1. **The meaning and value of comparative human resource management: an introduction**

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**WHY COMPARATIVE HRM?**

The 2012 edition of this *Handbook* was the first to bring together, systematically, expert researchers studying comparative human resource management (HRM). The need at that time for a comparative book was manifest as the subject was increasingly being researched and taught, as part of a general HRM or international HRM course. Since then, the demand for a comparative perspective has grown, as scholars and practitioners alike become more aware of the need to understand the relationship between national or regional context and HRM, which lies at the core of this new edition. This second edition of the *Handbook on Comparative Human Resource Management* draws on the work of many of the world’s leading researchers in this area to present the current state of the art to scholars, students, and practitioners. Building on the solid base of the first edition, this latest edition of the *Handbook* provides an extended focus on the theoretical underpinnings of comparative HRM (CHRM), includes additional studies in comparative areas of HRM practice, and covers a broader set of countries and regions.

HRM as a subject for study and teaching was identified and popularised in the United States of America (USA) in the late 1970s and early 1980s, encapsulated in two famous textbooks (Beer et al., 1985; Fombrun et al., 1984). The two books took different approaches, but both differentiated HRM from personnel management as the administration of employment. They argued that the latter involved running, monitoring, and controlling the employment systems within the organisation, whereas HRM involved more integration of personnel policies across functions and with the corporate strategy (with HRM being the downstream function); a greater role for line managers; a shift from collective to individual relationships; and an accent on enhancing company performance. In HRM, workers are a resource ‘to be obtained cheaply, used sparingly and developed and exploited as fully as possible’ (Sparrow & Hiltrop, 1994: 7) in the interests of the organisation.

Managing people in a systematic and consistent way with the intention of ensuring their effective contribution to the success of the organisation – one definition of human resource management – utilises the same processes in every case: a workforce has to be recruited, deployed, and assessed, trained, paid, and all of this within conditions that allow motivation to develop and be sustained. Some argue, therefore, that HRM is a-contextual, in other words, findings related to HRM practices are applicable to all settings because context is not part of the discussion (Christensen Hughes, 2002). Others, the authors here included, counter that HRM is contextual, and that HRM findings can predominantly be explained by contextual, in particular cultural (Reiche et al., 2012) or institutional (Wood et al., 2012), theorising. CHRM relies on this perspective, emphasising that we
cannot understand the adoption or effectiveness of HRM without understanding – or at least taking into account – the context in which it is being applied. This constitutes the fundamental premise behind our *Handbook*.

One of the major aspects of context is the country in which organisations operate. Because most studies of HRM take place within a single national context, commentators have long been aware of the differences in HRM policies and practices in different sizes of organisation and the sector (or sectors) in which they operate (e.g., Brewster et al., 2014; Goergen et al., 2013). Largely, perhaps, owing to the spread of HRM research across the world, HRM scholars have become aware of the differences between countries and have argued that this is a matter not only of differences in practice but also of differences in the way that the subject is thought about: its meaning and its purpose. Even if we accept that the purpose of HRM should be to improve the performance of the firm (that is, be profit-centric; Kaufman, 2016), Gerhart (2005: 178) has argued: ‘it seems unlikely that one set of HRM practices will work equally well no matter what the context’. The focus of HRM as having a profit motive is also brought into question in different contexts, where some note that a primary outcome of HRM should be employee well-being (Guest, 2002).

Much of the new thinking and innovation in HRM has historically come from the USA, where it originated. Concepts and ideas about HRM have followed the ‘Gulf Stream . . . drifting in from the USA and hitting the UK [United Kingdom] first, then crossing the Benelux countries . . . and Germany and France and proceeding finally to southern Europe’ (DeFidelto & Slater, 2001: 281), and then, usually later, on to the rest of the world. The hegemony of the United States (US) model is such that many universities and business schools as well as consultancies around the world use US teaching materials, US teaching methods, and US textbooks and case studies, more or less ignoring HRM in the local context despite the availability of more locally focused teaching materials and cases (for example, the various editions of the *Global Human Resource Management Casebook*: Hayton et al., 2012; Christiansen et al., 2017). Like many others, we believe that this is an error. HRM does not operate the same way in every country. The idea that HRM varies around the world is by no means new, but much HRM commentary either ignores that fact or assumes that countries that do HRM differently are ‘lagging behind’. ‘Best-practice’ HRM may not even be that common in the USA, but it certainly looks and feels very different elsewhere in the world.

Against a backdrop of contextual differences and a more dynamic view of changes over time, CHRM is concerned with understanding and explaining differences between contexts as constituted by countries or clusters of countries, and analysing how much changes over time, in particular through the process of globalisation, are or are not leading to a harmonisation of HRM across the world, and how far countries retain their distinctive national flavour.

This chapter introduces both the subject of comparative HRM and this *Handbook*. We attempt to identify the establishment of the subject and its boundaries; we discuss the role of context in HRM; we address the issue of whether globalisation is making such analysis increasingly irrelevant as societies seem to converge; and we explore levels and units of analysis of comparative HRM. We then outline the shape and content of the *Handbook*, which includes theoretical and empirical issues in comparative HRM, the way that these affect particular elements of HRM, and the way that different countries and regions think about the topic.
THE DEVELOPMENT OF THE STUDY OF COMPARATIVE HRM

The classic texts marking the origin of HRM identified, respectively, four (employee influence, human resource flow, reward systems, and work systems; Beer et al., 1985) or five (selection, performance, appraisal, rewards, and development; Fombrun et al., 1984) areas that can be used to analyse HRM. The unstated implication was that these areas can be used in any organisation, anywhere in the world. Most universities and business schools across the world tend to teach a very similar version of HRM to that outlined in these books.

In reality there has been little agreement about the meaning of the term ‘human resource management’. We are not the first to note the confusion surrounding the concept (see, as early examples, Boxall, 1992; Guest, 1990; Goss, 1994; Storey, 1992). Conceptually, a range of definitions of HRM is possible: from an almost etymological analysis at one end to a clearly normative perspective at the other. Within this range two broad categories can be discerned:

- HRM as a subject area: exploring processes by which an organisation deals with the labour it needs to perform its functions and encompassing, therefore, traditional definitions of personnel management (including manpower planning, resourcing, training and development, and industrial relations) and also subcontracting, outsourcing, and similar arrangements for utilising human resources even when not employed within the organisation.

- HRM as a programme: contributing to organisational (usually business) effectiveness. In many cases this usage has defined itself as strategic HRM (see, for early examples, Armstrong, 2008; Boxall & Purcell, 2007; Hendry & Pettigrew, 1990; Schuler, 1992).

Whereas the first kind of focus concentrates upon identifying and studying either the whole relationship between people at work and their organisations or a particular aspect of it, the second category is focused on the activities of management and the practices that management can adopt to improve organisational or firm efficiency and effectiveness. Arguably, a contributory reason for these different approaches to the topic is similar to the basic argument of comparative HRM: it is perhaps little wonder that researchers, based in a different institutional and cultural context, with different historical antecedents of research perspectives and different practical problems to explain, have different views of what is central to the topic.

The still developing stream of work in CHRM leans towards interpreting HRM as a subject area. Partly, this is due to its roots in different traditions: the industrial relations tradition, the growth of international business as a subject of study, and the equally fast-growing topic of international HRM (Stahl et al., 2012). We describe each of these traditions in relation to CHRM further.

In Europe and Australasia, particularly, many of the earlier researchers and teachers in HRM moved into the field from industrial relations studies. Industrial relations vary markedly from country to country and this has traditionally been an area of study much concerned with nationally comparative issues, such as for example why union membership is so much higher in some countries than in others, why different consultation structures
apply in different countries, and whether the embeddedness of industrial relations in its national context was a given. Therefore, it was obvious for the specialists who moved across from that field to take a more comparative view of the closely linked subject of HRM.

The growth of the study of international business has also identified the need for a better understanding of how the management of workforces varies across national boundaries. Multinational corporations (MNCs) have struggled to find an appropriate balance between the efficiencies of a globally standardised approach to HRM and the effectiveness of adapting HRM practice to local contexts. Born out of these struggles is the field of strategic international HRM (SIHRM), which focuses on corporate HRM as practiced by MNCs, and how practices or people are transferred between headquarters and subsidiary locations (Stahl et al., 2012). This relies on the exploration of complex interactions between external (home and host country) and internal (strategy, structure, and relationships) factors (Brewster et al., 2016b). CHRM, in contrast, has as its objective to observe and explain commonalities and differences between countries or regions or clusters of countries (Brewster et al., 2016b; Kaufman, 2016).

CHRM now has a firmly established place within the HRM discipline (see, for example, the contributions on comparative HRM in overview works on HRM and international HRM such as Harzing & Pinnington, 2015; Parry et al., 2013; Collings & Wood, 2009; Sparrow, 2009). Starting in the 1990s, early works described the differences between countries and explored the theoretical foundations of the subject (e.g., Brewster & Tyson, 1991; Begin, 1992; Hegewisch & Brewster, 1993; Boxall, 1995). Since then the balance of the discussion has changed from a primarily descriptive perspective to a more explanatory angle looking into ‘why’ and ‘how’; that is, the reasons for and the processes leading to commonalities and differences in HRM between different countries, cultures, and institutional settings. The major theoretical underpinnings and conceptual approaches to the topic are summarised in Part I of this *Handbook*.

**THE ROLE OF CONTEXT**

The core issue underlying the study of CHRM is the importance of context. Jackson and Schuler (1995) describe how a range of theories can be applied to understand the context–HRM relationship, arguing that there is a need to shift from ‘treating organisational settings as sources of error variance, to attending as closely as we have traditionally attended to individual characteristics’. In developing their ‘integrative framework of HRM in context’, they highlight the importance of internal factors such as technology, structure, size, life cycle stage, and business strategy, as well as external factors such as the legal, social, and political environment, unionisation, labour market conditions, industry characteristics, and national culture.

Other commentators have also raised concerns about assumptions being made that theories developed in one national context might be universally applicable, without this actually being tested (Brewster et al., 2016a). Beer et al. (2015) make a plea for a renewed push to develop a more contextual view of HRM in order to make a stronger connection with human and societal outcomes. Similarly, questions have been raised as to whether the Anglo-Saxon models of HRM such as Fombrun et al.’s (1984) matching
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model or Schuler’s (1992) 5-P model are applicable worldwide (Budhwar & Debrah, 2001).

Watson (2004) calls for a more critical perspective on how and why HRM systems emerge in different organisational contexts, contending that HRM ‘strategies specifically are outcomes of human interpretations, conflicts, confusions, guesses, and rationalisations . . . The adoption of particular HR[M] strategies and practices is inevitably the result of decisions made by human actors’. Here, the emphasis is more on the role of actors in organisations, rather than internal or external institutional or cultural factors, placing greater emphasis on the role of power and politics in organisations. Critically, actors mediate the relationship between context and the HRM system, which in turn has a resultant effect on the context (Paauwe & Farndale, 2016).

CONVERGENCE AND DIVERGENCE

As well as context, another striking feature of the CHRM literature is its interest in time, that is, whether observed commonalities or differences are persistent or subject to change (Brewster et al., 2016b). This gives rise to the convergence/divergence debate within the field, which explores the role of context (national or supranational-level explanatory mechanisms) in creating patterns of HRM worldwide over time.

The SIHRM literature pays some attention to change over time, but here the emphasis is largely on standardisation, particularly on how MNCs might be creating global standards of HRM practice, especially in transferring practices deemed superior from advanced to emerging economies. In this scenario, context is seen more as a constraint to standardisation. However, CHRM scholars generally argue that context, particularly in the form of institutional factors, may be more strongly determinant of HRM practice adoption than the standardisation attempts of MNCs: it is not just a question of whether a practice is feasible, but also whether it is desirable (Al Ariss & Sidani, 2016a). Context, in the CHRM literature, is the variable of interest as different solutions to similar problems emerge. A problem in both SIHRM and CHRM is creating understanding of what lies behind the process of (or lack of) standardisation or convergence, rather than mere observation of patterns of HRM practices; a problem that this Handbook is designed, in part, to address.

A popular meaning of ‘globalisation’, related perhaps most closely to marketing, argues that the spread of international awareness and international business has led to, for example, young people in Beijing wearing American blue jeans, enjoying American Cola drinks, and listening to European pop groups. In other words, countries are losing their national distinctiveness and becoming more alike. A more scholarly interpretation (Meyer et al., 2011; Rugman & Verbeke, 2001) notes these consumer possibilities but also notes that in terms of providing goods and services countries may find most advantage in differentiating themselves and concentrating upon the things they are good at.

Hidden in much of this popular and scholarly literature is the notion that globalisation is an unstoppable force; that the experience of ever-increasing integration of national markets, economies, and businesses will inevitably continue into the future. History warns us to be wary of any assumptions of inevitability. The global slowdown that followed the economic crisis that started in 2008 led to a stalling in the number of MNCs and
international mergers and acquisitions, and a decrease in global trade that, as we write in August 2017, is only gradually recovering to former levels. Further, the victories of the Brexit campaign in the United Kingdom in 2016, leading to the separation of the UK, the fifth-largest economy in the world, from one of the world’s largest free trading areas and, in the same year, of the avowedly anti-globalisation Donald Trump campaign for the US Presidency, remind us of the need for caution in such assumptions. Interestingly, as we write, stock markets in the UK and the USA are reaching record highs, indicating that investors at least believe that the fears accompanying these events in some quarters may be worse than the eventual outcomes.

How does globalisation apply to HRM? Are countries in fact becoming more alike in the way that they think about and practice HRM, so that the differences between them will be of diminishing importance? Are they retaining consistent differences? Of course, no country’s social systems remain exactly the same so, more sensibly, what is the direction of movement? Or are different units of analysis (aspects of HRM, for example, or policy and practice) heading in different directions? Are countries, in short, becoming more or less alike in the way that people are managed? Contributions to answering these questions – often labelled within the frame of convergence and divergence – arise from theoretical, methodological, and empirical perspectives.

Theoretical Perspectives

Over many decades, the arguments over convergence and divergence swept back and forth, with different importance being given to convergence one moment and divergence the next. Arguably, early contributions in this debate emphasised convergent tendencies. Given that before the industrial revolution much of the production of wealth in a country depended on the primary sector, it is hardly surprising that the new emerging technology and the developments in its wake led commentators to assume strong convergent developments. Early voices include Marx’s (1844 [2002]) ideas of capitalist accumulation, Veblen’s (1904) proposition that the consequence of countries modernising is their inevitable convergence with regard to organisational structures and value systems, Weber’s (1921 [1980]) analysis of bureaucracy and rationalisation processes, and Durkheim’s (1933 [1967]) argument for a shift from mechanical to organic solidarity. Since then, the upper hand between advocates of convergence and divergence has changed regularly. Here, we constrain ourselves to outlining the basic positions that have become relevant for organisation studies in general, and comparative HRM in particular (see also Brewster & Mayrhofer, 2012).

One stream of voices favouring convergence relates to rational actor models of the firm (see the classic texts, Simon, 1955; Coleman, 1990). They argue that firms pursue economic success by implementing, under conditions of bounded rationality, practices that contribute to economic goals. Given that capitalism is a global phenomenon, some of its central tenets – rationality, cost-effectiveness, flexibility, and best-practice models – support the global emergence of reasonably similar organisational structures and processes. At the organisational level, and perhaps most pointedly, tendencies towards similarity are claimed by transaction cost economics: ‘Most transaction cost theorists argue that there is one best organisational form for firms that have similar or identical transaction costs’ (Hollingsworth & Boyer, 1997: 34).

Arguably, the most elaborate theoretical view comes from the world polity approach
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within sociological neo-institutionalism (see Meyer & Rowan, 1977; DiMaggio & Powell, 1983). It argues that, especially since 1945, Western cultural patterns and institutions dominate global developments so that core individual and collective actors, including organisations and nation states, are subject to isomorphic pressures to follow the ‘Western model’ of rationalisation (Drori et al., 2006b). Underlying these considerations is the assumption that the role of the nation states will further decrease (Ohmae, 1995) and that a world system (Wallerstein, 1974; Frank & Gills, 1993) or a world society (Krücken & Drori, 2009) emerges, which is the primary locus of rationalisation. We will see, it is argued, a systematisation of social life on the basis of standardised schemes and rules requiring the reconstruction of all social organisation (Jepperson, 2002). Succinctly put:

We see three particular features of globalization as fuelling the modern pattern of expanded organisation: (a) the rise of the global as the relevant social horizon, (b) rationalization and standardization processes, reinforced through the expanding globalized institutions of science and expertise, and (c) a culture of actorhood and empowerment, carried by the rapidly expanding and globalized educational institutions. These dimensions of globalization, we argue, create a real or imagined society on a world scale. (Drori et al., 2006c: 13)

Hence, ‘it is clearly the modern world society that is the institutional core, setting the model of the culture of rationality’ (Drori et al., 2006a: 209f.). Rational bases, required for collective and cooperative action, ‘are understood to have a universalistic character. They are objectively true, and true everywhere, so that it is possible to prescribe rational organisational forms even in unfamiliar or distant contexts’ (Meyer et al., 2006: 26).

Of course, this does not mean complete uniformity. There is room for local variation and distinctiveness. However, this is legitimate only as long as it is consistent with homogeneity in the primary dimensions of the emerging world society (Meyer, 2000). Research interested in the translation of various business and political practices across cultural and national borders emphasises that both freedom for social action as well as isomorphic pressure coexist (see, for example, the work of Boxenbaum, 2006; Czarniawska & Sevón, 2005; Sahlin-Andersson & Engwall, 2002). As practices travel across the globe and become institutionalised, they are edited and customised to specific contextual settings.

Opposition to the convergence thesis is often characterised as arguing for divergence, perhaps because it sounds nice as an opposite. Few of those who oppose the convergence thesis, however, would actually argue that countries are getting more dissimilar. What they usually mean is that countries are not getting more similar to any significant extent. Although several core HRM debates, such as those concerning the importance of HRM for organisational performance, implicitly or explicitly assume a convergent, one-best-way solution (see, e.g., Pfeffer, 1998; Wright et al., 2001), human resources are difficult to standardise, and it has been argued that HRM is the aspect of management most likely to reflect local circumstances (Rosenzweig & Nohria, 1994).

The leading naysayers to the convergence thesis come from both the cultural and the institutional camp. As we have two chapters on these respective angles (see Chapters 2 and 3), we can be brief here. The literature on cultural differences argues that culture is ‘one of those terms that defy a single all-purpose definition and there are almost as many meanings of culture as people using the term’ (Ajiferuke & Boddeywn, 1970: 154). Subsequent years and studies have added further complexity, rather than clarifying the issue. Fundamental to this literature is the notion that where there is change, it happens

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very slowly, so that the underlying differences in values between societies tend to remain the same for decades (Beugelsdijk et al., 2015).

From an institutional angle, too, there are also significant doubts about converging tendencies. Theories of comparative capitalism (e.g., Amable, 2003; Hall & Soskice, 2001; Whitley, 1999) argue that institutional arrangements at the national level show considerable inertia, so that it is hard to see how existing differences between systems of economic organisation will disappear. Whitley (1999) points out that ‘[n]ation states constitute the prevalent arena in which social and political competition is decided in industrial capitalist societies’. This emphasises differences, the slow nature of institutional change (Djelic & Quack, 2003) and the limits of globalisation (Guillén, 2001). Institutional perspectives concentrate on the institutions within a society as being the environmental structures that keep them distinctive. Institutions are likely to shape the social construction of the nature of organisations and will certainly structure policies and practices within them. The institutional perspective (Meyer & Rowan, 1977; DiMaggio & Powell, 1983) argues that isomorphism between organisations is determined less by cultural differences than by institutions. Adding in a cross-national element has led some institutionalists to argue that it is the economic, social, and legal arrangements of societies that keep the nations distinctive (Hollingsworth & Boyer, 1997; Whitley, 1999).

**Methodological Perspectives**

What convergence and divergence actually mean and how they are conceptualised is by no means clear. The literature shows a broad variety of interpretations. Arguably most questionable, or to say the least, hardly helpful, are single point in time studies that have equated convergence with similarity, as is done by some HRM studies claiming to find convergence in a cross-sectional study (e.g., Bae et al., 1998; Chen et al., 2005; Pudelko, 2005). Most commentators would argue that the notion of convergence – and, for that matter, divergence and stasis – requires a more dynamic view and looking at developments over time where the phenomena of interest become more or less similar at different points. Taking a closer look at the way these terms have been used suggests that one can differentiate between at least two different variants of ‘convergence’ (Mayrhofer et al., 2002).

First, there is final convergence. Over time the differences between the variables analysed decrease and ultimately tend towards a common end point; even if they never actually reach that point, the differences between them become smaller. Based on a classical article on convergence (Hotelling, 1933), Friedman (1992: 2129) suggests that the ‘real test of a tendency to convergence would be in showing a consistent diminution of variance . . . among individual [countries]’ Figure 1.1 illustrates the basic idea by showing three country pairs where developments in, for example, the use of a specific HRM practice vary in their directions, but still converge towards some point in time.

Second, there is directional convergence. This occurs when the analysed variables point in the same direction, that is, when similar trends appear. Such a development does not depend on a specific initial starting level or the relative distance of these levels at the end. All it requires is a change of variables in the same direction over time. For example, while membership of trade unions has been declining in most countries over the last 25 years, the relative differences between countries regarding levels of union membership have remained relatively constant (Scheuer, 2011; Schmitt & Mitukiewicz, 2012). This indicates
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directional convergence, but not final convergence. Hence, seeing similar trends does not justify diagnosing final convergence. Figure 1.2 shows the basic idea. In both countries the trend goes in the same direction; for example, the use of a certain HRM practice in each country increases. Nevertheless, there is no common end point, that is, no final convergence, and also the frequency of use of the practice is different.

**Empirical Perspectives**

Unlike in some adjacent fields such as industrial relations (e.g., Bamber et al., 2016), hard evidence of long-term development in HRM is scarce. What is available comes from two different angles: analyses of the role of MNCs in diffusing HRM globally; and studies following the development of a single HRM practice or a broader set of HRM policies, practices, and characteristics across countries, regions, or market economies.
MNCs play an important role both for economic development globally as well as in specific regions and countries (e.g., Dunning, 1992; Chandler & Mazlish, 2005; Meyer, 2008; Dunning & Lundan, 2008; Elfstrom, 1991; Haley, 2001; Wettstein, 2009). HRM is no exception here. There is substantial work on the relationship between MNC headquarters and subsidiaries and the various ways in which MNCs from different countries undertake HRM around the globe. MNCs may strongly influence local HRM practices and policies, particularly so in some areas of HRM and in some countries. Sophisticated global policies and practices rolled out and policed by a central HRM function have an impact on MNCs’ subsidiaries (e.g., Björkman et al., 2007; Gamble, 2003). Beyond that, in many countries MNCs also serve as role models that are sometimes seen as sources for good practice.

To be sure, this does not happen through simple transfer and homogenisation. Rather, HRM practices and policies are translated – that is, reshaped, resisted, and redeployed – in the local environment due to the various social processes that govern the local situation (D’Aunno et al., 2000; Ferner, 1997; Ferner & Quintanilla, 1998). One can argue that foreign as well as indigenous MNCs handle their human resources differently from organisations operating solely in their home country. However, country of location rather than country of origin is the most important factor when it comes to explaining differences in HRM (Brewster et al., 2008; Farndale et al., 2008). In this sense, MNCs bring in new forms of HRM, adapt to local ones, and develop hybrid forms.

When looking at HRM policies and practices at the broader level of countries and regions, the available empirical evidence is most detailed for Europe. This is partly due to the existence of a large HRM dataset collected by Cranet (www.cranet.org), a research network that has been conducting a trend study about developments in HRM in public and private organisations since 1989, and has conducted nine survey rounds in currently more than 40 countries worldwide (see Brewster & Hegewisch, 1994; Brewster et al., 2000; Brewster et al., 2004; Parry et al., 2013).

Results (e.g., Mayrhofer et al., 2011) show that in Europe many aspects of HRM show directional convergence, that is, the trends are the same. Thus, there are increases in most countries most of the time in such issues as the professionalisation of the HRM function, the use of more sophisticated recruitment and selection systems, the use of contingent rewards, and the extent of communication with employees. However, contrary to the received wisdom in the universalistic texts, there is no sign of common trends in the size of the HRM department (Brewster et al., 2006), nor in training and development, which is given high priority in many countries but seems to remain the first area for cuts when finances become tight.

The evidence is summarised as follows: ‘from a directional convergence point of view, there seems to be a positive indication of convergence. However, when one looks at the question from a final convergence point of view, the answer is no longer a clear positive. None of the HRM practices converge’ (Mayrhofer et al., 2004: 432). While the existence of clear directional convergence ‘acknowledges the capacity for HRM in European countries to be influenced by supranational drivers from the global and European level’ (Mayrhofer et al., 2011: 60), the absence of any form of final convergence ‘is testimony to the enduring effects of national institutional contexts, particularly in Europe, and especially apparent in HRM configuration and practices which previously have been identified as prone to the influence of the national environment’ (ibid.).
Outside of Europe and at the global level, there is no comparable empirical insight regarding HRM and it is therefore not possible to develop an understanding or explanation on any sound empirical basis. However, at a theoretical level we suggest that there are some parallels to the European situation. Of course, Europe is unique in the sense that there is no other world region with such a strong central actor as the European Union (EU) covering the same number of nation states. Arguably, however, other world regions are also covered by supranational forces. Examples include efforts to create common economic and partly political areas such as the Eurasian Economic Union (EEU), the Sistema de la Integración Centroamericana (SICA, the Central American Integration System), or the Southern African Development Community (SADC). At a more general level, drivers such as globalisation, rationalisation, or efficiency constitute major driving forces. At the same time, there are substantial contextual idiosyncrasies. Nation states – despite premature announcements of their death (Ohmae, 1995) – seem to be alive and well, and constitute unique contexts for HRM. Neither institutions nor cultures change quickly; and rarely in ways that are the same as in other counties. In addition, nation states are affected by path-dependency and locked-in effects which make quick and radical change rare.

It seems far from overstated, then, that the evidence supports those who would argue, for various reasons, that globalisation might not be taking place in the clear, straightforward way of ‘making things more similar’. As Al Ariss and Sidani (2016b) succinctly put it: ‘we maintain that the case for total or dominant convergence can now be laid to rest’. Hence, the broader issue of factors explaining similarities and differences between HRM in different countries and their development becomes crucial, and constitutes a core element of CHRM: ‘Rather than trying to identify one winning side, a better route is to identify situations, at the micro, meso, and macro levels, that cause relative convergence in some instances and divergence in others’ (Al Ariss & Sidani, 2016b: 283).

The exploration of convergence in the CHRM literature, although extensive, still has its limitations. Often, convergence is studied across advanced economies (North American and European), with less exploration of emerging economies (Al Ariss & Sidani, 2016a; Horwitz & Budhwar, 2015), leaving us with a gap in our knowledge. Kaufman (2016) also argues that we are not necessarily measuring convergence appropriately, advocating for a more economic-driven view, considering the extent of difference between countries by observing both means and degrees of dispersion of HRM practice adoption. He argues furthermore that economic theories of comparative advantage, trade and location suggest divergence of HRM, compared with the common convergence theme of strategy theories such as the resource based view of the firm.

LEVELS/UNITS OF ANALYSIS

CHRM research usually focuses on individual and collective actors as well as the respective structures and processes linked with these actors, all of them in different countries, cultures or regions (Brewster & Mayrhofer, 2009). The degree of social complexity constitutes a useful main differentiation criterion in order to group these actors according to different analytical levels. Actors are characterised by low social complexity if the emerging social relationships between these actors are either non-existent as in the case
of individuals or have comparatively little complexity, for example, in face-to-face groups. However, collective actors such as countries or supranational units show high social complexity. A complex fabric of social relationships constitutes their internal environment.

Looking back to the early 1990s, an analysis of published CHRM research reveals that country, organisation, and individual-level analyses dominate the scene. Reflecting the view of Clark et al. (1999) ten years earlier, a review of peer-reviewed articles published in the years from 1990 to 2005 (Mayrhofer & Reichel, 2009) shows that comparative HRM was typically empirical rather than conceptual; focused on the country, organisation, or individual as the primary unit of analysis; used cross-sectional ‘snapshot’ rather than longitudinal, that is, panel or trend study designs; and focused on comparison of one or more sets of HRM practices, for example, recruitment procedures, and/or HRM configuration such as strategic orientation or size of the HRM department rather than the link between HRM and some kind of output like satisfaction, performance, or commitment. Overall, early comparative HRM research placed an emphasis on actors and respective processes and structures at a low to medium level of social complexity. Typical blind spots were networks of organisations and supranational actors. Moreover, the research tended to be focused on a very limited number of countries and regions of the world. More recent work has attempted to address some of these issues, as we note.

When looking at HRM from a comparative angle, a key question concerns the levels of analysis (Kochan et al., 1992; Locke et al., 1995). This implies decisions about how to conceive of the differences in HRM systems and approaches and then how to choose an appropriate perspective. A telescope analogy has been proposed as useful in this context (Brewster, 1995). Changing the focus on a telescope provides the viewer with ever more detail and the ability to distinguish ever finer differences within the big picture than can be seen with the naked eye. None of the chosen perspectives are wrong or inaccurate, but some are more useful for some purposes than for others. HRM can be conceived of in this way. In HRM, as we have argued, there are universals, for example the need for organisations to attract, deploy, assess, train, and pay workers; but we have also argued that there are some things that are shared within regions; some that are distinctive for certain nations; some that are unique to certain sectors; some that fit a particular organisation or even a section of an organisation; and there are some factors that are unique to each individual manager and employee. Each perspective sharpens the focus on some aspects but, inevitably, blurs others. The many (within-country) studies that (accurately) find differences between sectors within a country, for example, have been extended to studies of particular sectors across countries with the implicit (but inaccurate) assumption that there will be more differences between the sectors than between the countries. Hence, when discussing comparative HRM it is important to take into account the chosen perspective and to be aware of the missing complexity. Many commentators either state, or imply by omission, that their analysis is universal. CHRM challenges that view.

To date the CHRM field has included multiple different levels of analysis on which to observe comparisons, including individual, organisational, national, and supranational (Mayrhofer & Reichel, 2009). We provide examples of each of these in turn here. First, comparisons of HRM practices between countries can be explained through individual-level variables: through, for example, typical employee expectations or desires related to HRM in a given national context (Lowe et al., 2002); or through employee ability to deal
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with exposure to cultural diversity, which in turn influences employee behaviour (Strauss & Connerley, 2003).

Second, comparisons can also be explained through organisation-level variables: the Japanese organisational preference for on-the-job training and knowledge sharing produces ‘specialist’ engineers, compared to the preference of UK organisations to rely on ‘professional’ engineers, who receive a more general education before joining the firm (Lam, 1994); organisational size and sector combine to explain clusters of complementarities that make for patterns of HRM practice adoption (Goergen et al., 2012); organisation-level influence of unionism, which varies both between and within countries, has been found to increase the extent of strategic integration of the HRM function (Vernon & Brewster, 2013); organisation size, which also varies both between and within countries, impacts upon the adoption of employee direct involvement practices (Brewster et al., 2014) as well as the assignment of HRM to line managers (Brewster et al., 2015a).

Third, comparisons based on national institutional and cultural factors are most common in the CHRM field, and make up much of the content of this Handbook. Some examples include facilitating the understanding of the relative strength of workers and managers from the perspective of different corporate governance regimes (Goergen et al., 2009); linking transitional economies to the modernisation of HRM (Poor et al., 2011); the relative propensity of firms to lay people off based on national political structures (Goergen et al., 2013); and the adoption of contingent employment practices (Tregaskis & Brewster, 2006).

Finally, at the supranational level, there are frequent comparisons of HRM across market economies. The comparative capitalism literature argues that there is a limited range of institutional factors that shape the choices of rational actors, creating path dependency (Goergen et al., 2012), and that these institutional factors, such as law and political systems, interact with each other to have a combined effect on HRM (Psychogios & Wood, 2010). Empirical examples include the use of non-standard working time across market economies (Richbell et al., 2011), levels of voluntary and involuntary employee turnover (Croucher et al., 2012), use of a broad range of HRM practices (Farndale et al., 2008), and extent of union recognition (Brewster et al., 2015b). The notion of complementarities is again key here, whereby complex patterns of institutional factors combine to create similar HRM outcomes (Croucher et al., 2012; Walker et al., 2014).

Many of the seminal management and HRM texts are written as if the analysis applies at all levels, something one can call ‘false universalism’ (Rose, 1991). The cultural hegemony of US teaching and publishing, particularly in the leading US ‘international’ journals, means that these texts are often utilised by readers and students in other countries. US-based literature searches – now all done on computer, of course – tend to privilege texts in English, texts in the US-based journals, and texts in the universalist tradition (Brewster, 1999a, 1999b). For analysts and practitioners elsewhere with interests in different sectors, countries, and so on, many of these descriptions and prescriptions fail to meet their reality and a more context-sensitive analysis is necessary.

CHRM strives to provide such analyses. In its simplest form, HRM in two different countries is compared and contrasted at a merely descriptive level. In a broader sense the criteria for comparison, derived from theoretical reasoning or closely linked to observable phenomena, go far beyond that:
Examples include groups of countries formed by criteria such as geographical distance, cultural similarity, economic output, political power or historical bonds; regions cutting across nation states, for example, geographically neighbouring areas in the Mediterranean or in central Europe as well as dislocated regions such as those with highest-level subsidies within the EU; areas with similarities in terms of demography or political activity, for example, population growing vs. shrinking areas; regions with similar infrastructure characteristics, for example, in terms of highway and railway quality and density, access to the internet or administrative quality of government; or organisational characteristics such as sector and size. (Mayrhofer, 2007: 191)

This book adopts a mid-level position, concentrating upon CHRM at the country and country cluster level. As with the telescope metaphor, this picture is no more or less accurate than the others: it just helps us to understand some things more clearly.

THE FUTURE OF CHRM

The comparative study of HRM is thus complex, with competing debates around globalisation, convergence, and divergence, with multiple units and levels of analysis, and above all significant challenges in collecting empirical data that can counter the limitations of cross-sectional studies across a limited number of ‘popular’ countries and regions. Nevertheless, progress continues, and as this Handbook demonstrates, our knowledge of HRM in different countries and regions of the world is increasing. Perhaps even more importantly, however, we are now gaining more insight into ‘why’ HRM practices differ or are the same across borders, rather than just acknowledging that differences exist, and we are also learning about how these different HRM patterns result in various individual and organisational outcomes.

We hope that after reading the following chapters, scholars from around the world will feel inspired to continue to address the gaps in our knowledge, particularly those in less-studied emerging economies, so that we can continue to develop the CHRM field. There is much still to do. To date, we have seen progress in three areas: understanding the theoretical and methodological frameworks that can be applied to comparative HRM; exploring different tasks and themes in HRM from a comparative viewpoint; and describing countries and regions in terms of the way in which they understand and practice HRM. These three areas form the main sections of this book.

OUTLINE OF THE BOOK

Part I of the Handbook consists of five chapters underpinning comparative HRM as a field by presenting the underlying theories and methodologies that can help us to understand HRM in context. Part II is devoted to different activities or themes of HRM practice, with each chapter reflecting on pertinent extant comparative research. Part III then switches the emphasis from areas of HRM practice to regions of the world, with each chapter commenting on what typical HRM in that region might look like, and what differences and similarities exist between countries within the region. The Handbook concludes in Part IV with a reflection on the evidence presented, summarising some of the themes and ideas to emerge, and adding to the HRM convergence/divergence debate. All chapters
have been thoroughly updated since the first edition of this Handbook, and new chapters have been added to broaden the range of methodologies, topics, and regions covered.

Opening Part I, Chapter 2, ‘Comparative institutional analysis and comparative HRM’ (Wood, Psychogios, Szamosi, and Collings), develops our understanding of how context influences HRM. Exploring relevant institutional factors, the complementarities of regulatory features of an organisation’s environment are discussed. The authors highlight some of the most influential institutional approaches to understanding variations in HRM policy and practice, and draw out the implications of recent theoretical developments. The authors define the institutional context, particularly highlighting how this affects employee rights.

Chapter 3, ‘Cultural perspectives on comparative HRM’ (Reiche, Lee, and Quintanilla), focuses on national cultural explanations of variation in HRM practice. Presenting multiple frameworks of national culture, the authors demonstrate how managerial choices across HRM practices are shaped by cultural values and norms, and consider what this means for MNCs and the transfer of practices across national borders. The chapter reflects critically on the limitations of the cultural perspectives on comparative HRM, and discusses directions for future research.

Chapter 4, ‘Critical approaches to comparative HRM’ (Peltonen and Vaara), draws from critical theories and methodologies largely related to globalisation (global labour process theory, postcolonial analysis, and transnational feminism) to demonstrate how the boundaries of comparative HRM research might be expanded. The chapter suggests directions for future research in this field, particularly reflecting on the critical approach to suggest avenues for positive change.

Chapter 5, ‘Methodological challenges for quantitative research in comparative HRM’ (Weller and Gerhart), discusses methodological challenges in doing empirical quantitative research on HRM and effectiveness in the field of comparative HRM. In particular, attention is paid to the challenges of adopting an appropriate level of analysis and of inferring causality in studying the HRM–effectiveness link. The authors provide examples of how to handle methodological problems when working with quantitative data, including advice on fixed-effects models and conducting quasi-experiments in comparative HRM studies.

Chapter 6, ‘The anthropological comparative method as a means of analysing and solving pressing issues in comparative HRM’ (Moore and Brannen), provides insight into qualitative approaches to comparative HRM studies, focusing in particular on the anthropological comparative method. The authors present a detailed international case study to demonstrate how international HRM might usefully adopt the comparative method as a means of analysis, drawing useful conclusions from data that do not easily lend themselves to generalisation.

Part II, shifting our attention to specific areas of HRM practice, opens with Chapter 7, ‘Recruitment and selection in context’ (Farndale, Nikandrou, and Panayotopoulou), which highlights commonalities within nations, but differences between nations, to present a cross-national comparison of recruitment and selection practices. The authors examine how these practices relate to, interact with, and are influenced by the national institutional and cultural context. The chapter reflects on recruitment and selection practice variation between nations.

Chapter 8, ‘Comparative total rewards policies and practices’ (Sahakians, Festing,
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Engle, and Dowling), explores the effect of national context on monetary and non-monetary (total) rewards. The authors consider the potential for total rewards policies and practices to converge across the globe, discussing whether they can be standardized in MNCs. The chapter provides insights into comparative reward packages for managers across countries, raising important questions around the social acceptability of executive pay.

Chapter 9, ‘Comparing performance management across contexts’ (Boselie, Farndale, and Paauwe), defines performance management from an international perspective, and presents an overview of the most important developments over time, comparing performance management in different contexts using both case study data from large MNCs and national survey data. Focusing on country-level data, the chapter explores the balance between the need to standardize or localize performance management practice in different types of organization across the globe.

Chapter 10, ‘Human resource development: national embeddedness’ (Tregaskis and Heraty), examines the organizational logic underpinning investment in human resource knowledge and skills, and compares national systems as the fulcrum upon which variation in HRD systems and practices turns. The authors explore globalisation pressures and what these mean for the significance of national institutions in shaping firm-level behaviour in HRD. The chapter focuses on labour market change, discussing the impact of technological advances, changes in migration patterns, and age demographics on skill and knowledge bases.

Chapter 11, ‘Comparative employment relations: definitional, disciplinary, and development issues’ (Nienhüser and Warhurst), outlines how employment relations are understood and how they are said to be changing. Following a detailed definition of ‘employment relations’, the authors present the different theoretical underpinnings of this field of study and how each might be more or less relevant in different country academic traditions. A detailed presentation is made of the convergence debate within the comparative employment relations field, exploring how things might be changing over time across countries. Consequently, this chapter includes a discussion of the ‘Uberisation’ of employment relations, when employment itself disappears.

Chapter 12, ‘The psychological contract within the international and comparative HRM literature’ (Sparrow), explores comparative and international HRM traditions associated with psychological contract research. Emphasis is placed on comparing a micro individual-level approach to understanding psychological contracts with a macro national-level approach, making a strong case for cultural embeddedness.

Chapter 13, ‘Positive and negative application of flexible working time arrangements: comparing the United States of America and the EU countries’ (Golden, Sweet, and Chung), explores flexible work schedule practices as they vary among individuals, organisations, and nations, and explains reasons for the observed variations. The authors argue that depending on the metric used, flexibility can be seen as widely available, or as seriously constrained or limited. They also consider the connection between flexible working and work–family harmonisation. Concluding, the chapter notes that, particularly among European nations, the industrial relations context – such as collective bargaining institutions – and prevalence of service and public sectors, influence the diffusion of working time flexibility practices across organisations and countries.

Chapter 14, ‘Comparative career studies: conceptual issues and empirical results’
(Lazarova, Mayrhofer, Briscoe, Dickmann, Hall, and Parry), explores the emergent field of study of comparative careers. The authors point to examples that illustrate relevant current research, providing definitions of key concepts and examples of comparative analyses in studies of individual careers and organisational career management. Survey results from two leading-edge career-related research studies are presented to illustrate current trends in the field.

Chapter 15, ‘Financial participation: the nature and causes of national variation’ (Ligthart, Pendleton, and Poutsma), questions why legislation has been more forthcoming in some countries than others, given that the availability of fiscal benefits to companies and employees is an extremely important influence on the use of financial participation schemes. The authors discuss the main forms of financial participation, presenting survey evidence on the incidence of financial participation in Europe and further afield. They conclude with a reflection on the reasons for differences between countries in the character and incidence of financial participation. Country profiles of financial participation practices are presented.

Chapter 16, ‘Comparative perspectives on diversity and equality: the challenges of gender, sexual orientation, race, ethnicity, and religion’ (Combs, Haq, Klarsfeld, Susaeta, and Suarez), discusses the emergence of diversity management and how international comparisons can inform our understanding of and perspectives regarding the general shift from equality to diversity and associated human resource policy. The chapter takes a more focused perspective on four specific diversity strands (gender, sexual orientation, race/ethnicity/immigration, and religion) where important developments have been unfolding in recent years, sometimes amidst extreme conditions. The authors reveal important disparity in legal protections between and within the various diversity strands and cultural contexts.

Chapter 17, ‘Organising HRM in a comparative perspective’ (Brandl, Bos-Nehles, and Aust), presents a state-of-the-art review of research on cross-national variation in organising HRM work based on open systems theorizing of organisations. The authors suggest that practical efforts for organising HRM are based on three alternative models (classic, neo-classic, and modern), and identify the major theoretical traditions that have guided research in this field. Based on the inclusion of empirical studies, the chapter includes a new section on research in the tradition of new institutional theory as well as key issues and future research directions.

Chapter 18, ‘The intersection between information technology and human resource management from a cross-national perspective: towards a research model’ (Ruël and Bondarouk), develops a model for future comparative qualitative and quantitative e-HRM research in an international context, based on a constructivist view of the relationship between technology and organisations. The authors present a picture of what is known about e-HRM in different national contexts, and a discussion linked to the convergence/divergence debate.

Chapter 19, ‘Sustainable HRM: a comparative and international perspective’ (Aust, Muller-Camen, and Poutsma), brings a comparative and institutional perspective to the emergent concept of sustainable HRM, which links corporate social responsibility (CSR) and HRM. Sustainable HRM is defined as the adoption of HRM strategies and practices that enable the achievement of financial, social, and ecological goals, with an impact inside and outside of the organisation and over a long-term time horizon, while controlling for unintended side effects and negative feedback. The authors suggest that there may
not be a universal version of sustainable HRM, but that different national institutional environments lead to the emergence of different models. Some of these are more conducive to develop sustainability in HRM, whereas others mean it is more challenging for the HRM function to achieve environmental, social, and human sustainability.

Part III of the Handbook spans the globe in regions, moving from North to South America, across Western and Central and Eastern Europe and the former Soviet Union, through the Middle East to Africa, across Asia through the Indian subcontinent, East and South East Asia, finally coming to a conclusion in Australasia.

Chapter 20, ‘HRM practice and scholarship in North America’ (Jackson, Kim, and Schuler), presents the current state of North American HRM practice and scholarship in larger public and private sector organisations, paying particular attention to three issues: the burgeoning freelance economy; achieving gender balance among the managerial tier of organisations; and heightened corporate transparency. Additionally, the authors reflect on the rising awareness of the long-term implications of climate change and environmental degradation and their relationship to HRM. The North American approach to HRM reflects the liberal market economies found in the USA and Canada, with a strong interest in the strategic role of effective HRM.

Chapter 21, ‘Revisiting the Latin American HRM model’ (Davila and Elvira), identifies the key (silent) stakeholders involved in employment relationships, determining how HRM systems have been configured. The authors develop arguments supporting the three pillars on which this stakeholder HRM model is built. They also present a systematic analysis of ten Latin American multinational corporations’ annual and sustainability reports to identify how organisations promote employee involvement with the local community, and the HRM practices that link employees with their proximal community to foster social inclusion.

Chapter 22, ‘HRM in Mexico, Central America, and the Caribbean’ (Madero-Gómez and Olivas-Luján), focuses on HRM in the Central America region. In a systematic review of extant literature, the authors describe how national (economic, linguistic, historical, and cultural) characteristics have so far fostered research in certain HRM areas. The authors identify research gaps and make a plea for more systematic documentation of this under-researched region of the world.

Chapter 23, ‘Comparative HRM research in South America: a call for comparative institutional approaches’ (Hermans), argues that extant insights into South American HRM derived from cross-cultural approaches could be enhanced by integrating comparative institutional perspectives. This insightful chapter lays out opportunities and challenges for integrating comparative institutional approaches into HRM research in South America. A primary contribution is an identification of five core issues common to comparative institutional approaches and that are particularly relevant to HRM research in the South American context.

Chapter 24, ‘HRM in Western Europe: differences without, differences within’ (Brewster, Mayrhofer, and Sparrow), examines the ways in which Western Europe is different from other regions in the world, identifying particularly differences in approaches to stakeholders, the role of government, and employee involvement as crucial. The authors discuss differences within Europe and the various cultural and institutional clusters that have been proposed. The chapter sets this within developments in globalisation but notes that the economic crisis that began in 2008, the UK’s ‘Brexit’ vote, and the election of
President Donald Trump in the USA, have all raised questions about the ‘inevitability’ of globalisation. The authors conclude that HRM in Europe is likely to remain different from that in the other parts of the world, and the regions within Europe are unlikely to become more standardised in their approach to HRM.

Chapter 25, ‘The transition states of Central and Eastern Europe and the former Soviet Union’ (Morley, Minbaeva, and Michailova), explores the many countries that have pursued aggressive development trajectories since the early 1990s with varying economic, political, and HRM outcomes. Arising from a review of nomothetic and idiographic studies on HRM in these countries, the authors landscape some key idiosyncratic features at play in the region and chart core aspects of the development of HRM. They question the extent to which ‘Western’ theories and ‘best practices’ can be applied to the territory, or whether there is evidence of a unique or hybrid approach to HRM emerging. They conclude that knowledge of HRM in the region remains exploratory at best, and encourage future empirical research.

Chapter 26, ‘HRM in the Middle East’ (Budhwar and Mellahi) considers the impact on HRM of the major socio-political, economic, and security-related developments that have taken place in the region and which are still unfolding. Particular attention is paid to the dominance of the Arab culture and of Islam in the region, whereby HRM systems are strongly governed by these principles. The authors contend that due to significant differences between the Middle East and other parts of the world (the ‘West’, in particular), foreign elements of management tend to be, at best, not conducive to the development of sound HRM practices in the region. They also caution that apparent similarities across the region are masking deep-set differences between nations.

Chapter 27, ‘HRM in Northern Africa’ (Zoogah, Metwally, and Tantoush), reviews historical, institutional, governance, business environment, competitiveness, human development, and demographic factors influencing human resource management (HRM) in Algeria, Egypt, Libya, and Tunisia. Based in case studies, examples are provided of how reactions to similar contexts can produce very different strategic HRM outcomes. The authors conclude with a discussion of the implications and challenges of HRM research in northern Africa, given the paucity of research in the region.

Chapter 28, ‘HRM in sub-Saharan Africa: comparative perspectives’ (Bischoff and Wood), draws from a small but growing body of HRM research in Africa. Increasing attention is being paid to contextual circumstances, with attention shifting to the relationship between institutions and HRM practice, particularly drawing on the literature on comparative capitalisms and rational hierarchical accounts. This chapter further extends reflections on cultural and institutional factors influencing HRM in the sub-Saharan Africa region, including an exploration of the emerging body of research on Chinese MNCs in Africa.

Chapter 29, ‘HRM in the Indian subcontinent’ (Budhwar, Varma, and Hirekhan), presents the geographical and socio-economic context of the Indian subcontinent and discusses how relevant factors influence HRM practice in India, Pakistan, Bangladesh, Sri Lanka, Nepal, and Bhutan (including updated insights on each of these countries). The review of extant research emphasises the scarcity of HRM research across the region, and in particular a reliance on exploring the applicability of Western practice rather than understanding indigenous practice. Given the political and economic instability across much of this region, the authors note that this gives rise to major challenges for rapidly
evolving HRM systems, where strategic HRM has yet to be recognised as a source of value for organisations.

Chapter 30, ‘HRM and Asian socialist economies in transition: China, Vietnam, and North Korea’ (Collins, Zhu, and Warner), examines the relationship between economic reform and changes in the employment relationship in three Asian socialist economies: China and Vietnam, both in a ‘transitional’ stage; and North Korea, which has yet to open itself up to the forces of globalisation. The authors explore the comparable and contrasting experiences of each country, examining the employment relations and HRM systems. This chapter includes data about the recent changes regarding managing the ‘new generation’ of employees and developing a new status quo in people management at both societal and firm levels.

Chapter 31, ‘Japan, South Korea, and Taiwan: issues and trends in HRM’ (Debroux, Harry, Hayashi, Huang, Jackson, and Kiyomiya), explores HRM in three countries that share common geographic (East Asia) and economic (embracing capitalism) features despite considerable differences in their ethnic and cultural make-up. The chapter presents reviews of each country’s typical approach to HRM explained by the increasingly (financially and politically) challenging contextual settings, including a new discussion on workplace diversity (and discrimination) management.

Chapter 32, ‘Comparative HRM research in Indonesia, Malaysia, and the Philippines’ (Supangco and Los Baños), reviews both qualitative and quantitative studies including Indonesia, Malaysia, or the Philippines, leading the authors to conclude that there is a substantial research gap in understanding these economies, and to call for new studies to complement other more widely studied Asian economies. The three countries have a shared history and ethnic lineage, but also have in common that we, as yet, know little about how HRM is conducted here.

Chapter 33, ‘Styles of HRM in Australia and New Zealand’ (Boxall, Bainbridge, and Frenkel), concludes the review of HRM in regions across the world, comparing and contrasting HRM models in Australia and New Zealand. The authors discuss how, despite both being liberal market economies, the differences between the countries in size (geographically and economically) result in variance in HRM practice. In particular, the review emphasizes the importance of small business and informal characteristics of HRM in New Zealand, compared to the typically larger Australian organisations.

Finally, in Part IV, Chapter 34 (Mayrhofer, Brewster, and Farndale) brings this *Handbook* to a conclusion, drawing together common themes from across all chapters, mapping the field of CHRM. We conclude with a reflection of the challenges that remain for comparative analyses, commenting on how the field might continue to develop in the future. Calls are made for a greater range of countries and country clusters to be covered by comparative analyses (which this *Handbook* has already started to address), as well as demanding greater clarity in the HRM phenomena that we are comparing. By adopting more rigorous methodologies and stronger theorizing for comparisons, this will improve our ability to explain rather than just describe the differences and similarities observed across different contexts.

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