An Empirical Study on the Volatile Landscapes of Human Resource Management

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A B S T R A C T

A confluence of mega-trends mean that HR is experiencing disruption and change on an unequal scale. This special issue is designed to inform our understanding of these shifting landscapes of HRM. In this overview we detail the broad contextual backdrop of key changes, before providing an overview of the six articles that make up this special issue. These covers Agile HR, HR disruption, strategic human capital, employee health and safety, HR co-creation and global flexible working arrangements. This includes striving for interdisciplinary insight, finding motivation in practice, looking back to go forward, using multiple pathways for understanding, challenging assumptions and accommodating HR. The understanding and insight offered in this special issue holds special relevance in the context of the COVID-19 crisis.

THE SHIFTING LANDSCAPES OF HRM

The contextual backdrop for a re-assessment of HRM is intense. The global economy is at an inflection point with significant implications for how we conceptualize and understand HRM. Even prior to COVID-induced transformations, headline statements on the changing nature of work and employment were commonplace. Megatrends including resurgent nationalism, technological disruption, changing demographics and diversity have dramatic consequences for how people are managed, Exponent reports identify a range of fundamental challenges which are impacting the authority of the existing global order; disproportion and wealth disparity, technological disruption, ageing, polarization and declining trust in institutions ,one could add the ecological crisis confronting the globe, specifically the implications of climate change and broader stakeholder concerns for corporations and their objectives , In this section we briefly capture some of the key aspects of these mega-trends and their likely implications for HR. As a 'people-based crisis', the COVID-19 pandemic evidently provides an extremely relevant and compelling backdrop to such considerations

MAJOR CRISIS IN HUMAN RESOURCE MANAGEMENT

There is little doubt that HRM has an impressive track record evidenced by cumulative research insights and progress along a well-travelled road. However, this progress does not automatically equate to an ability to accommodate or navigate change and challenges. in evaluating progress "the focus should be on the quality and not the quantity of relevant research". A brief assessment of the dominant systems and strategic research strands of SHRM is instructive in this respect. Explorations of the HRM-performance relationship have served as 'the fundamental and defining research question in strategic HRM' reflected in a vast outpouring of research and subsequent meta-analysis of practices and effects .Yet despite the intuitive appeal of a universal impact of a system of HR practices on performance, there is a growing sense that this dominant focus may have hindered rather than helped progress; that a narrow focus along a singular path has come to the detriment of innovative scholarship and alternative insights. This myopic focus has been particularly exposed by the COVID-19 pandemic in terms of the capacity to acknowledge and accommodate contemporary changes and challenges, a focus on horizontal fit or the synergy of HR practices has been limiting in perpetuating an internal bias, meta-review is illustrative. They find a substantive dominance of five internally focused theories (the resource-based view, the behavioral perspective, human capital theory, social exchange theory and ability-motivation-opportunity (AMO), with only 15% of theories offering an external orientation. This criticism also features in debates over the psychologization of HR research. An under appreciation of context is linked to a second concern with HRM-performance research; a failure, or conceptual inability, to incorporate novel or contemporary HR practices. In essence, the central premise of best practice limits variation. Hardly surprising therefore that a review 495 empirical studies covering 516 HR systems finds that half of them use the category

of 'other' as a Trojan horse to sneak in more cutting-edge practices of the likes of diversity and inclusion, mentoring, attitude surveys and exit management. These are the very practices that one would expect to be explicitly called out and explored. This highlights the paradoxical flaw at the heart of universal, best practice HR prescriptions; if creating value stems from defying rather than converging on averages, best practice HR stumbles in theorizing and operationalizing differentiation, and thereby represents nothing more than an operational efficiency. Demonstrating this reality, a review 144 studies over the period 2006–2017 finds that 85% modelled a single HR system rather than explore any alternatives. The waters that HR-performance researchers advocate to practitioners are therefore prescriptions for red oceans full of like-minded firms, competing on the same HR terms. This jars with much of what we know about employer branding and the evolution of talent management. Research streams like HR process research have offered a route to progress understanding beyond the content of HR practices, however here a universal undertone re-appears in the 'unfortunate' neglect of an overarching 'defining strategic focus' such as service or innovation or variety in HR systems e.g., low versus high road approaches. Turning to the so-called strategic models aligning HR to the strategic intent of an organization, empirical support has been equivocal. One particularly relevant concern, and possible explanation for ambiguous findings, is that HRM theorists have clung to outmoded views of key concepts, not least strategy and fit. HRM research tends to draw on narrow and classical definitions of strategy implying pre-determined consensus and a one-way sequential progress from formulation through implementation, all of which implies that achieving fit is a once off structural intervention. Yet strategy often emerges retrospectively, while rigid 'fit' may actually hinder the innovativeness and flexibility mandated for success. It is long recognized that "the body of work on strategic HRM tends not to reflect much of the debate about the utility of strategy". Notably absent is a sense of the nature of strategic decision making around how HR delivers value, the trade-offs and best bets inherent to the strategy process, and the nature of value creation in terms of how HR can foster and leverage firm level heterogeneity. Recent research points to more dynamic considerations including the 'duality of fit' and a broader sense of environmental fit e.g., the impact of peer companies' in informing HR adaption. These would seem especially pertinent factors in the context of change and challenges. Allied to these concerns, note that interpretations of 'fit' in strategic HR, tend to be grounded in classical assumptions of stability and equilibrium resulting in what are dangerous 'calming notions' of optimization and competitive advantage. Finally, there is something of an implicit determinism underpinning dominant fit models as HR managers are expected to choose and operate from a predetermined and narrow palette of HR options. By implication there is limited room for HR agents in either directing the organization, 'interpreting' the environment or engaging in autonomous behavior beyond that focused on bridging the gap between intended and experienced HR Based on this brief review it is perhaps unsurprising that questions remain as to the route, method of travel, direction and ultimate destination of HRM scholarship. Scholars variously find that the 'field is stuck a little', warn of a 30 year 'dead-end', promote 'important questions that remain answered' and/or suggest the field is only truly getting started. Such arguments are reinforced by a 'mismatch' or void in addressing the actual concerns and challenges experienced by HR practitioners and organizations. For example, the nature of HR responses to the COVID-19 pandemic, including why and how different organizations responded as they did is an important question. Unfortunately, insights to such questions are not immediately evident from extant research. Meister and Brown (2020) argue that "this is HR's moment to lead organizations in navigating the future". Working with over 100 Chief HR Officers they detailed future HR responsibilities in the form of individual and organizational resilience, organizational trust and safety, creativity and innovation, human-machine partnerships and data literacy. Fresh thinking and novel ideas are clearly mandated so that HRM theory and research can effectively engage with and address emerging 21st-century challenges. As the next section details, the context for such introspection is significant.

POLARIZATION & ASYMMETRY (IMBALANCE)

The premises of globalization have come under threat from a populist narrative, impacting traditional assumptions concerning the mobility of talent and sources of value creation. Disruptive changes to immigration, most notably in the US and Europe, have changed the dynamics of talent accessibility, forcing employers to reevaluate strategies for talent acquisition and retention, unsurprisingly geopolitics is once again at the top of the corporate agenda as organizations attempt to navigate a retreat from free trade and freedom of movement towards a new reality of fracturing relations, fragmented supply chains and protectionist migration policies. They are likely to complicate traditional perspectives on convergence and divergence, mobility and employee well-being. Any progressive narrative of inclusion risks being undermined by 'anti-pluralism', understood as "hostility to immigrants, specific categories of the poor, and, in many instances, women". Underpinning these shifts is a 'current of disenchantment', only reinforced by the disproportionate impact of COVID-19 along socio-economic, ethnicity, race and gender fault lines. Evolutionary psychology suggests awareness of the presence of disease heightens fear of outsiders and discrimination. The poor terms and conditions experienced by workers on the front-line of health care provision and services is made more obvious by a seemingly

contradictory designation as 'essential workers. Polarization and asymmetry question the basis of much of the prescribed unitarist logic of theory and understanding not least shifting and broadening definitions of what constitutes core talent and pivotal roles. There is much to explore in how HR can be part of a conversation to provide the best support to acknowledge and redress inequality, discrimination and variability of access to employment and differing modes of working. HR is not alone in this challenge, the OECD (2020) has recently called for a 'redefining' of the growth narrative "to put the well-being of people at the center of our efforts".

TECHNOLOGY & DISRUPTION

A further area for theoretical debate and exploration concerns the role of data and technology. Do key trends present another opportunity for HRM to develop strategic value, how does the HR profession manage the technology interface, and how might analytics offer opportunities to extend and expand HR's reach (e.g., gamification, sensors, 3-D technology or automation)? We are seeing increasing use of data and analytics to make more informed decisions around HRM. However, our understanding of this has been limited, while few organizations demonstrate true human capital analytical capabilities. Meanwhile, predictions on the extent of disruption and job displacement stemming from technological advances, including artificial intelligence and automation, range from apocalyptic to more trivial. Either way the shift calls for better understanding of the skills required for HR professionals and the tools, techniques and frames that offer the greatest potential for advancing the theory and practice of HRM in this domain. Evidently, technology not only changes the nature of work, but equally the nature and skills required by the workforce. For some AI represents a threat to work and employment, particularly in low skilled or manual roles, while others may view it as a means of emancipating the working class and improving work life balance. Evidently on-going technological innovation means that nature and meaning of work will continue to evolve. Emerging research is likely to focus on potential unintended consequences of technological interventions, including the impact of remote working on innovative capacity; ethical considerations around employee data, the impact of smart technology; and the blurring between employee influencers and organizational branding, coupled with serving a broader community purpose through conscious innovation and education about misinformation.

OUTLOOK OF THE SPECIAL ISSUE

The context of these complex challenges provides an opportunity time for reflection and reconsideration of HRM. The discourse of the Future of Work is commonplace, yet implications for HRM theory are only emerging. The COVID-19 pandemic has focused attention on existing trends, but were these sufficiently acknowledged in the first instance? In Rediscovering the 'Human' in strategic human capital, the field of strategic human capital has become dominated by 'economics-based logic'. This is reflected in implicit assumptions related to rational decision making, instrumental understanding of the role of social capital, and a narrow focus on value. To rebalance understanding, Wright calls for a re emphasis on human nature, including via explorations of free will, identity, purpose, community, and value. Such considerations are shown to expand the assumptions holds up strategic human capital to offer a more integrated and relevant appreciation of the likely determinants of employee behavior.

NAVIGATING THE PATHWAY FORWARD

The papers in this special issue bring together leading-edge ideas to inform future HRM research. From these contributions we can make some important observations about how ideas and assumptions in HR research might be mined, combined and extended. While not exhaustive, these key points offer a useful point of entry for those seeking to advance understanding of the shifting landscapes of HRM.

• *Strive for interdisciplinary insights*

• *Offer multiple pathways to understanding*

• *Find motivation in practice*

• *Surface, challenge and revisit assumptions*

CONCLUSION

To navigate means to proceed carefully or to find one's way. In order to successfully engage in this task HR research needs to further embrace context and accommodate uncertainty in the spirit of agile understanding the uncertainty should "be sought out for its generative capacity as much as it is avoided because of its vicissitudes". As a deep historical rupture, COVID-19 dramatically brings the topics discussed in the special issue, notably employee health and well-being, digitization, agile HR, and a re-focus on the human., it

can foster understanding of the capabilities required to navigate, mitigate and manage change and challenges. This is our grand challenge. The insights in this special issue provide us with confidence that we can navigate such change and continue to build strong conceptual foundations and understanding of HRM which provides both flexibility and stability. In this way HR can be sensitive to both the subtle 'wisp of wind' of the edge, and equally stand strong.

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