
INTRODUCTION

The Emerging View: Managing Human Resources in the International Firm of the Twenty-First Century

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In academic settings, we typically codify knowledge into new areas of enquiry only when there is an appropriate level of interest by a critical mass of scholars. However, often the issues are not new at the time the “new” discipline emerges. Scholars of management history have long noted that human resource management (HRM), often seen as a twentieth-century phenomenon, was used in the earliest of recorded history. Bureaucracies certainly existed long before Max Weber outlined their nature. Late in the twentieth century, increasing attention has been focused on the role of international human resource management (IHRM), and again, as long as there has been international trade, there have been people managing human resources in international contexts.

At the same time, the academic literature on IHRM is vastly more extensive today than it was even 1 or 2 decades ago. And all of this is not to suggest that no progress has been made in our understanding of such issues and problems. This volume represents some of the creative think-

ing in IHRM that is emerging as we move into the globalized world of the twenty-first century.

For several decades, the International Human Resource Management Conference has been held in numerous locations around the world. This conference typically brings together scholars from 30-40 countries, who present a variety of papers on the topic of IHRM. In 2007, the conference was held in Tallinn, Estonia, and the chapters in this volume were selected and developed from the best of the conference papers. They represent the direction of IHRM in the early twenty-first century.

As with the field of HRM generally, much of the early work on IHRM was driven by very practical concerns. Studies of expatriate managers (usually Americans, working overseas and typically in Europe) showed that the failure rate in such assignments was extremely high (Tung, 1981). Given the costs that can easily be attributed to such employee failures a major question arose as to the best methods for selecting, training, and otherwise supporting such individuals. Such practical concerns have their value and an appropriate place in the IHRM literature, but retrospectively it seems that the angst of American managers was too much the driver of IHRM in its early years.

Critics have raised the need for theory in early IHRM (e.g., see Ghoshal & Westney, 1993), but recent scholarship has begun to bridge from practice to theory (and in turn, from theory to practice, the relevant side of this issue). In some cases, theorists have addressed very fundamental questions (e.g., Clegg & Grey, 1996), while others have discussed theory within the specific confines of IHRM (e.g., Schuler & Tarique, 2007). Indeed, true progress in IHRM is only likely to follow when the fundamental underpinnings of our field are clarified and better understood, and this is likely to occur when theory drives practice, instead of our initial model of practice driving theory. The chapters in this volume represent the broader issues for explaining processes of multinational employment, and such theories can even help to define the true domain of IHRM.

CONTEXTUAL ISSUES IN IHRM

The first three chapters in this volume deal with contextual issues in IHRM. Many scholars have recognized that moving from HRM to IHRM is not simply applying the same techniques in a slightly different setting; rather, the setting fundamentally alters the nature of the questions to even be asked (Dowling, 1999; Evans, Pucik, & Barsoux, 2002). Indeed, some forms of international organizations, such as the United Nations, represent unique organizational challenges due to their very nature

(Toomey & Brewster, 1999). Understanding IHRM requires new models and theories, and asks new questions, moving beyond merely expanding the traditional HRM functions.

Thus, it seems appropriate to open this volume with several such contextual issues. The first chapter, by Charles Vance, shows that the issues in being an effective person in a cross-national/cross-cultural encounter are not new. Long before IHRM was an academic buzzword, real people in real international encounters were required to perform the various tasks that are requisite for success in bridging various cultures. Much of historical importance can be found with relevance for the organizations of the twenty-first century.

In Vance's chapter, the role of host country nationals (HCNs) in facilitating organizational knowledge flows is critical. *Sacagawea* and *Squanto* represent two forms of interpersonal contact that can facilitate knowledge management from the external environment to the organization, and flows of needed information within the organization, respectively. Both serve as archetypes for the process of knowledge management in cross-national or cross-cultural contacts.

The chapter by Peter Ross represents an important contextual issue: as the Soviet Union dissolved about two decades ago, many countries were faced with the task of transforming from a controlled economy to a free marketplace. This transition has been at the center of organizational change throughout the former Soviet states, and has relevance for other emerging economies as well.

Ross considers two distinct telecommunications companies, one in Australia and one in the Czech Republic. While both went through a period of deregulation and privatization, the prior experiences of the two firms were embedded in very different systems. The question to be raised is the degree to which former organizational structures and cultures create a form of organizational inertia that impacts their responses to current situations and demands.

While Soviet practices do indeed have lingering impacts it is also the case that the industry demands can become more critical over time, and eventually organizations do change in ways needed to engage their new environmental context. Ross collected interview data over a substantial period of time to show the similarities and differences of these two forms of emerging private firms.

Judy Weisinger sets an important contextual dimension for HRM, by considering the role of EEO and numerical employment tracking versus the use of diversity management techniques. Such approaches are either representational or pluralistic diversity, respectively, and the latter are broader in nature, focusing on organizational functioning through interpersonal relationships. This approach, as she notes, is most successful

only when a longer term time perspective is incorporated to build such critical human capital in the organization.

Extending these concepts into the management of social capital, Weisinger shows that efforts to manage pluralistic diversity can lead to benefits to the organization. The social diversity in the broader organizational context can be mirrored within the organization, and result in positive changes to the social functioning within the organization.

Taken together, these chapters make a general case that the broader context in which IHRM operates cannot be ignored as we move into the twenty-first century. This serves as a backdrop to other issues in the international management of human resources.

STAFFING ISSUES IN THE MULTINATIONAL FIRM

Issues in organizational staffing, broadly defined, have long constituted a core functional area of the field of HRM. All organizations must find new workers, and must at times reduce staffing levels by terminating workers. Such questions raise myriad practitioner questions, but there are also fundamental theoretical issues that must be addressed for progress in applied HRM and IHRM.

It is not appropriate to think of international staffing as a direct extension of domestic staffing (Dowling, Festing, & Engle, 2009). The international context adds dimensions not found in domestic staffing, especially related to issues of political risk/terrorism, needs for visas or other forms of official “permission” to work abroad, and so forth. In addition, most firms only send managers overseas after a fairly long period of employment in the company; the negative impacts resulting from errors are too great to trust external recruits with many of these assignments. For these reasons, and others, we need to think of international staffing as a unique problem in the HRM collection of methods and techniques.

Alan Fish, Ramudu Bhanugopan, and Julie Cugin address what is in fact a long-standing issue in the IHRM literature; how do we select employees for international assignments? These authors have developed a model of the expatriate manager, and focus on two dimensions of people. Managers can be high or low on two dimensions, national identity and cross-cultural business focus. Those who are high for both dimensions are termed “internationalists,” those who are low for both dimensions are termed as “transitionalists,” those high for national identity but low for cross-cultural business focus are termed “ethnocentrists” and those low in national identity but high for cross-cultural business focus are termed “transnationalists.” They find the transnationalists make the best choices for cross-border business assignments.

Fundamentally, this approach represents a shift from use of traditional personality measures, toward the use of a manager's value system. Fish and his co-authors argue that too many personality variables can be considered, and in the complexity of cross-border assignments, this approach becomes far too difficult to manage.

In the literature on HRM and staffing, whether based in international research or based in single nation studies, one could easily make the argument that the flip side of the process is relatively understudied. We have looked at staffing much more carefully than we have looked at the process of separating employees from a firm. Colette Darcy and Thomas Garavan look at employee claiming behavior in response to employment termination. While they focus on the context of Ireland, the issue of employee separations is one that needs attention in the HRM and IHRM literature.

Darcy and Garavan distinguish between perceptions of justice, and the actual behaviors that result from such perceptions. Specifically, what are the antecedents of employee claiming, specifically claiming for unfair termination of their employment?

Darcy and Garavan note that the prior literature on perceptions of organizational justice has been heavily biased toward North American samples, in particular from the United States. By extending this research into the Irish context, broader conclusions are allowed. In addition, it is clear that employee claiming behavior does result from very specific antecedents, and that organizations can take actions to reduce the probability of such claiming.

This extension of research on claiming behavior into the Irish context adds a new dimension to this literature; next it would be especially useful for such research to be further extended into a wide variety of world cultures. Clearly, claiming behavior, common in the United States, may be far less prevalent in other parts of the world, and the generalizability of these behaviors is an area ripe for further investigation. Indeed, how employers treat termination is a critical factor in understanding the employment relationship and the role of organizational justice.

In general, even though staffing related questions have long been part of the IHRM literature, these chapters show that more can be done in this realm.

GENDER DIVERSITY IN INTERNATIONAL CONTEXT

A major theme of research in HRM generally is the importance of diversity efforts in organizations. Beyond the research done in HRM, a huge literature exists on this topic in the literature of sociology, and also

applied social psychology. Papers in this volume also address the issue of diversity in the international firm.

Christiana Ierodiakonou and Eleni Stavrou consider the role of flexible work arrangements as a means of enhancing employment opportunities for women. They extend previous research by looking at the role of such practices with women who are currently unemployed, whereas the bulk of previous research in this area of investigation considers the impact of flexible work on women who are already working.

The women in their study largely find traditional work to be incompatible with their existing family obligations, a finding that is not surprising. But women found some of the options for flexible work arrangements more appealing than others, and part-time work was especially attractive. Not all approaches to making work attractive work equally well.

Astrid Reichel, Julia Brandl, and Wolfgang Mayrhofer discuss differences in women and men as HR managers. Although HR, as a profession, is often seen as female-dominated, it is still the case that many men work in the field, and there are notable differences in the roles women and men play as HR managers.

Reichel and her coauthors suggest that traditional HRM has often had women providing the administrative functions, whereas men more typically are assigned work in the more strategic aspects of the field. As organizations internationalize, they increasingly become more egalitarian, and break down some of these barriers. However, this can only be understood in the context of specific national and cultural contexts. Using Cranet data (Brewster, Mayrhofer, & Morley, 2004) from over 7,000 organizations in 22 countries, they look at degree of gender egalitarianism in the top management levels of HRM. One notable finding is that cross-national differences in gender-based differentiated roles are better explained by cultural differences than by institutional equalization. In short, culture matters.

ISSUES IN CULTURAL TRANSITIONS

The final section of the present volume looks at a critical component of understanding IHRM. Fundamentally, IHRM deals with those workers who are required, as part of their job, to cross numerous cultural boundaries. Issues of culture shock have long been discussed, and more recently there has been growing recognition of the role of repatriation and its resulting reverse culture shock.

Although the fundamental process of cultural transitions has long been a core issue for IHRM, important work continues on this topic. Both expatriation (Cerdin, 1999) and repatriation (Doherty, Brewster, Suutari,

& Dickman, 1999) are relevant to understanding these intercultural processes. Three chapters here address these issues, especially regarding repatriation.

Maike Andresen and Markus Göbel look at a critical aspect of the international work experience. We know that large numbers of expatriates, after their return home, leave their employing organizations. The general view, however, is that employees with international experience should be highly valued, and organizations should be taking steps to retain such repatriates. Andresen and Göbel consider the problem through violations to the employees' psychological contracts.

Using a qualitative approach, they studied managerial psychological contracts, especially regarding expectations surrounding reciprocity. They found that reciprocity has more dimensionality than is typically assumed in the literature, and that both utilitarian and moral elements can be found. The theoretical findings lead clearly into practical implications, especially as regards career planning and the management of repatriates.

Jane Menzies and Ann Lawrence consider the impacts of repatriation management practices and their impacts on a wide variety of organizational/HRM outcomes. Using theories drawn from the literature of academic psychology, they show that specific repatriation practices can reduce the negative impacts that typically occur during the repatriation process.

The final chapter in this volume was written by Gráinne Kelly and Michael Morley, and develops a theoretical perspective of the repatriation process. Using concepts proposed by Weick (1995, 2001), they consider the repatriation process to be a complex arrangement by which an employee deals with the inherent ambiguity of the process of entering what is essentially a new social environment.

The disorientation and surprise of the repatriation process can be managed, however. Kelly and Morley suggest managerial practices and social support practices that can be utilized to ease this inherently ambiguous transition for the person who is experiencing it. Essentially, the sense making approach adds substantial theoretical richness to our understanding of the repatriation process, and this richness in turn suggests both theoretical and practical aspects of managing the repatriation process, potentially reducing such unwanted events as repatriate turnover.

WHAT HAVE WE LEARNED?

The final issue to address in summarizing these chapters, then, is how do these contributions enlighten the discussion of IHRM? Each chapter here in its own way addresses an important aspect of IHRM, and all of the

chapters have implications for both the theory and the practice of international management. While no collection of chapters such as this volume can be the final word on the topics addressed, incremental contributions can be found in these chapters.

One common theme seems to emerge from this set of chapters. While some of the chapters take a primarily practical orientation, and others emphasize a theoretical issue, in the final analysis all of the chapters address both. Theory is useful in so far as it informs practice, and practice is more likely to be fruitful when grounded in theory. While the interplay of theory and practice is not new in the field of academic management (e.g., see Daft, Griffin, & Yates, 1987), it is refreshing to see that modern scholarship uses both components to inform our thinking.

Modern IHRM remains an active area for scholarly investigation, and will continue to do so for the foreseeable future. The theoretical and practical significance of the field is continuing to grow, and as international business models become increasingly significant, the role of IHRM will increase.

These chapters show the breadth of the field. They show the increasing interplay of theory and practice that is found in modern IHRM, and suggest future areas for investigation.

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