

Singapore Management University

## Institutional Knowledge at Singapore Management University

---

Research Collection Lee Kong Chian School Of  
Business

Lee Kong Chian School of Business

---

1-2000

### Similarities and differences in European conceptions of human resource management: Toward a polycentric study

Timothy Adrian Robert CLARK

Singapore Management University, [timothyclark@smu.edu.sg](mailto:timothyclark@smu.edu.sg)

Derek PUGH

Follow this and additional works at: [https://ink.library.smu.edu.sg/lkcsb\\_research](https://ink.library.smu.edu.sg/lkcsb_research)



Part of the [Human Resources Management Commons](#), and the [Organizational Behavior and Theory Commons](#)

---

#### Citation

CLARK, Timothy Adrian Robert and PUGH, Derek. Similarities and differences in European conceptions of human resource management: Toward a polycentric study. (2000). *International Studies of Management and Organization*. 29, (4), 84-100.

Available at: [https://ink.library.smu.edu.sg/lkcsb\\_research/6257](https://ink.library.smu.edu.sg/lkcsb_research/6257)

This Journal Article is brought to you for free and open access by the Lee Kong Chian School of Business at Institutional Knowledge at Singapore Management University. It has been accepted for inclusion in Research Collection Lee Kong Chian School Of Business by an authorized administrator of Institutional Knowledge at Singapore Management University. For more information, please email [cherylids@smu.edu.sg](mailto:cherylids@smu.edu.sg).

# Similarities and differences in European conceptions of human resource management

Timothy Clark and Derek Pugh<sup>1</sup>

Published in International Studies of Management & Organization, 2000. Vol. 29, No. 4, pp. 84-100.

<https://doi.org/10.1080/00208825.1999.11656777>

Creative Commons Attribution-Noncommercial-No Derivative Works 4.0 License

Accepted version

## Abstract

Increasingly managers need to distinguish between those of their activities and practices that can be successfully transferred across national boundaries and those that will require modification in view of divergences between national settings. This can be determined by initially identifying those features of managing organizations that remain similar across national boundaries and those that are different, and then ascertaining the strength of the forces for convergence or divergence. This article describes an exploratory attempt to conduct a polycentric (in the terms described below) research study of conceptions of human resource management in seven European countries. It examines whether there is a single, shared conception of HRM that transcends national boundaries, or whether there are multiple national meanings reflecting a variety of cultural and institutional contexts that cannot be integrated into a single truly “international,” “transnational,” or European model. This research is presented as a distinctive contribution to the debate on the global convergence of management.

## Ethnocentric orientation of previous studies

The extent to which conceptions of HRM vary between countries is an area that has received little attention in previous work (for exceptions, see Brunstein, 1995; Pieper, 1990). Rather, the main focus of research effort has been on (e.g., Brewster and Hegewisch, 1994; Brewster and Tyson, 1991; Harzing and Ruysseveldt, 1995; Hegewisch and Brewster, 1993; Kirkbride, 1994; Müller, 1998; Sparrow and Hiltrop, 1994; Sparrow et al, 1994; Tyson et al., 1993). A review of twenty years of research on the management of human resources in comparative and international perspectives in thirty leading management journals (discussed by Clark, Grant, and Heijltjes, this issue) reported that the primary focus of research efforts to date has been in three main areas: employment relations (e.g., training, wages, staffing remuneration), industrial relations (e.g. the management of representational and participative systems), and work

---

<sup>1</sup> Timothy Clark is Reader in Management in The Management Centre, King's College, University of London, England. Derek Pugh is Emeritus Professor of International Management, Open University Business School, The Open University, Milton Keynes, England

relations (e.g., Quality Control Circles, Total Quality Management, flexible working, and lean production).

The great majority of these comparative studies have adopted a methodological approach that is essentially ethnocentric (Chapman, 1996; Clark et al., 1999). These are research studies designed and conducted in one culture, by researchers from that culture then replicated in a second culture. Despite their popularity, one of the main methodological problems with ethnocentric studies is that they assume the cross-cultural equivalence of concepts. They are underpinned by a universalist approach, in that concepts, measures, and instruments developed in one culture are believed to be equally appropriate and applicable in others. The main methodological aim is standardization in that an attempt is made to keep all aspects of the research design and its implementation (with the exception of language) identical across nations. Consequently, everything is compared in terms of a common reference point - namely, the data collection instrument and the concepts underpinning it. This acts as a lens that tends to filter out the diversity of understandings even where the same terms different countries.

Such an ethnocentric approach risks limiting the identification of the distinctiveness of relevant concepts in each country. It looks for similarity in understanding and frequently finds it. Consequently, the nature of employee management in different nations may appear more unified and similar than it really is. In addition, as ethnocentric studies use instruments and measures that remove societal cultural dimensions from organizations, they fail adequately to specify the nature such differences, with the consequence that they become residual variables, used as post-hoc partial explanations, rather than being properly built into the investigative design with consequent predictive force (Child, 1981; Clark et al., Clark, 1996; Cray and Mallory, 1998; Roberts, 1970).

A polycentric research approach would overcome these methodological problems. Such an approach eschews the imposition of “etic” (i.e., universal) and allows a phenomenon to be studied using locally derived concepts. Adler (1984, p. 41) writes: “Polycentric studies are individual domestic studies conducted in various countries around the world.” At their most extreme, polycentric studies view phenomena as only being understandable in terms of concepts derived from their own culture. The Germans understand HRM one way, the French another, the Dutch yet another, and so on. If we are not German, French, or Dutch, we cannot understand what they mean by HRM. If we adopt such a view, cross-national comparison becomes an impossible exercise since we cannot compare that which cannot be compared because it is uniquely understood. We do not take this extreme view since we do think it makes sense to discuss and compare differences in HRM across cultures. But we must find a way to limit the ethnocentric bias in such comparisons and to make them as “polycentric” as possible.

### **The cultural relativity of management theories**

A second reason for focusing on conceptions of HRM is that, since the term human resource management has entered the academic and management vocabulary, it is usually assumed that notions of HRM do not vary significantly across national boundaries. Yet a number of writers have questioned the application of management models and theories developed in one country to other countries (e.g., Azumi, 1974; Hofstede, 1980a, 1983, 1993; Laurent, 1983, 1986). The implication of this body of literature is that, since management models and theories reflect the cultural conditions in which they were initially developed, they cannot simply be applied from one culture to another. Hofstede (1993, p. 82) put it most strongly: “Management scientists, theorists, and writers are human too: they grew up in a particular society in a particular period, and their ideas cannot but reflect the constraints of their environment.” Hofstede argued that a management model, theory, or practice that develops in a particular country must

be infused with the distinctive characteristics of that culture, which may be considered the “cultural prerequisites” of the theory or model.

Therefore, if other countries are to adopt foreign management models as their own and expect them to be effective, they must be culturally close to the countries where those theories originated. Furthermore, Kirkbride and Tang (1992) and Tayeb (1988, 1995) argued that national cultures differ in the degree to which they enable managers to adopt non-homegrown practices. Those countries where managers are free to pick and choose among all the alternatives on offer are referred to as “high repertoire” cultures. In contrast, in “low repertoire” cultures, managers’ choices are limited to indigenous techniques.

In a pioneering polycentric study, Guillen (1994a, 1994b) showed the impact of different national and institutional contexts on the way in which the organizational “models” of scientific management, human relations, and structural analysis were adopted and applied in the United States, Germany, Great Britain, and Spain. Although each of the three models was adopted as a relevant approach, they developed a distinctively different character in each nation. While there is an identifiable core that is similar across countries, it is therefore possible to speak of U.S., British, German, and Spanish versions of each of scientific management, human relations, and structural analysis.

### **The relative neglect of European studies by Anglo-American scholars**

A final reason for examining the extent to which conceptions of HRM vary among European nations is that, in originating and developing theories and models HRM, Anglo-American writers have been insufficiently aware of different perspectives. This arises from the dominance of academics from the United States and Britain in the most influential journals, which are written in English. A consequence of using a polycentric approach is that a better understanding of the of HRM in seven European countries is achieved by accessing local-language publications. As we discuss fully below, the research reported here has tapped literatures not normally presented in English-language journals.

### **Methods**

The focus of this research project was on whether there are “special understandings” of HRM in different countries. It was about ascertaining and describing the “many ways,” rather than the “one way,” with the main stress being on differences rather than similarities. Such an approach has two advantages: (1) it produces a more realistic description of the phenomenon, taking account of indigenous national differences; and (2) since the approach does not have a built-in methodological bias toward similarity, those commonalities that are identified are established on a much firmer basis.

In adopting this research approach, one immediate problem is the development of polycentric data-gathering methods. The commonly used questionnaire, developed in one country and back-translated for use in others, epitomizes the ethno-centric approach.<sup>1</sup> A “polycentric questionnaire” would appear to be a contradiction in terms. Therefore, in order to develop a polycentric methodology, we moved to a minimally structured in-depth examination of the HRM phenomenon in Europe. A number of indigenous scholars in seven of the leading industrial countries of Europe (Denmark, France, Germany, the Netherlands, Spain, Sweden, and the United Kingdom) were asked to write a 10,000-word essay on what the term “human resource management” meant in their own country.<sup>2</sup> They all worked in a major business school, had experience of research into HRM, and were able to write in English.<sup>3</sup> We did not adopt a restricted definition of HRM as a particular approach to the management of the employment

relationship but allowed the understanding of HRM to encompass the management of labor, in the broadest sense, incorporating employment relations, industrial relations, and work relations. This approach, with its limited specification (in psychological terms, a “stimulus phrase”), can fairly be considered to take a significant step toward a more “poly-centric” approach, compared with the usual structured questionnaire developed in one country and then applied in others.

To ensure that the papers did not just reflect the idiosyncrasies of the individual authors, each paper was reviewed by a number of indigenous academics with relevant teaching and research expertise. In addition, the papers were presented and discussed at national and international conferences so that, although written by one or two scholars, they actually reflected the thoughts and comments of a host of academics from each country. These seven essays, which form the data set, were examined by content analysis. In order to minimize the ethnocentric bias at the analysis stage, the results were fed back to the contributing authors, who confirmed that the identified themes adequately reflected their own contribution and their understanding of the other contributions. In this way, the polycentric basis of the current research was further reinforced.

## **Results**

We first discuss what is similar in European HRM and why, and then focus on what remains different.

What is converging in European HRM and why?

Analysis of those sections of the country reports detailing the nature of HRM revealed the central tenets shown in Table 1. They indicated that the following three elements of HRM are most frequently cited:

1. The importance of human resources as a source of competitive advantage (six countries: United Kingdom, Germany, France, the Netherlands, Denmark, and Sweden).
2. The decentralization of responsibility for HR issues from the state to the firm level and/or from the personnel function to line management (five countries: France, the Netherlands, Denmark, Sweden, and United Kingdom).
3. The integration of HR strategies with corporate strategies to make them mutually reinforcing (four countries: United Kingdom, Germany, France, and the Netherlands).

**Table 1**  
**Central elements of HRM in seven European countries**

HRM characteristics	Den.	France	Germ.	Neth.	Spain	Swe.	UK
Human resources are a source of competitive advantage	*	*	*	*		*	*
HRM should be integrated with corporate strategy		*	*	*			*
Decentralization of HR issues from state level to firm and/or line management	*	*		*		*	*
Need to integrate the various elements of HRM		*		*		*	*
The individualization of the employment relationship	*					*	

These data reveal a considerable degree of convergence among four of the seven countries on the nature of HRM: France, the Netherlands, Sweden, and the United Kingdom. What factors account for this similarity in HRM terminology in Europe? Content analysis of the country reports suggests that four factors were of particular importance, although their relative strength varies among countries; they are: (1) acceptance of the relevance of U.S. management philosophies and practices, (2) global economic changes, (3) decentralization of industrial relations, and (4) management seeking greater autonomy from the work force.

#### Acceptance of the relevance of U.S. management philosophies

The first factor contributing to the similarity in conceptions of HRM across in seven countries is that they share an acceptance of the American notion of management. Accounts of the emergence of the concept of HRM have tended to stress its U.S. origins and subsequent diffusion to culturally proximal countries (e.g., Britain and Australia), prior to spreading to more culturally distant countries (e.g., France and Spain; e.g., Beardwell and Holden, 1997; Beaumont, 1992; Hendry, 1991). Indeed, the development of HRM is often presented as a further example of a U.S. management practice in such forms as scientific management, divisionalized organizations, management by objectives and strategic planning, which has gradually become incorporated into activities of academics and managers worldwide.

One way of evaluating the U.S. influence is to look at the references cited in the reports. To ascertain the range of sources they used, an analysis was conducted of the articles quoted. For each report, we counted each publication cited and assigned it to the country of origin in which the author(s) was working at the time of publication. Table 2 presents the findings from this exercise.

**Table 2**  
**Country of origin of the references in country reports (percentages)**

Country of origin	Den.	France	Germ.	Neth.	Spain	Sweden	UK
Home country	44%	90%	86%	62%	95%	67%	88%
United States	42	7	7	28	0	13	12
UK	8	3	7	8	0	13	†
France	0	†	0	0	0	0	0
Germany	6	0	†	2	0	7	0
Netherlands	0	0	0	†	0	0	0
Spain	0	0	0	0	†	0	0
Sweden	0	0	0	0	0	†	0
Others	0	0	0	0	5‡	0	0
N (=100%)	36	61	56	47	20	46	77

† : as home country  
‡ : Switzerland

Two clear findings from this analysis illustrate the competing pulls to which the development of HRM is subject. The first is the impact of the indigenous culture. With the exception of Denmark, a clear majority and, in four cases, a large majority, of the references cited were from the home country. On the other hand, when considering international impacts, with the exception of Spain, the American literature, in conjunction with its British developments, was quoted more frequently than any other foreign writing (French, German, Dutch, etc.). This is nowhere more apparent than in the sections of the reports that specifically sought to define HRM in each country. An analysis of the references in these sections revealed the influence of a small number of key U.S. texts. Thus Beer et al (1985) was cited by five country report authors and Fombrun et al. (1984) by four. Therefore, despite the geographical proximity of Continental European countries, the U.S. and British HRM literature was cited neighboring countries. It should also be noted that the prevalence of U.S. citations is to some degree independent of HRM and due to the fact that English is now the international lingua franca, which makes U.S. and British publication more accessible than those in other languages. However, it also reflects the influence that U.S. innovations in this field have had on the countries studied.

### **International/global economic changes**

A second contributor to the similarity in conceptions of HRM across the seven countries covered was that the governments and employers in each country have been reacting to a set of common economic problems and developments:

1. Recession in the early 1980s and 1990s and low rates of economic growth;
2. Increased international competitiveness;
3. The gradual deregulation and opening up of their main export market - the European Union countries - culminating in the creation of the Single European Market on January 1, 1993
4. The tightening of national fiscal policies in order to ensure broad convergence on a series of economic measures prior to the introduction of currency (the Euro) on January 1, 1999.

The move to HRM is viewed primarily as driven by a set of fundamental environmental forces that were not capable of being adequately addressed by traditional approaches to employee management. HRM has thus appeared as a way of improving the competitive position of a number of European countries. To achieve this objective, HRM has displayed a chameleon-like character, as different policies have been invoked and pursued in its name (discussed further below). For example, in France, HRM has become associated with the government's attempts to create a cheaper and more flexible work force, while in Germany it has become linked to a number of novel agreements between major employers and the unions, such as VW's "M4-employee" and BMW's "value-oriented personnel policy," each of which seeks to reduce the number of jobs lost through major restructuring in return for greater work-force flexibility. In Sweden, it has been associated with the individualization of the employment relationship (Brunstein, 1995; Gould, 1993).

#### Decentralization of industrial relations

A third factor contributing to the convergence in conceptions of HRM across the countries covered was the increasing decentralization of industrial relations institutions and practices in many of these countries. This has reconstructed the employers and unions in the collective bargaining process, resulting in a change in power relations in a number of countries. The country reports provide two of evidence for the decentralization of bargaining structures: (1) structures of collective bargaining and (2) changes in union membership.

Where decentralization has occurred, the locus of collective bargaining increasingly shifted downward often from a national or multicompany level firm or plant level. The country reports confirmed certain well-documented trends in other reviews of collective bargaining structures in European countries (e.g. Baglioni, 1989; Ferner and Hyman, 1992; Katz, 1993).

Another indication of decentralization is the fall in levels of union membership. In general, as union membership declines, fewer employees are covered the terms and conditions of collective bargaining agreements, so there is decentralization of authority from national-level arrangements to local management in regard to the employment relationship. Despite the considerable difficulties in comparing union membership across countries (Visser, 1991), the country reports nevertheless indicate that, during the 1980s and early part of the 1990s, the density of union membership decreased significantly in France, the Netherlands, and the United Kingdom, but remained steady in Germany and even increased Denmark and Sweden.

In summary, our data indicate that, while there is considerable variation depending on the strength and direction of the two factors enumerated above, their impact on HRM is consistently to lead to the decentralization of collective bargaining (see also Traxler, 1994).

#### Management seeking greater autonomy in employee relations

A final factor contributing to the convergence in conceptions of HRM across the countries covered, and demonstrated most strongly in the British and French reports, involves the way in which managers have sought greater autonomy in employee relations by using the language of HRM in order to conceptualize and legitimize a "new reality" in which they are once again supreme. Thus, in Britain, HRM has been conceived as a powerful and new form of managerial rhetoric, reflecting current societal values and political priorities and leading to stronger managerial control. Control is no longer exercised simply through bureaucratic procedures but through the reassertion of the management prerogative (for a



summary, see Legge, 1995). There has therefore been a tendency in the HRM literature to focus on reporting the voice of the management - the initiators and implemented of change. According to Clark et al. (1998, pp. 5-6), such an approach has arisen in part because of the central concern within HRM with strategic integration, and thus by implication, with those who determine and implement strategy, namely, senior management.

From a different perspective, the French report made a similar point, since the emergence of HRM in France has resulted in a new, managerially prescribed image of how individual employees relate to their employers. As a consequence, during the 1980s, a whole series of legislative reforms sponsored by the patronat (owner/ managers) were enacted that eradicated several previously important constraints on the employment relationship, including the ability to lay off staff, widening the use of temporary contracts, and reducing some of the employer's costs. This legislative package has increased the autonomy of managers over employee relations matters.

### **What remains different in European?**

While the common elements in notions of HRM in the seven European countries indicate certain transnational similarities, are national differences in employee management practices in fact becoming less and less important? The country reports revealed that the implementation and application even of the common conceptual elements varied among countries due to the differing national cultural and institutional contexts in which HRM is practiced. In what follows, we first examine differing problems associated with establishing HRM as a distinctive academic subject in various countries and then take a systemic view of the operation in practice of the three common elements listed above. Such an approach helps to determine how organizational phenomena are structured by the societal fabric within which they are situated. The analytical focus is on the connections between: (1) national culture and institutional factors (e.g., systems of employee representation, and education etc.) and (2) organizational phenomena.

### **European problems associated with establishing HRM as a distinct academic subject**

One measure of the divergence among the countries is the difference in the establishment of HRM as an academic discipline. The countries can be grouped into three different categories of development. First, an indigenous debate and concept has not emerged in some countries. This is most clearly demonstrated in Spain, where there has been little discussion of HRM (hence in Table 1, Spain has a nil response). This lack appears to be due to the special circumstances of the employment situation in that country. Following a particularly severe recession in the early 1990s, Spain has been in a period of considerable shake-out of labor, with layoffs and unemployment rising rapidly. This has meant that appreciation of the competitive value of human resources, which is at the basis of HRM, has not been much in evidence.

Second, in Denmark, the Netherlands, and Sweden, HRM is considered a multidisciplinary area encompassing such social-science discipline areas as economics, organizational behavior, organizational psychology, industrial relations, and the sociology of work and organizations. In these countries, HRM has yet to emerge as a distinct academic subject. The paraphernalia associated most notably with the development of HRM in the United States and Britain has not materialized to nearly the same extent, since there are no journals specifically devoted to the topic and relatively few university HRM departments. Indeed, in Sweden, attempts to create a professorship of HRM in the early 1990s failed as the government argued that the field was already well represented in a number of existing disciplines.

Third, in Britain and Germany, HRM has developed into a distinct and fully-fledged academic area, with all the accompanying professional activity (academic posts, books, journals, etc.). In these circumstances, a further issue arose as the meaning of HRM became contested. Different academics proposed varying definitions, with the consequence that they looked for different evidence to support their understanding of HRM. The empirical literature consequently gives a confused picture of the nature of recent developments.

Thus, some countries have a well-developed and articulated debate on the nature of HRM, whilst in others the debate is absent or rudimentary. Some of the essays sought to synthesize and convey a complex and mature debate, while others sought to examine a barely emerging discussion. The manifestation of these differences is important and is a sign that the polycentric approach is revealing differences that might be neglected or downplayed in ethnocentric, questionnaire-based research.

### **Divergence in regard to the common elements**

There are differences in regard to the importance of human resources as a source of competitive advantage. Drawing on the findings of Hofstede (1980b) and Hampden-Turner and Trompenaars (1993), the Swedish report argued that Sweden is a collectivist society in which reason prevails and joint agreements are reached between supposedly conflicted parties - that is, the representatives of labor and capital (see also Daun, 1989; Gould, 1993). According to a number of studies, Swedish culture lacks an elaborated idea of the employee as an individual, and Swedes are dominated by organizations, in both their work and their social life. Therefore, groups rather than individuals are the central unit to be organized in Swedish society. As Guillet de Monthoux (1991, p. 29) notes, decisions in Swedish society are the result of group processes, and individuals are only taken seriously "when they speak 'on behalf' of the group."

This suggests that, in Sweden, the type of HR policies that can be targeted at individual employees in order to enhance their commitment, improve the quality of their output, and reward the achievement of organizational objectives differs from those pursued in less collectivist cultures such as the United States and Britain. Sweden is not a supportive environment for the development of a more individualistic orientation to the employment relationship. In contrast to Great Britain, merit- and performance-related pay, appraisals, and different forms of individual participation and involvement such as quality circles or share ownership are currently less common in Sweden. However, a number of analysts have suggested that in recent years a more individualistic approach has been taking hold in Swedish society (Brulin and Nilsson, 1991; Czarniawska-Joerges, 1993). If this continues and the "Swedish cultural model" does begin to weaken, then a more individualistic approach to the management of the employment relationship may become more widespread.

The second common element of HRM notions, the integration of HR strategies with corporate strategies, also shows differences. Storey (1992) distinguishes between "hard" and "soft" HRM. The former refers to the view that employees, like other organizational resources, are used and disposed of according to the exclusive needs of the organization. In contrast, "soft" HRM reflects a view of employees as an organization's most precious asset that must therefore be cherished, rewarded, and developed in order to maximize their contribution to organizational effectiveness.

The Netherlands report, using Storey's distinction, concluded that, while strategic integration is important, the Dutch cultural and institutional context tends to restrict this linkage to "soft" HR strategies. Indeed, "hard" HRM, with its strategies for rewarding individual performance, is alien in the Dutch

context. The notion of the subordination of the needs and feelings of employees to the competitive requirements of the organization does not sit comfortably with Dutch employees, who expect their managers to be caring and considerate of group relations. This view is consonant with the “feminine” aspects of Dutch culture, to use Hofstede’s (1980b) terminology. It is also underscored by the national institutional influence of a long tradition of negotiation and consultation between employees and top management, as enforced by law.

Regarding the decentralization of HR issues from the national institutions to the firm, and within this to line management, the reports indicated that certain features of the institutional context can act as a powerful brake on the trend toward similarity. As noted earlier, a number of these countries have experienced a general move in the direction of the decentralization of collective bargaining institutions and procedures. With the exception of Great Britain, these changes have occurred within a context of strong employee representation, particularly at the firm level. The Anglo-American literature, which has dominated the debate surrounding the nature and incidence of HRM, has tended to suggest that it is most applicable in nonunion organizations, or that it may be difficult to introduce (as a result of union opposition) in highly unionized firms (Beaumont, 1992; Kochan and Barocci, 1985). As Purcell (1993, p. 517) notes, according to some, “HRM is the visual embodiment of the unitarist frame of reference.”

Yet, in Denmark, France, the Netherlands, Germany, Spain, and Sweden, trade unions continue to exert a powerful influence on the employment relationship. Indeed, the increasing decentralization of industrial relations institutions and procedures in these countries has modified rather than eradicated the power base of trade unions. The views of employee representatives cannot be ignored since legally enforced institutional arrangements ensure that employee representatives must be consulted by management on a whole range of issues. For example, German works councils have had three sets of rights: the right of codetermination, the right to be consulted, and the right to information. Furthermore, in Germany and the Netherlands, employee representatives are able to delay certain managerial decisions by recourse to the courts.

Thus, in a number of European countries, management has sought to modify their approach to employee relations via negotiation with employee representatives. These negotiations have not only tempered the original objectives of management but on occasion have also brought about greater union acceptance of the changes. Thus, whereas in Great Britain (and the United States) decentralization tends to be associated with the resurgence of managerial authority at the of employee participation and representation, in a number of European countries it has reinforced the importance of existing enterprise-based consultative structures between employers and employees.

In France, it was argued that the government, while espousing greater economic liberalism, has continued the traditional role of the state in the legal and institutional frameworks of employment. This has meant that only sporadic hesitant innovations along the lines of the espoused notions of HRM has taken place. In particular, the ability of the patronat to resist decentralization and the diminution of their power has confined HRM innovations to a small, select group of very large employers.

## **Conclusions**

This analysis has made three contributions. First, it has taken several steps toward a polycentric approach to understanding the nature of HRM in a number of European countries. This research approach, based on access to local-language publications not usually available in English, has allowed a more open examination of the extent to which notions and practices of HRM are similar or remain different, than

would be the case with an ethnocentric study. But this study is only a beginning. It is limited in that only one informant was obtained from each country, albeit with wider discussions of their contributions. Further studies need to be performed with a larger, though still polycentric, range of information sources.

Second, three common elements of HRM have been identified and can be considered to transcend national boundaries as part of a convergence of philosophies and practices across some countries: (1) the belief in the importance of human resources, (2) the devolution of responsibility of HR issues from national-level institutions to the firm and within this to line management, and (3) the linking of corporate and HR strategies so that they are mutually reinforcing. The fact that these similarities were discovered through the use of a polycentric data set adds greater validity to its identification. The strength of this trend toward convergence depends upon the power and impact of a number of macro forces: changes in the structure of employee representation and the increasing concentration of power in the hands of managers. These factors are pushing organizations in different countries to adopt a new approach to management of the employment relationship, labeled human resource management.

Finally, by taking a systemic view of national work environments, we identified a number of ways in which the common elements noted above are interpreted differently. Thus, Sweden's strong collectivist culture counters the development of a more individualistic orientation to the employment relationship, while the Dutch "feminine" culture encourages the antipathy of Dutch employees toward "hard" HRM. Similarly, the institutional factors in Germany of the strong role of the unions and the formal consultative structures between employers and employees attenuates the rise of the managerial prerogative. In France, the power of the patronat has hindered recent moves toward decentralization.

Thus, differences in cultural and institutional contexts continue to have a major impact on the nature of the employment relationship. The global economic and political pressures toward convergence are, as we have shown, considerable. We would expect them to have a significant influence on the future development of the management of the employment relationship in ways that are common across the whole of Europe. Those factors that maintain differences in approaches to the employment relationship will continue, but with decreasing power. Currently, we are unable to estimate when a completely homogeneous European approach to HRM might evolve, since the countervailing forces will continue to attenuate the convergence process for some time. But convergence continues relentlessly.

## Notes

1. Back translation refers to the process by which the source language is translated to a target language, and the target language is, in turn, independently translated back to the source language. Although back translation helps avoid major misunderstandings, it does not ensure precise equivalence. As Pike (1982, pp. 132-133) put it: "Translation ... is a special instance of the modification of terms by context; terms never quite match across two languages, but the context of the translated document may bring sufficient change to the starting meanings of the words used to allow them to communicate with a degree of accuracy sufficient for the purposes of the facts or behaviour discussed."

2. The individual country reports were researched and written by the following collaborators, to whom we are most grateful: C. Mabey and P. lies (Open University/Liverpool John Moores University, UK), A. Jenkins and G. van Wijk (ESSEC, France), J. Baruel (ESADE, Spain), C. Scholz (University of Saarland, Germany), M. Heijltjes, A. van Witteloostuijn, and S. van Diepen (University of Maastricht, the Netherlands), S. Scheuer (Copenhagen Business School, Denmark), and J. Berglund and J. Löwstedt

(Stockholm School of Economics, Sweden). An attempt was made to include Italy but the essay was not completed.

3. Such an approach has been used in industrial relations to understand different national systems (e.g., Baglioni, 1989; Ferner and Hyman, 1992; Regalia, 1996; Streek, 1992) and in industrial sociology (Lammers, 1990).

4. In the United Kingdom it is exceptional for a university not to have at least one Professor of Human Resource Management. Gaugler and Schneider (1994, p. 43) reported that in 1992 there were twenty professors in "Personnel Management" at the seventy-seven universities in former West Germany, Austria, and Switzerland. A further twenty-four professors in "Personnel Management" were combined with another subject area such as accounting, economics, or organizational behavior.

## References

Alder, N.J. "Understanding the Ways of Understanding: Cross-Cultural Management Methodology Reviewed." In R.N. Farmer (ed.), *Advances in International Comparative Management*, vol. 1. Greenwich, CT: JAI Press, 1984, pp. 31-67.

Azumi, K. "Japanese Society: A Sociological Review." In A.E. Tiedemann (ed.), *An Introduction to Japanese Civilization*. New York: Columbia University Press, 1974, pp. 515-535.

Baglioni, G. "Industrial Relations in Europe in the 1980s ." *Labor and Society*, 14 (1989), 233-229.

Beardwell, I., and Holden, L. *Human Resource Management: A Contemporary Perspective*. London: Pitman, 1997.

Beaumont, P.B. "The U.S. Human Resource Management Literature: A Review." In G. Salaman (ed.), *Human Resource Strategies*. London: Sage, 1 992, pp. 20-37.

Beer, M.; Spector, B.; Laurence, PR.; Quinn, Mills, P.; and Walton, R.E. *Managing Human Assets*. New York: Free Press, 1985.

Berry, J.M., and Dasen, P. *Introduction to Culture and Cognition*. London: Methuen, 1974.

Brewster, C, and Hegewisch, A. *Policy and Practice in European Human Resource Management: The Price Waterhouse Cranfield Survey*. London: Routledge, 1994.

Brewster, C, and Tyson, S. *International Comparisons in Human Resource Management*. London: Pitman, 1991.

Brulin, G., and Nilsson, T. "From Societal to Managerial Corporatism: New Forms of Work Organization as a Transformation Vehicle." *Economic and Industrial Democracy*, 72 (1991), 327-346.

Brunstein, I. *Human Resource Management in Western Europe*. Berlin: de Gruyter, 1995.

Chapman, M. "Social Anthropology, Business Studies and Cultural Issues." *International Studies of Management and Organization*, 26, 4 (1996), 3-29.

Child, J. "Culture, Contingency and Capitalism in the Cross-National Study of Organizations." In L.L. Cummings and B.M. Staw (eds.), *Research in Organization Behavior*, vol. 3. Greenwich, CT: JAI Press, 1981, pp. 303-356.

Clark, T. *European Human Resource Management: An Introduction to Comparative Theory and Practice*. Oxford: Blackwell, 1996.

Clark, T.; Gospel, H.; and Montgomery, J. "The Management of Human Resources in Comparative and International Perspective: An Evaluation of Twenty Years of Research." *International Journal of Human Resource Management*, 10, 3 (1999), 520-544.

Clark, T.; Mabey, C; and Skinner, D. "Experiencing HRM: The Importance of the Inside Story." In C. Mabey, D. Skinner, and T. Clark (eds.), *Experiencing HRM*. London: Sage, 1998, pp. 1-13.

Cole, J., and Cole, S. "Measuring the Quality of Sociological Research: The Problems in the Use of the Science Citation Index." *American Sociologist*, 6 (1971), 23-29.

Cray, D., and Mallory, G.R. *Making Sense of Managing Culture*. London: International Thomson, 1998.

Czarniawska-Joerges, B. "Sweden: A Modern Project, A Postmodern Implementation." In D.J. Hickson (ed.), *Management in Western Europe*. Berlin: de Gruyter, 1993, pp. 229-247.

Daun, A. *Svensk Mentalitet [The Swedish mentality]*. Stockholm: Rabén and Sjögren, 1989.

Ferner, A. "Country of Origin Effects and HRM in Multinational Companies." *Human Resource Management Journal*, 7 (1996), 1 9-37.

Ferner, A., and Hyman, R. *Industrial Relations in the New Europe*. Oxford: Blackwell, 1992.

Fombrun, C.J.; Tichy, N.M.; and Devanna, M.A. *Strategic Human Resource Management*. New York: Wiley, 1984.

Gaugler, E., and Schneider, B. "Professuren und Habilitationen in der betriebswirtschafts- lehre an den wissenschaftlichen Hochschulen im Deutschsprachigen räum." *Die Bietriebwirtschaft*, 54, 1 (1994), 4 1-62.

Gould, A. *Capitalist Welfare Systems: A Comparison of Japan, Britain and Sweden*. London: Longman, 1993.

Guillet de Monthoux, P. "Modernism and the Dominating Firm - On the Mentality of the Swedish Model." *Scandinavian Journal of Management*, 7 (1991), 27-40.

Guillen, M. *Models of Management: Work, Authority and Organization in a Comparative Perspective*. Chicago: University of Chicago Press, 1994a.

Guillen, M. "The Age of Eclecticism: Current Organizational Trends and the Evoloution of Managerial Models." *Sloan Management Review*, 1994b, 75-86.

Hampden-Turner, C, and Trompenaars, F. *The Seven Cultures Piatkus*, 1993.

Harzing, A.-W., and van Ruysseveldt, J. *International Human Resource Management*. London: Sage, 1995.

Hegewisch, A., and Brewster, C. *European Developments in Human Resource Management*. London: Kogan Page, 1993.

Hendry, C. "International Comparisons of Human Resource Management: Putting into the Frame." *International Journal of Human Resource Management*, 2 (1991), 415-449.

Hickson, D.J., and Pugh D.S. *Management Worldwide: The Impact of Societal Culture on Organizations Around the Globe*. London: Penguin, 1995.

Hofstede, G. "Motivation, Leadership and Organization: Do American Theories Apply Abroad?" *Organization Dynamics*, 16 (1980a) 42-63.

Hofstede, G. *Culture's Consequences: International Differences in Work Related Values*. Beverly Hills: Sage, 1980b.

Hofstede, G. "The Cultural Relativity of Organizational Practices and Theories." *Journal of International Business Studies*, 13 (1983), 75-89.

Hofstede, G. "Cultural Constraints in Management Theories." *Academy of Management Executive*, 7 (1993), 81-94.

Katz, H.C. "The Decentralization of Collective Bargaining: A Literature Comparative Analysis." *Industrial and Labor Relations Review*, 47 (1993), 3-22.

Kirkbride, P.S. *Human Resource Management in Europe: Perspectives* London: Routledge, 1994.

Kirkbride, P.S., and Tang, S.F.Y. "From Kyoto to Kowloon: Cultural Transfer of Quality Circles from Japan to Hong Kong." Paper Conference on International Personnel and Human Resource Management College, England, July 2-4, 1992.

Kochan, T.A., and Barocci, T.A. *Human Resource Management Text, Readings and Cases*. Boston: Little, Brown, 1985.

Lammers, C.J. "Sociology of Organizations Around the Globe: Between American, British, French, German and Dutch Brands." 77 (1990), 179-205.

Laurent, A. "The Cross-Cultural Puzzle of International Human Resource Management." *Human Resource Management*, 25 (1998), 91-102.

Legge, K. *Human Resource Management: Rhetorics and Realities*. 1995.

Muller, M. "Human Resource and Industrial Relations Practices Multinationals in Germany." *International Journal of Human* 9, 4 (1998), 732-749.

Pieper, R. "Introduction." In R. Pieper (ed.), *Human Resource Management: An International Comparison*. Berlin: de Gruyter, 1990, pp. 1-26.

Pike, K.L. *Language in Relation to a United Theory of the Structure of Human Behavior*. The Hague: Mouton, 1966.

Purcell, J. "The Challenge of Human Resource Management for Industrial Relations Research and Practice." *International Journal of Human Resource* (1993), 511-527.

Regalia, I. "How the Social Partners View Direct Participation: A Comparative Study of 15 European Countries." *European Journal of Industrial Relations*, 2 (1996), 211-234.

Roberts, K.H. "On Looking at an Elephant: An Evaluation of Cross-Related to Organizations." *Psychological Bulletin*, 74 (1970), 327-350.

Sparrow, P.R. "Towards a Dynamic and Comparative Model Management: An Extended Review." *International Journal of Management*, 6 (1995), 935-953.

Sparrow, P.R., and Hiltrop, J-M. *European Human Resource Management in Transition*. London: Prentice-Hall, 1994.

Sparrow, P.R.; Schuler, R.S.; and Jackson, S.E. "Convergence or Divergence: Human Resource Practices and Policies for Competitive Advantage Worldwide." *International Human Resource Management*, 5 (1994), 267-299.

Storey, J. *Developments in the Management of Human Resources*. Oxford: Blackwell, 1992.

Streeck, W. "National Diversity, Regime Competition and Institutional Deadlock." *Journal of Public Policy*, 12 (1992), 301-330.

Tayeb, M. *Organizations and National Culture*. London: Sage, 1988.

Tayeb, M. "The Competitive Advantage of Countries: The Role of HRM and Its Sociocultural Context." *International Journal of Human Resource*, 6 (1995), 588-605.

Traxler, F. "Collective Bargaining: Levels and Coverage." *Employment Outlook*. Paris: OECD, 1994, pp. 167-194.

Tyson, S.; Lawrence, P.; Poirson, P.; Manzolini, L.; and Vicente, C.S. *Human Resource Management in Europe: Strategic Issues and Cases*. London: Kogan Page, 1993.

Visser, J. "Trends in Union Membership." *Employment Outlook*. Paris: OECD, 1991, pp. 97-120.