that in a workplace with a cooperative IR system dual loyalty is possible, but that it is not possible in one where a cooperative climate is absent or minimal.³⁵ In some of the larger unionised corporations in Japan, this conflict of loyalty is less felt.

Traditional IR and trade unionism can be challenged in other ways - that is, other than through anti-union activity. Downsizing the labour force as a HRM initiative to achieve competitiveness and offering monetary incentives to employees to improve productivity could create IR tensions, especially if the union has not been involved in the process. A similar result may occur when an employer, without seeking to dismantle existing IR practices, establishes other mechanisms and practices such as direct communication and consultation systems, small group activities, employee share option schemes and so on without involving the union.

The unitarist approach of HRM and the pluralist tradition of IR, though regarded by some as incompatible, are not regarded in the same light by others. There are three issues involved here. The first is whether the pursuit of HRM policies such as employee involvement and commitment, two-way communication and small group activities, and the integration of HRM policies in corporate objectives and strategies pose a challenge to central IR institutions such as collective bargaining and to unionism. The second is whether such HRM policies are pursued consciously as a union avoidance strategy. The third is whether HRM and IR are necessarily incompatible or whether there is scope for their co-existence.

David E. Guest³⁶ points out that HRM, which is an American concept, "finds its fullest expression in a number of well-known and successful American companies." He points out that research indicates that the established model of HRM is often found in a non-union company. Referring to the research done by one writer,³⁷ he states³⁸:

"He notes that in almost all the companies he looked at the HRM policies came first, often encouraged by the values of a powerful CEO, preceding any considered non-unionism. In many cases, remaining non-union has subsequently become a policy goal. On the basis of the companies he studied, this has a number of cost implications. Personnel policies must be sufficiently good and sufficiently integrated and reinforced by line management practice to avoid giving grounds for union organising. Foulkes found that most of the companies he studied paid above average rates. They also provided mechanisms for individual expression of grievances and were likely to monitor reactions to personnel policies through the communication system and the use of attitude surveys. All of these practices are to be found in a company like IBM which

provides the best known model of HRM but which is also what Bassett³⁹ refers to as the 'ultimate non-union company'."

This does not mean that HRM is anti-union or that unions have no role to play in HRM, but rather that effective HRM policies and practices are sometimes either used as a union avoidance strategy or else it can have that effect. Three very influential scholars⁴⁰ have put forward the view that there is a role for union involvement in HRM, and point to companies (such as the General Motors Saturn plant) which have involved unions in the move towards HRM, and by so doing unions have facilitated this move. Such an involvement, if it is to take place, would require, in many countries, a substantial change of attitude on the part of both management and unions. David E. Guest⁴¹ remarks however:

"If a new set of practices can be introduced, it is not clear what role is left for the union. The most likely one is that of policing management practices and dealing with grievances which seem almost inevitable with repetitive production line work and persisting pressures to increase productivity. By implication, management is not practising effective HRM and the door is left open for the unions to play a role."

At the annual meeting of European employers' organizations, held in Bordeaux in 1993 the compatibility of new trends in HRM with the traditional IR systems was considered. The following summary⁴² is indicative of the growing attitude of employers in many industrialized market economies:

"The key to competitiveness is quality. And quality depends more on the commitment of individuals than on their acquired technical skills; more on the way these individuals behave and their team spirit than on the passive execution of orders received. Regulations - be they internal to the enterprise or imposed by the legislator - plague innovation and have a negative effect on motivation. Good human resource management lies in the behaviour of each employee within an enterprise ... It applies to individual men and women ... The classic approach to industrial relations is entirely different, with its peculiarity being collective bargaining - which, by definition, does not consider the individual but the mass. The status of a worker is defined by a few general criteria, such as his professional category and possibly his seniority and his age. Remuneration, for example, is calculated on the basis of a few simple elements, which do not take into consideration personal behaviour and individual performance. Work provided is considered purely from the quantitative angle. The future of collective bargaining, therefore, depends on the extent to which it can take into account the demands for individualization which modern methods of human resources management imply. This should not of course lead to arbitrariness Legislation and regulation imposed by the State should also leave a sufficient margin of flexibility to allow for adaptation."

RECONCILING THE CONFLICT AND TRADE UNION VIEWS

David E. Guest⁴³ concludes his analysis on the following note:

"The foregoing analysis has presented human resource management as unitarist and individualistic in focus. It follows from this that the trade unions are unnecessary or at best marginal. Therefore neither the model presented here, nor the American frameworks (of several writers) see industrial relations, as conventionally conceived, as a central human resource activity a company practising human resource management will normally pay above the average rate and will have excellent communication and grievance systems. Implicit in such policies is a model of unions as providing a collective 'voice' for sources of grievance and discontent and promoting worker interests. There is no recognition of any broader concept of pluralism within society giving rise to solidaristic collective orientations. Walton⁴⁴ identifies a number of American cases, notably in the automobile industry, where unions have been involved in moves to increase commitment. At the same time he acknowledges that the role of the union is likely to become somewhat marginal and ambiguous."

The issue considered here is whether the apparent incompatibility between IR and HRM can be reconciled. There are several writers who have expressed strong criticisms of HRM as being exploitative⁴⁵. But a reconciliation can be explored only on the assumption that ultimately both HRM and IR have as one of their objectives fairness and equity, that both parties are prepared to recognize the need for enterprise and employee growth, that these are necessarily inter-linked, and that though their interests are to some extent divergent, there are increasingly areas of common interest for mutual survival. For example, in many countries employers and employees are perceived as two interest groups with generally opposing interests and as belonging to different classes. In the past the relevance of employees to enterprise and national competitiveness was less significant, but the level of employees' education and skills has never been as crucial as it is today. Now we see - and by the turn of the century it will be all the more apparent - a convergence of interests between employers and employees in the latter's level of education and skills.

Before exploring the possibility of reconciling the seeming conflict between HRM and IR, it is instructive to note some of the positions of trade unions. In his analysis of trade union views in the USA, Canada and Britain, P.B. Beaumont⁴⁶ points out that unions have sometimes expressed views about particular elements of HRM such as quality circles, rather than of HRM as a whole. Further, the avowed policy positions of unions at national level do not necessarily reflect what actually happens at enterprise level. In Canada unions have expressed considerable opposition to HRM initiatives, so much so that in the early 1980s anti-quality of worklife resolutions were passed by some unions in two states.⁴⁷ According to a conclusion based on interviews of 17 high level union officials in Canada:

"Union leaders are convinced that management attempts towards employee involvement, and demands for greater flexibility in work arrangements are nothing but a 'misguided desire for a union free environment'. They are of the view that management is more interested in speed up, more productivity than in

the worker input. Labor leaders strongly believe in the adversarial system of labour relations citing the fundamentally different roles of union and management at the workplace. Participation in management decision-making initiatives, according to them, are largely cost driven, motivated by management's desire to abdicate its responsibility by transferring to the union the role of disciplining workers, setting one worker against the other."⁴⁸

In the USA union attitudes have been mixed and more flexible, and the difference between Canada and the USA in this respect has been explained on the basis of higher unionisation rates in Canada⁴⁹. In the USA the AFL CIO did not propound an official policy, and in some cases such as the United Auto Workers' Union, cooperation at local union level was encouraged⁵⁰. In the case of communication workers, support for involvement was provided by the international president⁵¹. On the other hand, the ideology motivating those who oppose initiatives such as team work and related pay structures is that participation arrangements would enlarge the non-union sector.

In regard to Britain, it has been observed that the "view that HRM is in essence the development of a set of policies, practices and arrangements designed essentially to 'individualise' industrial relations, and thus circumvent the unions and weaken individual membership commitment and loyalty to the union, is one that is probably widely accepted throughout the British union movement. However, where individual unions may well disagree is on whether they see all individual components of HRM as equally threatening in this way, and on how to appropriately respond to employer initiatives along these lines."⁵²

The British Trade Union Congress has shown conditional support for some components of HRM such as the generally contentious functional flexibility. It has supported ESOPS, but not linking a substantial part of income to organizational performance. The pronouncements of the TUC lead to the conclusion that "the TUC (1) view HRM developments in total as having the potential to 'individualise' industrial relations, but (2) recognizes the inevitability of certain environmental pressures on employers encouraging some moves along these lines and (3) feels that individual unions should basically judge their value and worth on a situation by situation basis, although (4) certain safeguards and quid pro quos should be ensured and obtained in situations where such moves actually take place."⁵³ Other unions have reflected attitudes ranging from support for HRM initiatives to opposition to them.

If the apparent incompatibility between HRM and IR can be reconciled so that both could operate as parallel systems (as collective and individual focused systems), it would require the satisfaction of several conditions. The two can co-exist if unions and managements are prepared and able to carve out a role for HRM, and they are able to agree on narrowing the gap between HRM and IR. This requires changes in the thinking of unions and managements. Some of the attitudes of unions noted earlier which are opposed to HRM initiatives, as distinct from those which are prepared to treat particular components on their merits, could push employers further towards noninvolvement of unions in HRM initiatives. The result of unions keeping HRM at arms' length is reflected in the statement of a Manager at Austin Rover (UK):

"The unions were invited to the party but they didn't seem to want to come. So, the party went ahead without them."

Unions would need to consider the possible scenario that in the years to come the likelihood is that managements will look increasingly to HRM to enhance enterprise competitiveness. This is particularly so as enterprises come to depend on people - on their skills and productivity - as one critical factor in this regard. HRM is being increasingly taught as a part of management education, and this would perhaps increase resort to HRM by future managers. Besides, declarations of policy at national or central level may not necessarily affect what employees and unions may in fact be prepared to do at local level. Unions could opt to be involved in consultation mechanisms at workplace level at which new HRM initiatives are discussed. This implies that unions need to concentrate more on enterprise level problems and issues. It also implies massive training programmes for unions in HRM issues, if they are to be in a position to respond to and participate in HRM initiatives. The attitude of unions on productivity issues is likely to condition the willingness of employers to involve them in HRM initiatives. Perhaps most of all, unions which are able to take a long-term perspective on issues are most likely to be involved in or participate in change. For example the German unions and works councils "have a structure of incentives, including employment security, effective representation, and participation, continuing retraining in broad skills, which gives them a long-term perspective in plant bargaining."⁵⁴

Obtaining union cooperation would partly depend on management attitudes. If managements believe - as some appear to do - that effective HRM can be popularised by regarding individual enterprise action in isolation from the external labour market, then effective HRM may in the foreseeable future remain isolated islands of excellence, rather than common practice throughout the economy. Perhaps it is this somewhat isolationist attitude which accounts for effective HRM in many countries still remaining the preserve of high technology enterprises, despite its growing popularity. If management strategy is union avoidance, then IR and HRM will be incompatible. The possibility of HRM and IR having a parallel existence is more likely in large enterprises where direct communication with individuals is more difficult. In this connection it may be instructive for managements to consider whether a union-free environment is necessary for effective HRM. Contrary to popular belief, in some countries such as the UK, HRM has been found to be seriously practised in unionised workplaces, rather than in non-unionised ones⁵⁵. Some lessons can perhaps also be drawn from the USA, which has a low unionisation rate and where much of the practice of HRM and research has taken place. It has been found that in the 1970s in the USA several companies

"began to adopt some of the practices of the non-union companies.

Managements, much as they have done in the UK, targeted individuals and the trade unions were kept at arms' length. They soon found, however, that they were not getting the maximum: the 'cold war' relations with trade unions were undermining their efforts. In the 1980s therefore there has, at least in the USA, been a considerable about-turn. Attempts have been made to integrate individual and collective policies. In particular there has been a trend towards the greater involvement of trade unions in the process of change."⁵⁶

Further, Japanese practices in their large enterprises have reflected a successful blend of collectivist IR and HRM, made possible to some extent by their enterprise union system which has facilitated union involvement in HRM initiatives through mechanisms such as their joint consultation system. As significant is the case of Britain, with its long tradition of IR and trade unionism. The evidence indicates that in some instances established IR and new HRM approaches have run parallel, indicating the practical feasibility of a dual arrangement⁵⁷. It

tended to neglect union relations. The overall situation in Britain appears to be that "unions and industrial relations have to be demonstrated as relatively secondary and incidental to meeting market priorities, and secondary also to the newly discovered alternative ways of managing the labour (human) resource."⁵⁸

Second, there would have to be a loosening of the demarcation between HRM and IR, and changes in IR thinking to narrow the gap between the two⁵⁹. Two-way communication, training and motivation would be examples of HRM functions. But a major problem is in the areas of flexibility (functional, working time, types of contracts, workforce size), job design and pay systems, where traditional IR and HRM are most likely to conflict. If, for example, reward systems geared to performance and skills proliferate, as they are likely to, it will have an impact on pay determination through collective bargaining. Unions may have to recognize that collective bargaining may need to be redesigned to cover a lesser quantum of pay increases than in the past, and that they should seek to be involved in the flexible and skill-based elements of pay. This would involve a greater emphasis on enterprise level negotiation. IR will be the chief means of maintaining industrial peace, and would concentrate on the means to avoid and settle conflicts and disputes. Some countries may, for instance, opt for legal machinery such as labour court, arbitration and conciliation processes which are external to the enterprise and in which there is a role for all the tripartite constituents. But the relevance of unions would also have to be in the area of conflict avoidance, and not only in the area of conflict resolution. IR would have to adapt to changed circumstances, and accept that hitherto sacrosanct mechanisms like collective bargaining would have to similarly adapt. "Either unions and collective bargaining adapt to the changed environments, where markets take precedence over hierarchies and managerial power is enhanced as regulation and protectionism recede, or their future is increasingly questioned."⁶⁰ In essence IR may have to accept that in the future its relevance will be more at macro level e.g. in formulating overall IR policy through tripartite processes, delimiting the boundaries of action for the two other parties and providing a measure of social protection where needed through labour law and judicial or semi-judicial bodies, and providing the necessary framework for the two other parties to function e.g. freedom of association. When IR practitioners and even unions engage in initiatives to improve workplace IR, ironically they are engaging in an essentially HRM function. If IR moves towards a much greater concentration at enterprise level and promotes harmonious relations at that level, it is likely to reduce the gap between IR and HRM and lessen the tension between the two. In that eventuality, unions would have to seek an adaptive role.

Third, IR will have to open its doors to other disciplines. HRM has been responsible for compelling IR to recognize the contributions made by other fields of study - industrial sociology, organizational behaviour and psychology - and not only by economics and law, which "were the two major social science disciplines in the development of IR and (which) has led to a traditional emphasis on national level analysis of the role of union, employers and government, as well as giving special attention to collective bargaining as a system of adjusting influence and power."⁶¹ Since HRM deals in large measure with how people are managed within an enterprise and involves an analysis of its effects on employees, HRM has to be accommodated within the ambit of IR study and analysis.⁶²

The future of IR may well depend on the capacity to develop more collaborative relations and to move away from adversarial ones. To some extent such a development could be influenced by HRM itself which, if effectively practised, should reduce hierarchical and authoritarian management and result in the setting up of consultative procedures. Implicit in the workplace IR surveys in Britain is the recognition that

"the subject matter of industrial relations has to move beyond the exclusive preoccupation with the collective aspects of the employment relationship that has dominated policy as well as teaching and research for the past thirty years. The individual aspects of the employment relationship can no longer be treated simply as part of the context. The obvious justification for giving these individual aspects greater prominence is that the union-free sector is becoming numerically more and more important. But this is not the only consideration. In the union sector it is the interplay between 'collectivism' and 'individualism' that emerges as increasingly important. Some might say that it was ever thus, and that it was only the myopia of industrial relations specialists that stopped us from recognizing the obvious. Be that as it may, there is no longer any justification for not accepting that industrial relations is about the employment relationship as a whole."⁶³

Further, IR has often been seen (like personnel management) as a non-strategic operational function. The notion that it represents collective relations between an employer and employees and the union, conducted mainly through collective bargaining, reduces the collaborative processes of communication, discussion and participation, and emphasizes bargaining. The implication of IR is that it involves unions rather than employees. The signs are that - in industrialized countries at least - IR is assuming more strategic proportions. This is reflected in trends such as the move towards increased enterprise and plant level bargaining. This is a strategic change which enables IR bargaining to focus more on workplace needs and issues, and to also promote more direct participation of employees in bargaining. The trend towards flexibility in place of standardisation is also a strategic move in the sense that it is designed to increase competitiveness and the ability to respond rapidly to change.

Specific conditions in countries outside the West could affect the possibility of reconciling IR and HRM in those countries. For instance, in countries with union multiplicity and rivalry employees would need to organize themselves in such a way as to reduce the number of competing unions in a workplace. The desire often expressed by employers in such countries for one union in one workplace is an outcome of the problems flowing from multiplicity, which include the difficulty of reaching durable and implementable agreements. In such situations employers are unlikely to consult or involve unions in HRM strategies. In many Asian countries unionisation is so low that there is no pressure for union involvement in HRM. Especially in those Asian cultures which are conflict-avoidance oriented and where relationships are determined by authority and status, IR is likely to be seen as conflict-generating, and HRM as more likely to achieve integration. In this connection foreign investors have also sought union-free environments. With increasing foreign direct investment, it is not impossible that HRM, rather than IR, will sometimes be the preferred option of some managements.

In the final analysis, it would be unrealistic for unions or anyone else to expect managements to abandon or reduce their resort to effective HRM when the latter is one means of achieving management objectives geared to better enterprise management. The pre-occupation with HRM on the part of employers is not confined to industrialized countries. The Asian emphasis is reflected in the fact that programmes on HRM are far more likely to attract management participation than IR, in the same way that IR programmes would attract trade unions. Though perhaps the main challenge to unions comes from management initiatives to secure employee commitment, the question which needs to be asked is: what is intrinsically wrong or immoral in an employer seeking to secure such loyalty, so long as the employees themselves stand to

gain from it? Here again the Japanese example demonstrates the possibility of dual commitment. As noted earlier, effective HRM is not widespread. If more managements succeed in practising effective HRM, on present trends it is not impossible that IR will come to be relegated to a secondary role. This possibility is enhanced by the fact that traditionally IR has never been a part of strategic planning, nor has it been seen as a means of achieving management objectives. On the other hand, HRM is increasingly seen as having a strategic role and as a means of achieving management objectives. The convergence of other factors such as declining union rates (if this trend continues) could also combine to push IR and unions to the fringes.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)

ENDNOTES

1. John Purcell "Human Resources Management - Implications for Teaching, Theory, Research and Practice in Industrial Relations" (Paper presented at the Ninth World Congress of the International Industrial Relations Association, August-September, 1992, Sydney, Australia). For many of the issues discussed herein especially those on IR and HRM, see also the other papers presented at this Congress, in particular Frank Heller "The Under Utilization of Human Resources in Industrial Relations Theory and Practice", Thomas A Kochan and Lee Dyer "Managing Transformational Change: The Role of Human Resource Professionals", John Mathews "The Industrial Relations of Skills Formation", Marino Regini "Human Resource Management and Industrial Relations in European Companies", John Storey "The Take-up of Human Resource Management by Mainstream Companies: Key Lessons from Research".
2. David E. Guest "Human Resource Management And Industrial Relations" in (1987) Vol.24 Journal of Management Studies 503 at 504-505.
3. As David E. Guest "Personnel Management: The End of Orthodoxy" in (1991) Vol.29 British Journal of Industrial Relations 149-175 points out, HRM practices are diverse and the extent of their effective application is somewhat exaggerated.
4. Thomas A Kochan and Lee Dyer "Managing Transformational Change: The Role of Human Resource Professionals " (IIRA), op.cit.
5. M. Goold and A. Campbell Strategies And Styles: The Role of the Centre in Managing Diversified Corporations (Blackwell, Oxford, U.K. 1986) at 78.
6. For a description of this evolutionary process see Derek Torrington "Human Resource Management and The Personnel Function" in New Perspectives On Human Resource Management ed. by John Storey (Routledge, London, U.K.,1991) at 55-66.
7. John Storey "Introduction: From Personnel Management To Human Resource Management" in New Perspectives On Human Resource Management, op.cit. at 6.
8. Derek Torrington, op.cit. at 61.

[9.](#) See John Purcell "The Impact Of Corporate Strategy On Human Resource Management" in *New Perspectives On Human Resource Management*. op.cit. 67-91.

[10.](#) John Storey "Introduction: From Personnel Management To Human Resource Management", op.cit. at 8.

[11.](#) See M. Bert and B. Spector "Corporatewide Transformations In Human Resource Management" in *Human Resource Management. Trends And Challenges* ed. by R.E. Walton and P.R. Lawrence (Harvard Business School Press, Boston, USA, 1985).

[12.](#) See L. Baird and I. Meshoulam "Managing The Two Fits of Strategic Human Resource Management" in 1988 (Vol.13 No.1) *Academy of Management Review*.

[13.](#) On this subject see R.E. Miles and C.C. Snow "Designing Human Resource Systems" in 1984 (Summer) *Organizational Dynamics*. See also P. Miller "Strategic Industrial Relations and Human Resource Management - Distinction, Definition and Recognition" in 1987 (No.4) *Journal of Management Studies*.

[14.](#) Karen Legge "Human Resource Management: A Critical Analysis" in *New Perspectives On Human Resource Management*, op.cit. 19 at 32. HRM is also a means of achieving management objectives in the context of new technology. It is becoming fairly common place that "significant changes in organisational and industrial relations practices will be required if technology is to exploited as a strategic resource. The central proposition in this theory is that the full potential of new technology can only be reached by adopting new organizational forms that effectively integrate technology and human resource strategies and practices": T.A. Kochan and Anil Verma "A Comparative View of United States and Canadian Industrial Relations: A Strategic Choice Perspective" in *Labour Relations in a Changing Environment* ed. by Alan Gladstone and Others (de Gruyter, Berlin, 1991) 187 at 193.

[15.](#) *ibid.* at 38.

[16.](#) *ibid.* at 36. "The very success of the IBM service ethic in its traditional markets inhibited an adaptive response from employees to a new market": *ibid.*

[17.](#) *ibid.* at 36-37.

[18.](#) See Ewart Keep "Corporate Training Strategies: The Vital Component ?" in *New Perspectives on Human Resource Management*, op.cit. 109 at 117-118. See also this chapter for the reasons for the low investment in training in the UK.

[19.](#) John Storey "Introduction: From Personnel Management To Human Resource Management", op.cit. at 15.

[20.](#) M. Goold and A. Campbell *Strategies And Styles: The Role of the Centre in Managing Diversified Corporations*. op.cit. at 283.

[21.](#) John Purcell "The Impact of Corporate Strategy on Human Resource Management", op.cit. at 78.

[22.](#) See Peter Armstrong "Limits and Possibilities for HRM In An Age of Management Accountancy" in *New Perspectives On Human Resource Management* op.cit. at 154-166.

[23.](#) For an analysis of these goals see David E. Guest "Human Resource Management and Industrial Relations" in (1987) Vol.24 *Journal of Management Studies* 503 at 511-516, to which the analysis in the text herein is indebted.

[24.](#) David E. Guest, *ibid.* at 511.

[25.](#) Rosabeth Moss Kanter *The Change Masters* (Unwin Paperbacks, Unwyn Hyman Ltd., 1984) at 241.

[26.](#) See David E. Guest, *op.cit.* at 513.

[27.](#) *ibid.* at 514.

[28.](#) *ibid.*

[29.](#) John Storey "Introduction: From Personnel Management To Human Resource Management", *op.cit.* at 9.

[30.](#) See N. Tichy, C. Fombrun and M.A. Devanna "Strategic Human Resource Management" in 1982 (23.2 Winter) *Sloane Management Review* 47-61.

[31.](#) David E. Guest "Human Resource Management and Industrial Relations", *op.cit.* at 503.

[32.](#) Karen Legge "Human Resource Management: A Critical Analysis" in *New Perspectives On Human Resource Management*. *op.cit.* at 35-36.

[33.](#) John Purcell "Human Resources Management - Implications for Teaching, Theory, Research and Practice in Industrial Relations" (IIRA), *op.cit.*

[34.](#) David E. Guest "Human Resource Management: Its Implications For Industrial Relations and Trade Unions" in *New Perspectives On Human Resource Management*, *op.cit.* 41 at 43.

[35.](#) See H.L. Angle and J.L. Perry "Dual Commitment and the Labor-Management Relationship Climate" in 1986 (No.29) *Academy of Management Journal*.

[36.](#) "Human Resource Management: Its Implications For Industrial Relations and Trade Unions", *op.cit.* at 47.

[37.](#) F. Foulkes *Personnel Policies in Large Non-Union Companies* (Prentice Hall, Englewood Cliffs, N.J., USA, 1980).

[38.](#) David E. Guest "Human Resource Management: Its Implications For Industrial Relations and Trade Unions", *op.cit.* at 47. For some research results on the possible link between HRM policies and unionisation in foreign greenfield companies in the U.K., see David E. Guest *ibid.* at 48-50 and P. Bassett *Strike Free* (Macmillan, London, U.K., 1986). The view that union decline in the U.K. is the result of employer offensives against unions has been challenged -

see David E. Guest *ibid.* at 54, N. Milward and M. Stevens *British Workplace Industrial Relations 1980-1984* (Gower, Aldershot, U.K., 1986).

[39.](#) P. Bassett *Strike Free op.cit.*

[40.](#) T.A. Kochan, H. Katz and R.B. McKersie *The Transformation of American Industrial Relations* (Basic Books, N. York, USA, 1986).

[41.](#) "Human Resource Management: Its Implications For Industrial Relations and Trade Unions", *op.cit.*

[42.](#) Quoted from *The Free Employer* (No.5 September-October 1993), *The Information Bulletin of the International Organization of Employers*, Geneva.

[43.](#) "Human Resource Management And Industrial Relations" in (1987) Vol.24 *Journal of Management Studies* 503 at 518-519.

[44.](#) R.E. Walton "From Control To Commitment In The Workplace" in 1985 (March-April) *Harvard Business Review* 76-84.

[45.](#) See for example Tim J. Hart "Human Resource Management - Time To Exorcise The Militant Tendency" in (1993) Vol.15 *Employee Relations* 29-36.

[46.](#) P.B. Beaumont "Trade Unions and HRM" in (1991) Vol.22 *Industrial Relations Journal* 300-308.

[47.](#) See *ibid.* at p. 302 for a list of items (including some Japanese management and production techniques) opposed by Canadian unions.

[48.](#) P. Kumar and D. Rayan "The Canadian Union Movement in the 1980s: Perspectives From Union Leaders" in *Research And Current Issues Series No.53* (Industrial Relations Centre, Queen's University, Ontario, Canada) at 8-9.

[49.](#) P.B. Beaumont, *op.cit.* at 301.

[50.](#) But see *ibid.* at 303-304 for the opposing views in the United Auto Workers' Union.

[51.](#) For the union positions in the USA see T.A. Kochan, H.C. Katz and N.R. Mower *Worker Participation and American Unions: Threat or Opportunity* (The W.E. Upjohn Institute for Employment Research, Michigan, USA, 1984) Chapter 6, H.C. Katz *The Debate Over The Reorganization of Work and Industrial Relations Within The North American Labor Movements* (Mimeographed Paper, ILR School, Cornell University, USA, 1986, A. Verma and T.A. Kochan, *Two Paths to Innovations in Industrial Relations: The Case of Canada and the United States* (Paper presented at the Spring Meeting of the Industrial Relations Research Association, Buffalo, USA, 1990).

[52.](#) P.B. Beaumont, *op.cit.* at 305.

[53.](#) *ibid.*

[54.](#) David Soskice "Wage Determination: The Changing Role of Institutions in Advanced Industrialized Countries" 1990 (6,4) Oxford Review of Economic Policy 36-61.

[55.](#) This is a finding of the workplace industrial relations surveys carried out in Britain, for a summary of which see Keith Sisson "In Search of HRM" in (1993) Vol.31 British Journal of Industrial Relations 201 at 206 et.seq.

[56.](#) John Storey and Keith Sisson "Looking To The Future" in New Perspectives On Human Resource Management ed. by John Storey (Routledge, London, U.K., 1991) 167 at 173-174.

[57.](#) John Storey Developments in the Management of Human Resources (Blackwell, Oxford, U.K., 1992) Chapter 9.

[58.](#) *ibid.* at 260.

[59.](#) See Frank Heller "The Under Utilization of Human Resources in Industrial Relations Theory and Practice" (IIRA), *op.cit.* for the changes taking place in IR thinking.

[60.](#) John Purcell "Human Resources Management - Implications for Teaching, Theory, Research and Practice in Industrial Relations" (IIRA), *op.cit.*

[61.](#) Frank Heller "The Under Utilization of Human Resources in Industrial Relations Theory and Practice" (IIRA), *op.cit.*

[62.](#) See John Purcell, *op.cit.* for the limits to HRM and the areas in which much needed research is lacking.

[63.](#) Keith Sisson "In Search of HRM", *op.cit.* at 209.

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