

CONTRIBUTIONS
TO MANAGEMENT SCIENCE

Ina Ehnert

Sustainable Human Resource Management

A Conceptual and Exploratory
Analysis from a Paradox
Perspective



Physica-Verlag
A Springer Company

Contributions to Management Science

Ina Ehnert

Sustainable Human Resource Management

A Conceptual and Exploratory Analysis
from a Paradox Perspective

Physica-Verlag
A Springer Company

Dr. Ina Ehnert
University of Bremen
WING Building
Wilhelm-Herbst-Straße 12
28359 Bremen
Germany

Dissertation at the University of Bremen, July 2008

ISSN 1431-1941

ISBN 978-3-7908-2187-1

e-ISBN 978-3-7908-2188-8

DOI: 10.1007/978-3-7908-2188-8

Springer Dordrecht Heidelberg London New York

Library of Congress Control Number: 2009926248

© Physica-Verlag Berlin Heidelberg 2009

This work is subject to copyright. All rights are reserved, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilm or in any other way, and storage in data banks. Duplication of this publication or parts thereof is permitted only under the provisions of the German Copyright Law of September 9, 1965, in its current version, and permission for use must always be obtained from Physica-Verlag. Violations are liable to prosecution under the German Copyright Law.

The use of general descriptive names, registered names, trademarks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

Cover design: WMXDesign GmbH, Heidelberg

Printed on acid-free paper

Physica-Verlag Berlin Heidelberg (www.springer.com)

Preface

By focusing on sustainability and paradoxes, Dr. Ina Ehnert has picked up two central challenges Human Resource Management rarely dealt with. The contribution of this dissertation results from the courage to handle both topics simultaneously and to convey to the reader in a comprehensive way that they are reciprocally referring to each other. To reach more sustainability in Human Resource Management, it is necessary to cope with paradoxes in a systematic way. Simultaneously, coping with paradoxes raises the need to look at the acquisition of human resources from a longer-term and more sustainable perspective. Organisations are only durably successful if they manage having access to critical and scarce human resources. If this assumption is accepted, it becomes economically rational to bear in mind the sources of resources for education and attitude and to develop and cherish them if necessary. These investments collide with short-term efficiency-oriented economic interests. Consequently, organisations have to learn to cope with the tensions and paradoxes at a strategic and operational level. Dr. Ehnert develops a framework for a Sustainable HRM from a paradox perspective by extending Strategic HRM and I wish that her study will be broadly recognised.

University of Bremen
January 2009

Prof. Dr. Georg Müller-Christ

Acknowledgements

My dissertation time was characterised by the need to combine different areas of my personal research interests (Sustainable HRM, expatriate preparation and training, trust across cultures) with the work expected from me at the University of Bremen in the field of Sustainable Management and in the Collaborative Research Centre (CRC) 637 on Autonomous Logistics Processes. The idea to use “paradox theory” as a theoretical background for HRM has been influenced by my time as a business student at the University of Bayreuth where Prof. Dr. Andreas Remer developed his “dilemma management” and where he also set the foundation for an ecologic business theory developed further by Prof. Dr. Georg Müller-Christ.

As every piece of writing this one was influenced and supported by a number of people to whom I wish to express my deep appreciation. First of all, I would like to thank my internal and external supervisors Professor Dr. Georg Müller-Christ, University of Bremen and Professor Dr. Andreas Remer, University of Bayreuth for their support. I thank Professor Dr. Adelheid Biesecker for her preparedness to discuss my topic in the beginning of my Ph.D. time. Fruitful discussions with my Ph.D. colleagues at the University of Bremen, Germany, at the University of Reading, UK, and in the Dutch Ph.D. network (PHRESH) have contributed to improving my work. In particular, I would like to mention Anna Nehles, University of Twente; Luc Dorenbosch, University of Tilburg, The Netherlands; and Dr. Christine Wycisk, Dr. Jörn Grapp, Linda Austerschulte and Lars Arndt, University of Bremen. I am more than grateful to Ernesto Morales Kluge, Dr. Sylvie Gavirey, and Dr. Michael Freitag who have provided me with extraordinary technical support and friendship. I am very much indebted to Professor Chris J. Brewster, Henley Management College and Reading University, and to Dr. Alex Wright, Open University, Milton Keynes, UK. Both have been and are still fantastic in collaborating and sharing their knowledge.

Finally, I cannot express enough of my gratitude to all of my friends in Bremen, Germany, Europe, and elsewhere in the world who have supported me – especially in the final period of my dissertation. The same is true for all of my family members who have always accepted my work-related absence and who supported me every minute. To them I dedicate this dissertation.

University of Bremen
January 2009

Dr. Ina Ehnert

“The blind men and the elephant”

by John Godfrey Saxe (1816–1887)

It was six men of Indostan
To learning much inclined,
Who went to see the Elephant
(Though all of them were blind)
That each by observation
Might satisfy his mind.

The First approached the Elephant,
And happening to fall
Against his broad and sturdy side,
At once began to brawl:
“god bless me but the Elephant
Is very like a wall.”

The Second, feeling of the tusk,
Cried, “Ho! What have we here
So very round and smooth and sharp?
To me’ tis mighty clear
This wonder of an Elephant
Is very like a spear!”

The Third approached the animal,
And happening to take
The squirming trunk within his hands,
Thus boldly up and spake:
“I see,” quoth he, “The Elephant
Is very like a snake!”

The Fourth reached out an eager hand,
 And felt around the knee,
 “What most this wondrous beast is like
 Is mighty plain,” quoth he;
 “‘Tis clear enough the Elephant
 Is very like a tree!”

The Fifth, who chanced to touch the ear,
 Said: “E’en the blindest man
 Can tell what this resembles most;
 Deny the fact who can,
 This marvel of an Elephant
 Is very like a fan!”

The Sixth no sooner had begun
 About the beast to grope,
 Than, seizing on the swinging tail
 That fell within his scope,
 “I see,” quoth he, “the Elephant
 is very like a rope!”

And so these men of Indostan
 Disputed loud and long,
 Each of his own opinion
 Exceeding stiff and strong,
 Though each was partly in the right,
 And all were in the wrong!

Moral

So often in theological wars,
 The disputants, I ween,
 Rail on in utter ignorance
 Of what each other mean,
 And prate about an Elephant
 Not one of them has seen!”

[Source: Mintzberg, Ahlstrand, and Lampel, 1998: pp. 2–3].

Contents

1	Introducing Sustainability into HRM	1
1.1	Importance of Sustainability as a Phenomenon for HRM Practice	2
1.1.1	Practical Relevance of HR and HRM for Corporate Success	3
1.1.2	Practical Relevance of Sustainability for HRM	4
1.2	Sustainability and Human Resources: Challenges for HRM	5
1.2.1	The Problem of Labour or Skills Shortage	5
1.2.2	The Problem of Self-Induced Side and Feedback Effects	7
1.2.3	Paradoxical Tensions for HRM	8
1.3	Emergence of Conceptual Approaches Linking Sustainability and HRM	9
1.3.1	Key Research Approaches and Issues on the Sustainability–HRM Link	10
1.3.2	Critical Appreciation of the Sustainability–HRM Literature	11
1.3.3	Outline of Research Gaps for the Study	12
1.4	Research Objectives and Questions	16
1.4.1	Conceptual and Analytical Objectives	17
1.4.2	Exploratory Objectives	18
1.4.3	Pragmatic Objectives	19
1.5	Research Approach and Overview	20
1.5.1	Reflections on the Position in the Philosophies of Science	21
1.5.2	Theory Development Approach	24
1.5.3	Structure of the Dissertation	27

- 2 Linking the Idea of Sustainability to Strategic HRM 33**
 - 2.1 Objectives and Structure of the Chapter 33
 - 2.2 Defining Key Terms and Concepts on Sustainability 34
 - 2.2.1 Historical Development of Sustainability Meanings 35
 - 2.2.2 Difficulties in Defining the Meaning of Sustainability 37
 - 2.2.3 Key Elements and Characteristics of Corporate Sustainability 38
 - 2.2.4 Implications for the Notion and Nature of Sustainability for HRM 40
 - 2.3 Defining Key Terms and Concepts on Strategic HRM 42
 - 2.3.1 The Notion and Nature of Human Resources 42
 - 2.3.2 The Notion and Nature of Strategy 44
 - 2.3.3 The Notion and Nature of Strategic HRM 47
 - 2.4 Conceptual Approaches Linking Sustainability and HRM 48
 - 2.4.1 Sustainable Work Systems 51
 - 2.4.2 Sustainable HRM 53
 - 2.4.3 Sustainable Resource Management 55
 - 2.4.4 Sustainability in Strategic HRM 58
 - 2.4.5 Main Contributions and Limitations of the Conceptual Approaches 58
 - 2.5 Rationalities Underlying the Reasoning for Sustainability in HRM 62
 - 2.5.1 Normative Understanding of Sustainability 62
 - 2.5.2 Efficiency- and Innovation-Oriented Understanding of Sustainability 64
 - 2.5.3 Substance-Oriented Understanding of Sustainability 65
 - 2.5.4 Juxtaposing Different Ways of Reasoning for Sustainability and HRM 67
 - 2.6 Links between Sustainability and Strategic HRM 70
 - 2.6.1 Fostering the Ability of HRM to Sustain the HR Base from Within 71
 - 2.6.2 Extending the Notion of Strategic Success 71
 - 2.6.3 Considering Short- and Long-Term Effects 73
 - 2.6.4 Working Definition for Sustainable HRM 73
 - 2.7 Critical Summary and Conclusions 75
- 3 Theorising on Strategic HRM from a Sustainability Approach 79**
 - 3.1 Objectives and Structure of the Chapter 79
 - 3.2 A Short Historical Overview of HRM 81
 - 3.2.1 Historical Background on Management Research Influencing HRM 81
 - 3.2.2 HRM in Germany as an Example for Changing Concerns 83

- 3.3 Strategy- and Resource-Orientation in Strategic HRM 85
 - 3.3.1 From Personnel Management to Strategic HRM 86
 - 3.3.2 From External Factors to Internal Human Resources 89
 - 3.3.3 From National Perspectives to Global HRM 91
 - 3.3.4 From Strategic to Sustainable HRM? 94
 - 3.3.5 Theoretical Perspectives in Strategic HRM 98
- 3.4 Modes of Theorising in Strategic HRM, Strategy and Performance 102
 - 3.4.1 The Universalistic Approach (“Best Practices”) 103
 - 3.4.2 The Contingency Approach (“Best Fit”) 104
 - 3.4.3 The Configurational Approach (“Best Bundles”) 106
 - 3.4.4 The Contextual Approach 107
 - 3.4.5 The Integrative Approach 109
- 3.5 Challenges for Strategic HRM from a Sustainability Approach ... 110
 - 3.5.1 “Blind Spot” Concerning the Ability to Sustain the HR Base from Within 110
 - 3.5.2 “Blind Spot” Concerning the Understanding of Strategic Success 112
 - 3.5.3 “Blind Spot” Concerning the Temporal Dimension 114
 - 3.5.4 Key Paradoxes for Sustainable HRM 117
- 3.6 Critical Summary and Conclusions 118

- 4 Paradox Theory as a Lens of Theorising for Sustainable HRM 123**
 - 4.1 Objectives and Structure of the Chapter 123
 - 4.2 Defining Key Terms and Concepts in Paradox Theory 125
 - 4.2.1 The Notion and Nature of Theory and Theorising 125
 - 4.2.2 The Notion and Nature of Paradox 128
 - 4.2.3 The Notion and Nature of Duality 131
 - 4.2.4 The Notion and Nature of Dilemma 132
 - 4.2.5 Comparison of Concepts and Conclusions 135
 - 4.3 Background on Paradox Theory 137
 - 4.3.1 Applications of Paradox Theory 137
 - 4.3.2 Applications of Duality Theory 140
 - 4.3.3 Applications of Dilemma Theory 145
 - 4.4 Elements of Paradox Theory 147
 - 4.4.1 Paradoxical Tensions 147
 - 4.4.2 Ambiguity and Ambivalence 149
 - 4.4.3 Reinforcing Cycles 151
 - 4.5 Coping Framework for Paradoxical Phenomena 152
 - 4.5.1 Logical Coping Strategies 153
 - 4.5.2 Psychological Coping Strategies 158
 - 4.6 Critical Summary and Conclusions 159

- 5 Conceptual Model for Sustainable HRM and a Paradox Framework.** 163
 - 5.1 Objectives and Structure of the Chapter 163
 - 5.2 Sustainable HRM Model 165
 - 5.2.1 Extending a Strategic HRM Model for Sustainable HRM 165
 - 5.2.2 Model Part 1: Extending the Notion of Strategic Success 167
 - 5.2.3 Model Part 2: Basic Sustainability Strategies to Maintain the HR Base 168
 - 5.2.4 Illustration of the Model 172
 - 5.3 Paradox Framework as a Lens of Theorising on Sustainable HRM 173
 - 5.3.1 Developing a Paradox Framework for Sustainable HRM .. 173
 - 5.3.2 Illustration of the Framework 174
 - 5.4 Coping with Paradoxes in Sustainable HRM 176
 - 5.4.1 Exemplary Coping Strategies for Sustainable HRM 176
 - 5.4.2 Developing Sustainable Resourcing Relationships 179
 - 5.5 Critical Summary and Conclusions 180

- 6 Method** 183
 - 6.1 Objectives and Structure of the Chapter 183
 - 6.2 Choice of Material and Data Analysis Method 185
 - 6.2.1 Websites of European MNEs with an Expertise in Sustainability 185
 - 6.2.2 Qualitative Content Analysis as a Method for Data Analysis 188
 - 6.3 Qualitative Content Analysis of Corporate Websites 190
 - 6.3.1 Advantages and Limitations of Qualitative Content Analysis 190
 - 6.3.2 Overview on the Process of Qualitative Content Analysis 191
 - 6.3.3 Inductive Category Development and Deductive Category Application 194
 - 6.4 Evaluating Qualitative Content Analysis 196

- 7 Findings on the Representation of the Sustainability–HRM Link on Corporate Websites** 199
 - 7.1 Objectives and Structure of the Chapter 199
 - 7.2 Basic Data on the Sample and Context 201
 - 7.2.1 Composition of the Sample 201
 - 7.2.2 Websites as a Means of Stakeholder Communication 202
 - 7.3 Representations of the Definition, Understanding and Application of Sustainability 204

- 7.3.1 Concepts-in-Use and Customised Application of Sustainability 204
- 7.3.2 Objectives of and Reasoning for Sustainability at the Corporate Level 206
- 7.4 Representations of Reasoning for Linking Sustainability and HRM 207
 - 7.4.1 Social-Responsibility as a Reason for Linking Sustainability and HRM 208
 - 7.4.2 Strategic Potential as a Reason for Linking Sustainability and HRM 209
- 7.5 Objectives, Drivers and HR Activities Linked to Sustainability and HRM 213
 - 7.5.1 Attracting Talent and Being Recognised as an “Employer of Choice” 214
 - 7.5.2 Retaining a Motivated and Healthy Workforce 217
 - 7.5.3 Investing in the Skills of the Current and Future Workforce 223
 - 7.5.4 Practice-Based Model for the Sustainability–HRM Link 227
- 7.6 Representations of Paradoxical Phenomena and Coping Strategies 228
 - 7.6.1 Key Paradoxes Addressed on the Websites 229
 - 7.6.2 Representation of Coping Strategies on the Websites 230
- 7.7 Critical Summary and Conclusions 234

- 8 Discussion and Conclusions 239**
 - 8.1 Objectives and Structure of the Chapter 239
 - 8.2 Summarising Discussion of the Findings of the Study 240
 - 8.2.1 Conceptual and Analytical Contributions 240
 - 8.2.2 Exploratory Contributions 246
 - 8.3 Limitations of the Study and Open Research Questions 247
 - 8.3.1 Conceptual Limitations 247
 - 8.3.2 Methodological Limitations 249
 - 8.3.3 Avenues for Further Enquiry 249
 - 8.4 Implications for HRM Practice: Sustainability as a Deliberate Strategy 253

- Bibliography 255**

- Appendix 281**

Abbreviations

ABB	Asea Brown Boveri
ABN AMRO	Algemene Bank Nederland and Amsterdamsche Rotterdamsche Bank
approx.	Approximately
Banca MPS	Banca Monte dei Paschi di Siena
BASF	Badische Anilin und Soda Fabrik
BDA	Bundesvereinigung der Deutschen Arbeitgeberverbände
BG	British Gas
BP	British Petroleum
CBHRT	Contextually based human resource theory
CH	Confoederatio Helvetica (Switzerland)
CIMPOR	Cimentos de Portugal
COED	Compact Oxford English Dictionary
CS	Corporate sustainability
CSR	Corporate social responsibility
D	Deutschland (Germany)
DIHK	Deutsche Industrie- und Handelskammer (German Chamber of Commerce and Industry)
DK	Denmark
DSM	Dutch State Mines
EABIS	European Academy of Business in Society
EBEN	European Business Ethics Network
EDF	Électricité de France
EDP	Electricidade de Portugal
e.g.	Exempli gratia (for example)
ESHQ	Environment, safety, health and quality
ESP	Environmental/social performance
et al.	Et alii (and the following)
etc.	Et cetera
EURAM	European Academy of Management