PART I

Introduction

Human Resource Management in Transition

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The previous version of the book was entitled 'The Management of Human Resources: Personnel Management in Transition', but the idea that personnel management was in transition now seems old hat and this transition seems fully complete. It is now very rare that organisations have a personnel department rather than an HR (Human Resource) department; if a transition is occurring, it is Human Resource Management (HRM) to something else, rather than from Personnel Management (PM) to HRM. The content and breadth of topics included in this book indicate how sophisticated concerns around managing human resources have become. It also highlights that the HR sphere is a fundamentally different and more complex field than the early representations of PM and subsequently HRM were.

Arguments that indicate why the management of human resources and HRM (as a model) is in a state of transition are set out below. Prior to these points, however, it is important to set the scene and reflect upon where HR as a field is now and track its development. An important distinction needs to be made between the general idea of managing human resources, and HRM as a particular people management model. Human resources is fundamentally a term used to describe people in a workplace – managing human resources means the management of people at work. However, the 'human resource' terminology triggers an association with HRM as a particular approach to people management. Loosely defined, HRM can be considered to be a particular model of employment relations that revolves around the management of people, following a particular ideological position; the central principle takes a particular stance on how to get the most out of workers whilst fostering an employment experience that is positive for employees. The Human Resource Management model has certain key assumptions, which include (at its core) what is referred to as a unitarist perspective; that it is possible to sustain an

organisation in which all stakeholders share the same set of interests and goals. Indeed this is something which is prevalent in the discourse around HRM. Linked to this assumption is an idea that is central to HRM; work can be organised and employment conditions established that enable employees to achieve the maximum (potential) productive output, whilst ensuring the fulfilment of a range of employee needs. The organisation of work and related working conditions involve a sophisticated coordination of administrative, managerial and strategic activities that require a considerable degree of expertise. People management experts tend to be found in the HR department. Importantly, although these experts are often found within that function, the importance of line management involvement in helping achieve the HRM goals is key (Purcell and Hutchinson 2007). HRM is not just reserved for HR professionals, it is increasingly viewed as a responsibility for all those who manage staff.

Development of HR Theory

The concepts and theories underlying Human Resource Management have developed and matured substantially; the literature discussing HRM as a model is now 30 years old. Frequently cited early US contributions have been associated with the influential Harvard model of HRM (Beer *et al.* 1984; see also Walton 1985). One of the early contributions that defined HRM (based on UK experience) and identified how it was distinct from personnel management, was developed by Guest (1987). In this 1987 paper, Guest attempted to draw some boundaries around what is HRM and how it differs, at least in normative terms, from Personnel Management. As a summary of what Guest set out as a definition of HRM, the model can be distinguished by the following four main aims. Firstly, HRM is a model of employment relations that aims to encourage employee commitment. Secondly, central to its purpose is the achievement of a number of different types of integration (vertical and horizontal). This integration takes two forms: the first being the incorporation of the management of human resources into the strategic planning process to ensure that HR policies and practices *cohere* internally as a system; and the second, externally (i.e. external to the function) with wider business objectives, ensuring that line managers 'buy-in' to HRM initiatives and that employees' interests are aligned with those of the organisation. The third key aim or goal of HRM is to enable the provision of a flexible workforce; enabling functional and employee flexibility. Fourthly, HRM as a model aims to ensure the recruitment and retention of high quality employees who produce quality performance. To achieve these aims, various HR practices and policies need to be put in place. These include setting up clearly defined career development schemes and fostering an internal labour market, organising regular performance appraisal, job design activities that ensure autonomy where possible and voice opportunities, amongst others. From the outset, Guest's definition of HRM was challenged as commentators exposed additional complexity

in the people management arena and questioned the assumptions of the model (Legge 1995). An illustration of how analysis evolved was the distinction made between soft and hard HRM (Storey 1989; Legge 1995, see also Chapter 17). The so-called 'hard' version was underpinned by ideological assumptions that employees are resources to be moulded and controlled and that various control strategies are required. The philosophy underpinning the 'soft' version, however, was different; the soft version could be considered to involve a philosophy (and rhetoric) that employees' motivation and participation are important and central concerns of HR. Employee well-being is something that management should strive to enhance, resulting in improved individual and organisational performance.

The soft and hard distinction tends not to be discussed in contemporary literature and this distinction has not been drawn on as a way of framing the HR sphere for some time. The reasons for this may be because contemporary models tend to be more sophisticated and a straightforward division between hard and soft approaches is too simplistic; in addition, many HR models mix hard and soft elements. Further refinements and theoretical development of HRM continued into the 1990s and beyond. Often when theoretical developments and models are discussed, the key debate framing the discussion relates to in which way and why do particular models of HR lead to successful organisational performance. This is not surprising as a central assumption of HRM models is that appropriate HR practices will lead to better performance.

In 1996, Delery and Doty presented a paper that aimed to clarify and define three different theoretical models that set out why and how human resource practices result in successful organisational performance. These three models consisted of the universalistic, contingency and configurational approaches. It is worth summarising these here, as these approaches have been presented as different HR models for a number of years and have only recently begun to be examined with any real scrutiny. The first of these models (*the universalistic perspective*) involves the idea that a particular set of HR practices (so-called 'high performance' or 'strategic' HR practices) will always lead to improved organisational performance. The argument is presented that certain practices will have a universal and positive impact on organisational performance regardless of context. Practices frequently mentioned include: setting up an internal labour market; providing formal training/development opportunities; the use of performance appraisal linked to specific goals; the provision of structured voice mechanisms; and some degree of employment security. The general proposition with this perspective is that the presence of these practices will provide a set of conditions where employees will perform at their best and consequently the organisation will produce higher levels of performance.

In contrast to the universalistic perspective, is an alternative model with different sets of assumptions; this is the *contingency perspective*. The argument is that a key set of conditions exist that determine whether strategic HR practices and policies (as set out with the universalistic perspective) are likely to lead to higher employee and organisational performance. The main contingency is the nature of the firm's strategy, and Delery and Doty (1996) argue that the level of innovation involved

in the strategic orientation will be the key factor that determines whether the strategic HRM practices lead to organisational performance; in a high innovation context, strategic HRM practices will show a greater positive relationship with organisational performance than in low innovation contexts. Finally, Delery and Doty outlined a third HRM-performance model, the *configurational perspective* as an alternative. The theoretical assumptions linked to this approach revolve around the idea that *different* HR practices should be put in place (and will be successful), depending upon the nature of the organisation's strategic orientation. This approach is linked to Miles and Snow's (1978) strategic types of 'Prospector', 'Analyser' and 'Defender'. The argument proffered with this approach is that management will need to align and introduce particular employment systems that fit with the firm's strategic configuration. For example, 'Defenders' require long term employment and firm specific knowledge which will require commitment oriented practices; 'Prospectors', however, are constantly changing and, faced with different demands, they rely more on buying in skills and talent from the outside rather than making them. The strategic imperative of the organisation would therefore require different types of employment systems and different ideal sets of strategic HR practices to lead to higher performance. So, unlike the contingency perspective which implies that the strategy will determine whether the universalistic SHRM practices lead to performance, this model suggests that the strategy will require different HR practices to reach full performance potential. These 'models' of HR set the scene of debate around what HRM is and what it should look like for some years, and the arguments presented are still relevant today. This is especially true as the academic and scientific community tries to test a core assumption of HRM: that HR practices, policies and systems can be introduced that foster higher organisational performance. This key assumption explains why most discussion of HRM approaches tends to be linked to debates around HRM and organisational performance. Very rarely, however, are discussions around what HRM should look like, linked to the well-being side of the ideological principles (mentioned above) that form the foundations of HRM (see Peccei 2004 and Chapter 17).

HRM and Performance

In reflecting where the HR field stands at the moment, it is clear that HR researchers have struggled to support the predicted HR-performance relationship to a convincing degree, even though, as Guest argues (2011) 'over the past 20 years there has been a considerable expansion in theory and research about human resource management and performance' (p. 3). The degree to which HR policies and practices have been found to be associated with organisational performance has not necessarily been convincing to critics (or supporters) of the HRM model. A recent theoretical development in the area of HRM and performance is the work by Bowen and Ostroff (2004). These authors explain that organisations are unlikely to have high

levels of performance just because HR practices are in place – the degree to which these are enacted and the commitment to ensuring that HR systems are implemented fully across the organisation, will determine whether HR systems lead to enhanced performance. They argue that HR systems need to be 'strong' for increases in performance to be achieved; HR policies need to be visible, distinctive, consistently applied and employees need to have a shared understanding of what they are. Bowen and Ostroff's work is an interesting addition to the theorising in the area of HRM. Central to their argument is the idea that employee perceptions of an HR system will determine whether these systems are likely to have an impact on organisational performance. This adds a considerable degree of complexity to theorising around the expected HRM-performance relationship.

Linked to these debates are broader developments associated with the so-called 'Resource Based View of the Firm' (see Chapter 2). In brief, the core idea is that the key differentiator of successful organisations is the degree to which their human resources are unique and valuable; enabling the organisation to compete successfully. These arguments are used by a number of authors who suggest that the human resources identified as really making a strategic difference should be invested in to a greater extent than other employees. This theory has led to the development of general HR related models, for example Lepak and Snell's 'HR Architecture' model (Lepak and Snell 1999). This trend, a focus on separating employees into groups that receive different treatment, is discussed in more detail below.

All of these approaches and models make their own assumptions as to why, whether and how human resource practices and systems will lead to organisational performance. Despite Guest (2011) arguing that there has been considerable development in the field of HRM, he also concludes that 'after over two decades of extensive research, we are still unable to answer core questions about the relationship between human resource management and performance' (p. 3). This leaves the field in an interesting place at the moment; whilst there is some evidence linking HR practices and positive organisational outcomes (see Chapter 2), the core assumption of traditional models of HRM is yet to be convincingly supported. Examples of existing research examining the relationship between HR and performance are discussed further in Chapter 2 and an important issue in this discussion relates to context. In reflecting on where HR as a field stands at the moment, therefore, we need to consider the wider economic and political context in which it is currently operating.

Current HR Context

There are a number of features of the current global context that cannot be ignored in an introduction to a contemporary edited text that explores employment relationships and human resource management. The main contextual feature is the ongoing global financial crisis (GFC). With its roots in an asset bubble, overheated

Western property markets and 'innovative' investment banking practices, the GFC has cast a long shadow over HR practice. The implications of the GFC for HR practice are wide ranging. The economic crisis is making it more difficult to justify practices traditionally associated with effective HR practice, such as the provision of pensions and other rewards, including, more controversially, bonuses for high performers (see Chapter 12). In many sectors, especially more recently in the public sector, the workforce has been faced with a combination of pay freezes and pay cuts. However, this has frequently not been sufficient to prevent staff reductions in local government, the civil service and the NHS, with profound implications for job security, employee involvement and collective voice (see Chapters 13 and 14). In such a context the function will find it much harder to justify sophisticated or even basic investment in people for central HR activities such as training and development. In such a context it is much harder to motivate and engage staff (Roche *et al.* 2011).

As part of the fallout from the GFC, many, if not most, Western economies have experienced a sustained period of deep recession. As the people usually responsible for managing redundancies, a large portion of HR functions would have been involved in managing this 'downsizing', only to then be required to downsize their own function. At a more macro level, the so-called 'age of austerity' (e.g. as referred to by the UK's Prime Minister, David Cameron) has led to pressure to reduce deficits and to reduce public sector expenditure with knock on effects in terms of staff reductions and service closures. With the 2012 unemployment rate in the UK at its highest since the mid 1990s, the HR employment context is not especially positive.

This period of employment relations that Western economies are experiencing will be familiar to a generation of managers who lived through the last series of recessions, and political rhetoric around spending cuts will also be familiar to students of industrial relations history. Interestingly, what is less apparent in the current crisis is the somewhat muted reaction of UK trade unions, although in many countries such as Greece, Portugal and Spain there has been widespread mobilisation against austerity. This limited mobilisation could be interpreted as an indication of the 'success' of HRM as a model of employment relations. Some commentators have suggested (e.g. Legge 1995) that HRM potentially undermines trade union power for two main reasons. First, it has the potential to individualise the employment relationship and second, the emphasis on employee well-being, if managed effectively, could undermine the role of trade unions that articulate and collectivise employee grievances.

Irrespective of whether HRM has played a role in trade union decline and the difficulties of mobilising trade union members, some theories (e.g. Davies's 1962 J-curve hypothesis) would have predicted a growth in union activity. This is because of a sudden decrease in living standards following the peak of an upturn (where peoples' expectations are high), accompanied by an increase in the experience of actual and relative deprivation as economies suddenly falter. In addition to the recession, 2012 has witnessed a massive amount of uncertainty linked to the sustainability of the European Union's single currency – with Greece and other nations requiring assistance from the International Monetary Fund and the European Central

Bank. As a backdrop therefore to human resource management, all of this points to a considerable degree of uncertainty about the future and this will hinder HR's ability to plan strategically in the long term. Aside from this, it seems that the employment experience for many employees is one of great uncertainty linked to employment insecurity, work intensification and growing income inequality.

Ultimately, the GFC has meant that many organisations have found themselves in a state of distress, and HR is often called upon to help out in this state of distress. This help, however, is (often) in the form of assisting in the shedding of staff. The degree of strategic involvement that HR has in this process will vary (see Roche *et al.* 2011). Some HR functions may be called upon to carry out a fundamental organisation redesign to enable greater efficiency, thus turning a round of job cuts into a more 'positive' adaptive activity for the organisation. Many HR functions will, however, be called upon to purely implement and administer job cuts that are demanded by a financial imperative (from the board or the finance director); HR is often the function that is called upon to wield the axe in such a scenario. Some HR functions help manage this process and make it easier on employees who are made redundant and some now outsource this process to 'out-placement' service providers. Ultimately, as staffing numbers in the HR function are often linked to employee numbers within the organisation, such job cuts can often lead to reductions in the HR function itself.

The contemporary context of HR is one of change and turmoil; in this changing context key questions to ask are, 'Where does HR as a function stand at the moment? What does HR look like now and how has it changed over the last five to ten years?'. The various chapters of this book point to a number of changes which help answer these questions. After reflecting upon recent changes and developments that the authors set out in their chapters, it can be argued that the HR function and the profession look substantively different now from a decade ago.

HRM in Transition?

In this uncertain context, it can be argued that the HR function and the field in general are in a state of transition. Whilst most fields will experience change, there is something distinctive about the range of developments in the HR environment; HRM is therefore in a state of transition. Whilst no single development by itself can be identified as signalling this transition, when the range of developments are considered as a whole, the standard model of HRM (as outlined by Guest 1987) seems untenable. Many of these individual changes have been discussed by various authors in this book; the collection therefore helps build a picture of this transition. In brief, the developments being referred to here can be organised into five main points (discussed below).

First, the HR function is becoming involved in activities that have not traditionally been within the remit of HR, activities which have previously been

associated with other disciplines (in particular marketing). This means that questions arise about what HR is and where the boundaries of the function lie.

Second, HR functions are no longer discussing commitment as a goal of their HR systems; the dominant discourse around the aim of the function is linked to employee engagement. This represents a shift away from one of the key aims presented as being central to HRM.

Third, traditional models of HRM suggest that the organisation and its boundaries can be identified, however HR is now operating in an environment where traditional boundaries around the organisation have shifted; the idea of a permanent and stable organisational structure is beginning to look outdated.

Fourth, linked to points two and three, traditional ideas of permanent employment status of the workforce (which is central to HRM because of its focus on organisational commitment) are beginning to seem doubtful. Thus the HRM model needs further refinement or a complete overhaul.

Finally, linked to points one, three and four, traditional models of HRM assume that coherent HR practices and systems can be applied across the workforce in a consistent way; however, such assumptions are under pressure and it is very rare that a single HR system is found within contemporary organisations; this brings into sharp relief the relevance of traditional models of HRM. These developments, amongst others, indicate that the HR arena, the function and its activities are now far more complex than traditional models of HRM are able to assimilate or accommodate.

With regard to the idea that the HR function is now involved in activities that have been traditionally reserved for other functions or disciplines, a key example of this is employer and employee branding (see Chapter 18). Practices that seem to be gaining in dominance in the practitioner field suggest that HR departments are changing fundamentally. Whilst the involvement of HR in branding and marketing functions might reflect an extension of the transition from people management to HRM (which argued for various forms of integration, Guest 1987), the degree to which functions such as marketing are becoming involved in the HR activities seems to be adding another M (Marketing) to HRM. It can be argued that this new model of HRM is quite different, to the extent that the HR in HRM does not fully describe what is happening with the function in these cases. Human Resource Marketing Management is potentially a better description of what is happening, at least in some organisations.

The wholesale use of marketing language across the HR practitioner literature is indicative of key trends. This language includes terms such as 'employee brand management', 'being on brand', having 'brand ambassadors', being a 'walking talking brand agent'; 'employer brand value propositions', 'employer brand equity', 'unique employment brand differentiator', 'employer brand segmentation'; this represents a considerable shift for the HR function. Whilst one might assume that there could be resistance to this development, the fundamental shift in many Western economies to the service sector from manufacturing (see Chapter 6), suggests that in these organisations the pressure to use employees to help become the product differentiators is likely to remain and become a common activity that HR is involved in.

Often, as part of employee attitude (or more accurately engagement) surveys, organisations automatically measure the degree to which employees are taking 'on-board' the corporate brand values.

Another key development across the HR function is the shift from being concerned about fostering commitment to being concerned about fostering employee engagement (see Chapter 16). Although there is still considerable confusion in the practitioner realm about what employee engagement is and how it is measured, the fundamental contemporary concern of HR practitioners is no longer to encourage organisational commitment. This trend represents a shift in one of the central aims of HRM as defined by Guest (1987) and traditional models of HRM will struggle to incorporate this change. The engagement arena is another example of how marketing practices are becoming common across the HR function. Employee surveys are used to measure engagement and the workforce is segmented into 'fully engaged', 'engagement potentials' and 'disengaged' workers, and identifying how best to foster engagement has now become the Holy Grail for the HR function. The companies who run these surveys have market research foundations (e.g. Gallup) and they use market research methodologies applied in the context of employee attitude surveys. These market research agencies have, for decades, developed methodologies to demonstrate the importance of brand awareness, and now apply their method-ologies to the employee-customer profit chain. From the point of view of the HR function, one of the main reasons why engagement is so prevalent is that research and arguments presented by many research consultancies claim to show how engaged employees will directly drive bottom-line profits. Also, one of the key reasons why firms like Gallup are so successful is that they provide data analytic tools to automate an element of employee attitude measurement. They also help automate other HR processes such as being able to judge line managers on the basis of how 'engaged' their team members are.

Traditional models of HRM assume some stability and permanency in the organisation's make-up and structure. However, there are various ways in which this assumption is challenged in the contemporary HR field, one of which is the development of various forms of outsourcing. As Doellgast and Gospel (Chapter 15) discuss, the scale and scope of outsourcing have increased considerably. It is not uncommon now for firms (both public and private) to outsource all but their core value maximising activities. Furthermore, many companies are now outsourcing substantial parts of their organisation overseas; 'offshoring' entire functions. This means that large tranches of workers who would previously have been part of a permanent workforce (such as administrative departments, IT support and call-centre operations) are now employed by separate organisations, and of course many of these employers are multi-national corporations with distinctive HR challenges (see Chapter 5). These employees are now only linked to the buyer of an outsourced product through service agreements and contracts between their employer and this buyer; the (people) management of these outsourced employees that the HR function is involved in, or is responsible for, occurs indirectly through the man-agement and negotiation of service contracts. Furthermore, there is also growth in

organisations outsourcing central HR related activities such as (for example) the management of pay and benefits, pensions planning and the provision of employment law advice (Gospel and Sako 2010). With more organisations outsourcing large portions of their workforce and elements of the HR function itself, changeable and permeable organisational boundaries place traditional models of HRM (and ideas concerning how the function can and should take a central and strategic role) under considerable pressure. The organisation's ability to implement a coherent HR strategy across the workforce that contributes to the business is reduced, with real challenges occurring in coordination of HR activities across blurred and shifting organisational boundaries (see Chapter 15). The uncertainty around what and who the workforce is, has been further exacerbated over recent years by the considerable strain and state of flux that organisations have been experiencing due to the GFC and global recession. A vast number of organisations have been forced to reduce the number of permanent workers that they employ in an effort to cut costs. The uncertain and changeable nature of organisational boundaries makes it much less likely that HRM aims of commitment and integration (vertical and horizontal, see above) can be achieved easily.

Linked to the point made above, the general HRM model assumes that employees have and want permanent and stable jobs and that they want career development within the organisation. A challenge to this assumption comes from a number of directions. There has been a growing body of literature over recent years arguing that traditional career paths, which HRM as a model would hope to foster, are no longer relevant to today's turbulent business environment. This literature centres on ideas of a boundary-less career (Arthur 2008) which is linked to observations that organisations are unable to offer stability and steady career progression because of the changing context. Whilst there are some problems identified with the theory behind boundary-less careers (Rodrigues and Guest 2010), it is generally recognised that the idea of stable career paths and a linear career development structure, does not take into account the complex nature of contemporary careers; people have changing and sometimes multiple career paths and orientations (Rodrigues and Guest 2010). Another reason why the idea of permanent, stable employment is being challenged is the growth in employment forms that do not fit the full-time permanent template. For example, there has been a steady rise in the proportion of the workforce who have part-time contracts (Chapter 8). Even developments around flexible and remote working bring a degree of challenge in terms of the assumptions associated with HRM and the permanent nature of the relationship between the employee and the organisation. Remote working allows more people to work away from the physical location of their employer; thus bringing further tensions to the idea of permanency and stability of employees' bond with their employer and indeed the idea that people management models assume a strong commitment-based, employee-organisational bond.

One further challenge to traditional models of HRM is the fact that they assume a degree of uniformity or consistency in how and what HR practices should be applied across the organisation. The traditional model of HRM (that has commitment as a

core aim along with the aim of ensuring integration) will generally require a consistent set of high commitment HR/management practices applied across the workforce. However, there is little evidence that organisations tend to have the same set of practices applied to all employees (Lawler 2011). Indeed, there is evidence of multiple, identifiable sets of HR practices being in place within organisations (Lepak *et al.* 2007). As Guest argues 'Many large organisations are likely to have a number of quite highly differentiated internal labour markets, each of which can have a distinctive set of HR policies and practices. In short, one size does not fit all,' (p. 8). This observation in itself accords with many observations made by authors in this book; many of the authors reflect upon variation in HR practices for different reasons, however there is a common thread on this issue throughout the book. For example, Boselie (Chapter 2), discusses strategic HRM and the importance of the resource-based view of the firm as a guiding theoretical model that can signal appropriate organisational variation in HR practices; the suggestion is that different HR practices should be (and are) targeted at different groups of employees (depending upon whether they have strategic 'value' and greater human capital 'worth'). These ideas are now becoming quite commonplace in the HR practitioner field, one of the most obvious examples of this is the growth in various forms of talent management initiatives. Proponents of talent management programmes recommend that the workforce should be segmented into groups of 'talent' versus other/non-talent (see Capelli 2008) and greater developmental (and other) opportunities should be provided to the 'talented' segment. Other examples of talent/potential based segmentation include the Differentiated Workforce model presented by Becker *et al.* (2009). This involves giving quite different opportunities to 'A players' compared to 'C' and 'B' players, linked to developments in contemporary performance management practices (see Chapter 11). Ultimately, talent management initiatives recommend a form of segmentation and within-organisation HR practice differentiation, which creates a tension for traditional commitment based models of HRM. The idea of segmentation and differentiated HR practices is also discussed elsewhere in this book; for example in relation to remuneration (Chapter 12), employer branding (Chapter 18) and outsourcing (Chapter 15). The very idea of employer branding segmentation challenges the assumption of HRM as a model that has the fostering of commitment across the workforce as a key aim. Ideas behind segmented employment brands indicate that organisations should target varied and tailored HR practices at different groups of employees on the basis of what they want, rather than the necessity of having a uniform and strong set of consistent HR practices designed on the basis of ensuring that the organisation's central business strategy is achieved.

This also raises challenges for the HR function in trying to ensure a degree of consistency in HR practices across countries and organisational boundaries. Whilst there are some models that have been presented which suggest that certain HR practices could be applied differentially to specific groups (Lepak and Snell 2002), at the moment the current HRM models cannot deal with the potential complexity and diversity of HR practices likely to be found across organisations. In summary,

what these observations are highlighting is that the current HR environment is much more complex than traditional models and theorising around HRM allows for. In general, the traditional HRM model assumes that commitment fostering policies and practices should be implemented, and opportunities should be provided to all employees (in order to achieve a fully integrated committed workforce).

The Future of HR

This introduction has scoped out what is distinctive about HR as a function and field. It is helpful to extend the discussion and reflect upon what the future of HR might look like. Aside from trends mentioned above as a stimulus for ideas, another possible source of ideas about the future of HR is a recent 2011 special issue of *Organizational Dynamics* which was entitled 'The Future of Human Resource Management'. Many of these predictions reflect the analysis of this collection. An article from this special issue that rings true with some of the arguments of authors in this book is the Galinsky and Matos (2011) paper which focuses on 'work-life fit'. Amongst other things, these authors reflect on developments in technology, which mean that employees are able to connect to their work at any time as well as any place, the changing expectations that the younger generation (the 'Millenials') has from work, and how gender role ideology is more similar within this tranche of the workforce. This generational difference in particular will have a number of implications but a key one is that work-life balance issues and flexible working will become more important with a two working-parent model (who both have equal and strong career ambitions) rather than a one working-parent model (see Chapter 8).

An issue that is also raised by authors from the future of HR special issue is the phenomenon of differentiated HR practices and segmentation of the workforce. This topic is raised by two sets of authors contributing to the 'future of HR' debate. In the articles by Boudreau and Ziskin (2011) and Lawler (2011), clear reference is being made to the idea that HR practices should not be standardised and/or applied equally to all employees as a homogenous workforce. Both authors argue for the need to segment the workforce and target different HR practices according to the needs of each segment. These authors argue that segmentation will be a key activity that any future HR function will need to deal with. Another prediction made by Boudreau and Ziskin (2011) is that future HR departments will need to have permeable boundaries or be boundary spanners, meaning that there will be a need for cross-fertilisation into and from other functions, such as communications, PR and marketing. These predictions accord to a great degree with our analysis about the increasing role that marketing plays in HR activities. Linked to this point and the fact that HR professions will need to increasingly 'look beyond the traditional boundaries of their function' (p. 255), Boudreau and Ziskin (2011) suggest that traditional ideas of what the HR function consists of will need to be fundamentally redefined.

Whilst they do not refer to engagement in their article, Boudreau and Ziskin (2011) suggest that the future of HR will need to pay careful attention to ensuring that their workforce is not exhausted and HR will need to integrate ideas of employee sustainability into what they do. As mentioned above, there is a considerable growth in interest in employee engagement in the practitioner field. Although there are substantial problems with how survey companies measure engagement (see Chapter 16), academic research has (to a degree) considered engagement to be on the other end of the well-being-burnout continuum. Therefore, if practitioners begin to consider engagement from a perspective of energised employees who are full of vigour, this then may be a starting point for Boudreau and Ziskin's (2011) predictions; although there is still some way to go in improving how practitioners measure engagement for this outcome to occur. Engagement aside, there is an increasing place for concentrating on well-being as a special focus of HR activities (see Chapter 17), Clinton and van Veldhoven's contribution clearly indicates that there is an increasing interest in employee well-being within the HRM sphere. In the 'future of HR' special issue, authors discuss the fact that more and more is being expected of employees, potentially to the detriment of their well-being. The arguments resonate with themes raised in the current book. For example, it rings true with points raised about the 'time squeeze' by Walsh in Chapter 8, and more rigorous systems of performance management discussed by Bach in Chapter 11. Edwards (Chapter 18) also discusses the potential for employee branding programmes to represent a potential invasion into the employee sense of self and personal values; this wholesale interference with employees' individual right to privacy and dignity is highlighted in this collection. What these developments potentially lead to (which Boudreau and Ziskin 2011 argue as employees being 'plain exhausted'), is that sustainability linked to employee well-being is something which future HR functions will need to factor in to any HR strategy. The current economic context and many of the developments considered here have the potential to put employees under even greater degrees of strain. The potential effects that this could have on employees in the long term, and the degree to which sustained uncertainty and a ratcheting 'time squeeze' will reduce their ability to function at full potential (over the long term), is something that will need to take centre stage in any future model of HRM.

Conclusion

In summary, traditional models of HRM and the field of HR in general are currently operating within a changing environment and in a state of transition, with the dominant context being the global financial crisis. Although the GFC is the salient contextual event faced by HR in current times, we recognise that there are a number of other significant contextual changes occurring; changes such as a global shift (an increase) in the age of the working population and the challenges that this places HR under; the greater cross-border flow of workers with increases in international

assignments; technological advances meaning that the world of electronic communications is fundamentally different (and instant). Despite these changes, the economic context of the global financial crisis is having such a dominant and profound effect on organisations (and employees) and HR functions around the world that it eclipses these (otherwise considerable) contextual developments.

Our conclusion is that we are in a changing context and a changing (transitioning) HR field. The change in contributions to this current edited text reflects this backdrop of change. Whilst the current book includes significant updates of previous chapters from the earlier edition, there are a number of new contributors who make this book different and innovative. The new contributions include the following: a chapter by Boselie (Chapter 2) on HRM and performance; a chapter on employment law and HRM (Chapter 3) by Lockwood and Williams; a chapter reflecting upon corporate governance, varieties of capitalism and the implications for HRM by Pendleton and Gospel (Chapter 4) and a new set of contributors (Bryson, James and Keep) examining recruitment and selection (Chapter 7). Also new is Chapter 9, which examines skills and training (Grugulis), and Chapter 10 is a completely new topic for the book with a specific focus on HRM and leadership (Den Hartog and Boon). Doellgast and Gospel analyse outsourcing and Human Resource Management (Chapter 15) and a new contribution to this edition by Peccei (Chapter 16) examines employee engagement. There is also a chapter that explores issues around HRM and well-being, Chapter 17 by Clinton and van Veldhoven. An interesting development in the current text is the inclusion of a number of Dutch authors; this reflects the growing role that the Dutch HRM network is having on academic studies in the field of HR. Whilst the remaining chapters are updated versions, each of the original contributors has substantially reworked their chapter and added new content, ensuring that the reader is able to get an up-to-date picture of the contemporary HR context.

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