

1. Introduction

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The interest in human resource management (HRM) as a means of securing successful strategic performance and as a source of sustainable competitive advantage continues more strongly than ever. For example, in addressing how to measure the human resource (HR) contribution to firm strategy implementation, Becker et al. (2001: 7) contend that '[t]he evidence is unmistakable. HR's emerging strategic potential hinges on the increasingly central role of intangible assets and intellectual capital in today's economy. . . As the key enabler of human capital, HR is in a prime position to leverage many other intangibles as well, such as goodwill, research and development, and advertising.' Similarly, Noe et al. (2003) consider HRM's role as critical in determining US corporate success in the face of the competitive challenges of the new economy, high-performance work systems, meeting stakeholders' needs and globalization.

Alongside such views, there are also calls for a wider understanding of how human resources are managed, and the factors that influence such management, other than in the predominantly studied North American and Northern European contexts (Budhwar and Debrah, 2001).

It is in this setting that this book, Volume 2 of the *Handbook of Human Resource Management Policies and Practices in Asia-Pacific Economies*, provides descriptive analytic profiles of the following economies:

- Brunei Darussalam
- Canada
- Chile
- Mexico
- New Zealand
- Papua New Guinea
- Peru
- Philippines
- Russia
- Singapore
- Vietnam.

Together with Volume 1, it completes the codification of HRM policies and practices of the Asia-Pacific Economic Cooperation Forum (APEC) 21-economy membership. The APEC-funded project, Global Advantage Through People, which led to these profiles and this handbook is described in the following section. This is followed by a discussion of the purpose of the book and its structure.

APEC AND THE GLOBAL ADVANTAGE THROUGH PEOPLE PROJECT

When the Asia-Pacific Economic Cooperation (APEC) Forum was established in 1989, a high priority was placed on human resources development (HRD) in its aim for economic integration and cooperation in the region, through the promotion of non-discriminatory free trade and investment using voluntaristic, consultative processes and regular high-level dialogue between governments. APEC now represents one of the fastest growing regions in the world, and in 2000 its membership had a combined gross domestic product of almost US\$18 trillion and approximately 46.76 per cent of world trade (<http://www.apecsec.org.sg>, 2002).

APEC's 21-economy membership represents the most diverse regional international regime on earth. It includes the most populous (China), the most developed and technologically advanced (USA, Japan), the largest in area (Russia, Canada, USA, China, Australia), among the smallest in area (Singapore, Hong Kong, Brunei), and among the least economically developed (Papua New Guinea, Vietnam). Human resources development is the domain designated by APEC that embraces human resource management (HRM) issues most closely. A Human Resources Development Working Group (HRDWG) was established in 1990 to address the issues arising from the diverse requirements and demands for education, training and development of human resources of the Forum. This group has proved to be one of the most active in APEC. Late in 1996, the HRDWG agreed to fund the Global Advantage Through People project. Unlike the European Union with its Commission-funded European Foundation and the like, APEC is a loosely coupled, mutually adjusting organization with a relatively small budget and small administrative Secretariat that is unable to provide the membership with information on the wide array of interests associated with the three pillars of liberalization, facilitation and development cooperation. Consequently, aside from numerous and frequent rounds of meetings of government officials from member economies, projects such as Global Advantage are often used within APEC as a means of gathering and disseminating information considered relevant to APEC's aims and objectives.

The Global Advantage project's purpose is threefold: (1) to provide a systematic descriptive analysis of key HRM policies and practices at a macro, contextual level in APEC economies; (2) using the data presented in (1), to undertake a preliminary comparative analysis identifying key similarities and differences at the macro level and their implications for APEC development and cooperation in the employment relations domain; (3) to provide the basis for a series of micro-level studies on HRM policies and practices that focus on key areas of organization and industry performance in the APEC region.

The economies covered in the first phase of the project completed at the end of 1998 (and the primary focus of Volume 1 of this handbook), included: Australia, Chinese Taipei, Hong Kong, China, Indonesia, Japan, Korea, Malaysia, People's Republic of China, Thailand and the United States of America. In 2000, the HRDWG approved the extension of the Global Advantage project to cover the remaining 11 members (as mentioned above) in a 'Phase 2'. These are: Brunei Darussalam, Canada, Chile, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore and Vietnam.

From an APEC perspective, the Global Advantage project and the two volumes of this handbook bring together for the first time into a single source, details of all members' current HRM policies and practices. The editor (plus a co-editor for Phase 2) recruited 35 HRM researchers from institutions, primarily universities, from the above economies. (Two of these did not complete the assignment and were subsequently replaced.) These researchers come from a diversity of disciplinary and subdisciplinary backgrounds, such as human resource management, economics, law, industrial relations, management, sociology, science and technology policy and education. Their backgrounds are reflected to some extent in the profiles they have produced. Thus, the HRM and IR scholars were more likely to include organizational HRM policies and practices in their analysis than the economists, who tended to focus more at the economy level (naturally) and were disposed towards labour market issues. The law scholars were very adept at mapping employment law and those elements of the HR context affected by the law. Nevertheless, the individual and small-team proclivities of the contributors were somewhat constrained by the necessity for them to produce descriptive analytic economy profiles of contextually embedded HRM policies and practices in accordance with a list of criteria, and by cajoling and coaxing from the editors. Further, the authors were required to produce their profiles in English, the language of APEC, which for the majority is a second language. The profile criteria are: economy context, labour market, employment law, recruitment and selection, training and development, pay and benefits, employee relations, current HRM issues and trends, key organization addresses and references. These criteria were applied consistently across all 21 APEC member economies, in both volumes of this handbook.

These criteria were defined much more fully in a detailed contributor's pack for the researchers to follow. For example, the economy context criterion was broken down into geography, political context, economic context, socio-cultural context and recent history. These, in turn, were further defined to guide the authors' profiling. By using this format, the study permits initial, broad comparisons by individual criterion as well as simplifying cross-referencing. Contributors provide, wherever possible, documentary and/or statistical support for assertions. Given the size limitations of the study report, each economy profile (15–25,000 words) is primarily a description of macro HR-contextual policies and practices. Industry and firm-level examples are used to underscore particular analytic points. In cases where a diverse range of approaches and methods are practised in an HRM area, contributors were asked to identify the dominant policy or practice, with variations described to capture the wider mix of, for example, pay practices or employee relations. Each economy's profile contributor(s) was also required to appoint two senior industry-based persons to act as editorial advisors on the draft profiles. The industry representatives, drawn from the public and private sectors and from the labour movement, served as an external validity check on the contributions as well as assuring their contemporary and practical relevance. For example, in Peru, the General Secretary of the General Workers' Confederation of Peru, and the President of Lima Chamber of Commerce were used; in Canada, the human resources manager of CNH Saskatoon (part of an agricultural and construction equipment manufacturing multinational), and a union representative of the Service Employees International Union, served as advisors. As in Volume 1, the participation of industry-based advisors conforms to APEC's emphasis on the involvement of business in its activities, and the particular need for the Human Resources Development Working Group to secure the participation of labour and management.

PURPOSE

The overall purpose of Volume 2, as with Volume 1 of this handbook, with its systematically codified economy HRM profiles, is improved knowledge, understanding and sensitivity to HRM policies and practices in APEC, and the Asia-Pacific region more generally. This translates into more concrete uses for different groups. For APEC, this book fills an important gap in APEC's knowledge and understanding of HRM policies and practices. By systematically focusing on actual HRM policies and practices in all APEC economies, an APEC regional perspective that recognizes individual differences may be derived. This volume completes their codification.

This book will also be of use to APEC member government agencies in the formulation of better-informed strategies and responses to APEC cooperation efforts in the general field of employment relations. It serves as a readily accessible and efficient source of HRM data for business, for small through to large firms considering the deployment of human resources in different parts of APEC. The key organization addresses given at the end of each economy profile chapter will be of especial use in securing up-to-the-minute information.

Finally, this volume will be of particular value to HRM scholars, and in teaching undergraduate and postgraduate students about the cross-cultural variations in human resource management, both between and within APEC economies.

BOOK STRUCTURE

Consistent with Volume 1, the central part of this book, the economy HRM profiles, has been compiled from the contributions of prominent researchers and practitioners based in each of the 11 economies. As indicated above, each profile was prepared and laid out according to the following criteria:

- Economy Context
- Labour Market
- Employment Law
- Recruitment and Selection
- Training and Development
- Pay and Benefits
- Employee Relations
- Current HRM Issues and Trends
- Key Organization Addresses
- References.

These profiles provide insights into the dynamic and changing contexts within which, and the ways in which human resources are managed. For example, the significance of the informal sector (Peru, Chile, Mexico) and 'shadow economy' (Russia) for employment and working conditions are examined; the prominence of education, training and development in all economies is ascertained; gender issues are addressed and found to differ significantly according to economy; and how political and economic forces have shaped the focus and substance of legislative activity in the employment relations (HRM) field are identified.

In addition to the 11 economy HRM profiles, there is a final chapter on 'HRM Issues, Trends and Implications for APEC'. This synthesizes and

compares the main HRM issues and trends in APEC, derived from the HRM policies and practices of all 21 member economies codified in the Global Advantage Through People project, and contained in Volumes 1 and 2 of this handbook. This analysis is followed by a discussion of the policy implications for APEC Human Resources Development (HRD) policies and programmes, and research directions for comparative HRM research in the Asia-Pacific region that aim for finer-grained analysis at organization and industry levels.

REFERENCES

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