
Comparison of HRM Performance with Diversified Countries

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Abstract

Human resource management began to mature in the 1990's throughout the world. HRM became a field with varying applications and practices in different countries, and it is growing and changing more rapidly than imaginable. Once HR departments were considered as mechanical units or administrative necessities that help the organization to hire, fire, and possibly train employees. However, nowadays HRM departments are expected to add value to the organization since the importance of a highly skilled, motivated, flexible workforce has become certain (Aghazadeh, 2003). Moreover, it has become more and more important for organizations to reach organizational excellence via HRM strategies. Ulrich (1998) has presented four ways for HRM to deliver organizational excellence.

Keywords: Comparison, Analysing, Tabulating, Role of HRM, Significance and Talented Workers

Introduction

Aghazadeh (2003) stated that there are five essential challenges that need to be faced in today's business environment; globalization, profitability through growth, technology, intellectual capital, and change management. Of course, HR professionals have to face all of these challenges. First, to deal with globalization, HR managers have to ensure that HR policies and practices provide the balance between consistency and coordination versus recognition of cultural and other differences. Secondly, HR professionals have to make employees creative and innovative through continuous learning and development. Additionally, in organizations that grow through mergers or joint ventures, HR managers have to use their skills to combine different work processes and cultures. Thirdly, to deal with improving technology, HR professionals should minimize the resistance of employees towards new technology by supporting them with the necessary training. Fourthly, in order to capture intellectual capacity, HR managers have to attract, develop, and retain talented individuals. Finally, HR departments must examine and adopt new structures, new working processes, and a new culture of business support in order to deal with challenge of continuous change (Aghazadeh, 2003).

1. Forming a partnership with senior and line managers to move to the marketplace.
2. Becoming an expert in the way that work is organized and executed to deliver efficiency to reduce costs but maintain quality.
3. Working to increase employee contributions, commitment and ability to deliver results.



4. Being an agent of continuous transformation, improving an organization's capacity to change by shaping processes and a culture.

Considering all of the mentioned roles of HR professionals, it can be stated that the role of HRM has become more strategic. Accordingly, the field of strategic human resource management (SHRM) has grown steadily since the mid 1980s (Boxall & Purchell, 2000).

As the sub-fields of HRM were further analyzed, it was seen that the transition from the practice of personnel management to HRM had been accomplished with a more systematic and strategic approach to staffing. As a result, personnel selection and recruitment appeared as the most important areas of HRM. This study presented that the most frequently applied HRM areas in the surveyed organizations in Turkey were personnel selection and recruitment. The HRM functions of personnel selection and recruitment were also among the top HRM activities in the United States ("Retaining Workers", 1999). Proactive planning to maintain appropriate staff and implementing more effective selection activities were important for HRM practitioners in the US. In terms of recruitment practices, the present study concluded that recruiting via internet was practiced frequently in the surveyed Turkish organizations. The technique of online recruitment was also used in the US companies with different sizes operating in various industries since it is a cost effective and fast way to reach potential candidates. Online job ads also allow the applicants to visit organization's web site so that they receive further information about the company. Gale (1994) reported that in the US, 96% of job seekers use the internet as their most commonly used search tactic.

Concerning the method of internal recruitment, it was found that more than half of the organizations operating in Turkey employed internal recruiting via organizational intranet and job posting. Table 4.2 presents recruitment activities in four different countries. A word of caution is needed concerning this table and the following tables in which HRM practices across different countries are summarized. These tables bring together results of independent/individual studies conducted in different countries; they do not present summary findings from cross-cultural comparisons. So, it should be kept in mind that, they do not necessarily represent the totality of the HRM activities in those countries. Results are only reflective of the situations in the sampled organizations in studies conducted in different countries. Yet, these tables are expected to help the readers understand the nature of the HRM activities very roughly in different countries.

As presented in Table 4.2, internal recruiting is also popular in companies operating in the US. For instance, many organizations such as IBM recruit their nonentry level jobs via internal recruiting strategies for reasons such as improving employee morale and not dealing with the issues of fairness and openness of hiring processes (Springer & Springer, 1990). Additionally, internal recruitment was also practiced by organizations in Holland in manager recruitment using the method of job posting (Wiersma & Van Den Berg, 1999). In addition, the methods of print advertisements, referral from universities, recruitment consultants and internet were among the techniques that were employed by organizations in Indonesia (Bennington & Habir, 2003).



Table 4.2 Recruitment Activities in Different Countries

| HRM Activities | Country | | | |
|-------------------|----------------------|-------------------------|----------------------|----------------------|
| | Turkey | Indonesia | US | Netherlands |
| Recruitment | Internal Recruitment | Internet | Internal Recruitment | Internal Recruitment |
| Internet/On-line | Job Posting | Consultants Recruitment | | Job Posting |
| Printed | Intranet | Adds | | |
| University | Referrals | | | |

In terms of selection process, the present study also revealed that the most popular personnel selection methods in the surveyed organizations were interviews, references, tests, and biographical data. Some Eastern European companies also use interviews as the most commonly used methods (Kriazov, Sullivan, & Tu, 2000) in selection process. A survey, in which 900 organizations in the United Kingdom participated, demonstrated that interviews were used to select clerical staff in 70% of the organizations operating in tourism and 91% of the organizations operating in the finance sectors. In addition, the single interviewer method was commonly used to select manual workers and a panel interview technique was generally used for nonmanual employees (Scholarios & Lockyer, 1996). On the other hand, the present study revealed that single interviewer method was the most frequently used method for selecting both managers and non-managers in the surveyed organizations.

In Table 4.3, a summary of selection activities across a number of countries/regions of the world is presented. As presented in Table 4.3, the structured interview technique was used commonly in the surveyed organizations in Turkey. Structured interviews with a predetermined set of questions and a rating scale were also quite frequently used in the US (Springer & Springer, 1990). More specifically, the techniques such as patterned behavior description interviews and situational interviews were used in employee selection by many US companies (Cascio, 1995). Furthermore, in Netherlands assessment centers and work samples were among the most commonly used selection methods (Wiersma & Van den Berg, 1999). The present study demonstrated that assessment center method was not commonly used in employee selection by the surveyed organizations and the method of work samples was not applied by any of the surveyed organizations, despite meta-analytic findings showing that work samples have a true validity of .38 (Schmitt, 1984), and average validity of assessment centers is around .40 (Howard, 1997).



Table 4.3 Selection Activities in Different Countries

| HRM Activities | Country | | | | | |
|-------------------|-------------|----------------------|------------------|-----------|-------------------|---------|
| | Turkey | US | Netherlands | England | Eastern Europe | |
| Selection | Single | Behavioural | Work | Single | Interview | Samples |
| Tools | Interviewer | Interview | Interview | | | |
| | Structured | Structured Interview | Assessment Panel | | | |
| | Interview | | Centers | Interview | | |
| | References | Situational | | | | |
| | | Interviews | | | | |
| | Tests | Biographical | | | | |
| | Data | | | | | |

After selecting employees, the organizations need to provide orientation programs to them. The results presented in Table 4.4, show that orientation programs were applied generally by the HRM departments in the surveyed organizations and the first-rank managers, as was the case in the US (Barbazette, 2004). The functions of the HRM departments and the first rank supervisors were not the same in orientation programs in the US organizations. The former is responsible of sharing organizational policies, history, and benefits but the latter usually explains safety rules, reporting requirements, and mainly job tasks (Barbazette, 2004). In addition, the present study demonstrated that trips to the organization and handling brochures were mainly used in orientation programs in the surveyed organizations. The practices in the US organizations are also similar since they generally set up a tour in the organization that ends in employee’s work area, and the new employee is paired with a veteran employee (Barbazette, 2004). However, the method of using a veteran employee or a mentor was not common in the surveyed organizations. Table 4.4

Orientation Activities in Different Countries

| HRM Activities | Country | |
|------------------------------------|--|--|
| | Turkey | US |
| Performers of Orientation Programs | HRM Departments First Rank Managers | HRM Departments First Rank Managers |
| Orientation methods | Trips Brochures | Trips Mentors |

Training and development function was also presented as one of the most essential HRM activities practiced in the surveyed organizations. As it is presented in Table 4.5, on the job training and in-



class training were among the most popular training techniques in organizations operating in Turkey. Japanese organizations also give priority to training activities. They frequently use the method of on-the-job training and job rotation. In addition, off the job training techniques are also gaining importance among Japanese organizations (Koike, 1997). Rowley, Benson, and Warner (2004) stated that the methods of job rotation and on the job training were also commonly applied in South Korean organizations. Moreover, the trend in the US is to provide in-house training programs that include the usage of software packages (Springer & Springer, 1990). However, the computer-based training programs were also used by the participating organizations in Turkey, but not very commonly. Although the training and development issue was also important for the organizations in Eastern Europe, they lack the financial resources. Similar to the organizations in Turkey, most of the organizations in Eastern Europe apply the method of on the job training and lectures (Kiriazov et al., 2000).

Table 4.5 Training Activities in Different Countries

| HRM Activities | Country | | | |
|--|-------------------------------|----------------------------------|---|------------------------------|
| | Turkey | Japan | US | Eastern Europe |
| Training On Site Methods Training | On Site In-class | On Site Training Job Rotation | In house training Work Place Problems | On Site Training Lectures |
| Training | Computer Based Training | | Computer Based Training | |

Considering performance appraisal the present study demonstrated that 80.5% of the organizations had a performance management system. Studies indicated that 85% of the organizations in Australia (Nankervis & Leece, 1997), 86% of the organizations in the UK and 90% of the organizations in the US had a systematic performance system (Anderson, 1996). According to Anderson, performance management systems are applied mainly to managers and supervisors in the UK but it has been extended to clerical and manual workers in recent years.

As presented in Table 4.6, employee performance was appraised mainly by the first level supervisors in the surveyed organizations. However, in Japanese organizations, the employee performance is also evaluated by the HRM departments (Takeuchi, 1990). In addition, employees are mostly appraised annually in Japanese (Takeuchi, 1990) and US organizations (Selden, Ingraham, & Jacobson, 2001).

Those findings are in line with the results of the present study since in most of the surveyed organizations performance appraisals are conducted annually.

Furthermore, the present study showed that the most frequently used methods in performance evaluation were rank ordering and graphic rating methods. On the other hand, the behavioral approaches such as BOS or BARS were not commonly practiced in the surveyed organizations.



However, as seen in Table 4.5, BARS was a popular method in the US companies (Anderson, 1996) and BOS was preferred to BARS by organizations in Holland (Wiersma et al., 1995).

The appraisal interview is seen as the important aspect of performance appraisal system by most of the organizations in the US (Anderson, 1996). On the other hand, the results of this study showed that only in 33.5% of the organizations performance feedback interview was provided.

Table 4.6 PA Activities in Different Countries

| HRM Activities | Country | | | |
|---------------------------|---------------------------|-------------------|-------------------|-------------|
| | Turkey | Japan | US | Netherlands |
| Evaluators of Performance | First Level Supervisors | HRM Departments | | |
| Frequency of PA | Annual Assessment | Annual Assessment | Annual Assessment | |
| Methods of PA | Rank Order Graphic Rating | | BARS | BOS |
| Performance Feedback | Yes | | Yes | |

Compensation management was found to be the other most frequently applied HRM activity in Turkey. As seen in Table 4.7, the pay increases were generally based on inflation, employee performance, and company profit in the present study. Similarly, pay increases are tied to individual improvement and company performance in the US organizations (“Lessons From 100 Years of Compensation, 2000). On the other hand, since team work is important in the US companies, the pay increases are also based on group performance (“Lessons From 100 Years of Compensation, 2000). Accordingly, the present study revealed that salary increments based on group performance was not common among the surveyed organizations. In addition, as it is presented in Table 4.7, individual performance is also an indicator of salary increment in Korean and Japanese organizations (Rowley et.al., 2004).

Conclusion

This study has been concerned with exploring the nature of the current HRM practices in a sample of Turkish private sector organizations and comparing the identified practices with HRM practices carried out in different countries as reported in the relevant literature. As a result of changing business conditions, the organizations in Turkey have lived through a transition from personnel management to HRM since the beginning of the late 1980’s. However, HRM is relatively lately

adopted in Turkey and is still developing mostly by learning from the experiences of other countries (Emre, 1998).

Concerning the general HRM practices, the results of the present study demonstrated that some of the HR practices such as recruitment, selection, training, performance management, and orientation are more frequently applied than practices of job analysis, human resource planning, career planning and job design in the surveyed organizations. Thus, it can be concluded that HRM practices that aim to attract, select, retain and develop potential workforce are more widespread among the surveyed organizations. It is also the case in most Western organizations. Marriott (2001) argues that the processes of selection, recruitment, and retention (including training and performance management.) are the most pressing challenges facing the US business today.

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