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Three decades of Strategic Human Resource Management:

Complex research and ironic outcomes

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With the introduction of strategic human resource management, theorists sought to respond to the growing criticism that people and the way they are managed do not contribute to an organization's value creation. Unlike traditional perspectives on competitive advantage which emphasized environmental and industry-specific factors as key drivers of organizational success, recent approaches view an organization's strategic management of its HR assets as a critical source of sustainable competitive advantage (Seidu, 2011). In what may consider as one of the earliest and most influential works in the SHRM field, Lado and Wilson (1994) built on the open systems theory and the

resource-based view of competitive advantage to assert that HR systems can contribute to sustained competitive advantage through facilitating the development and the implementation of organizational competencies. They argue, on the other hand, that poorly implemented HR systems may contribute to competitive vulnerability by damaging the organizational competencies or hindering their implementation.

Strategic human resource management refers to the "pattern of planned human resource deployments and activities intended to enable an organization to achieve its goals." (Wright and Mc Mahan, 1992:298). In their seminal work on the chronological evolution of the field, Lengnick-Hall *et al.*, (2009) identified seven major themes that distinguish SHRM literature from the more traditional HRM research. A major distinguishing feature as noted by Lengnick-Hall *et al.*, (2009) is the shift from a focus on managing people to creating strategic contributions. Authors argue that "... *Early in the development of the HR field the emphasis was often focused on ensuring that employees had the ability and motivation to achieve established organizational goals and that there were sufficient workers with particular skills available to meet organizational needs. With the introduction of strategic human resource management this focus shifted toward one of human capital contributions, strategic capabilities, and an organization's competitive performance.*"(p.69).

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Three decades after the influential work by Miles and Snow (1984), Strategic Human Resource Management research has extensively investigated the impact of HRM on the performance of the firm. Despite the accumulated empirical validations, one may argue that the field of research did not really achieve its targets and that little was done when it comes to assess the strategic contribution of HRM to firm's performance.

Our paper offers a critical perspective on strategic human resource management field. While this research does not pretend to be a comprehensive literature review, it- at least- unveils the current weaknesses of the literature and helps build a research agenda for the future. Specifically, the following issues will be addressed:

- The "questionable" Strategic Contributions of the SHRM research
- The poor consideration of corporate strategy in the SHRM research
- The exploitation-based evolution of the SHRM field (Vs. Exploration)
- The methods' biases
- The conceptual cacophony around the concept of "black-box"
- The ironic managerial implications of research

SHRM: Evolution and Research Configuration

SHRM is a rapidly growing field of research with most of academic literature published in the last thirty years. During the past three decades, SHRM researchers accumulated evidence about the "strategic contributions: of the HR function and generated a large body of useful and practical knowledge for practitioners.

SHRM is now one of the most important research fields in the Organizational Studies. Such a position was reached through a typical series of steps and sequences. In his critical work, Guest (2011) identified six major sequences in the evolution of the SHRM research.

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- The beginnings: In this period, a series of books and articles began to link HRM to organizational strategy. Miles and Snow (1984) proposed a strategy typology (defenders, prospectors, analyzers and reactors) that demonstrated how some particular features of HRM practices can be connected to these strategies. Three years later, Schuler and Jackson (1987) known as the pioneers of the behavioral perspective of the SHRM, developed a theory that links strategy to HRM through employee role behavior.
- Empiricism: During the 1990s, survey-based researches reported significant associations between the adoption of the so-called High Performance Work Systems and a greater organizational performance. Arthur (1994) in the steel mills industry, McDuffie (1995) in the auto industry, Delery and Doty (1996) in the banking sector – among other researchers- have reported positive associations in specific sector contexts.
- Reflection: Works by Dyer and Reeves (1995) and Becker and Gerhart (1996)- among others - called for a sounder conceptual basis for determining (1) which HR practices will be relevant and (2) the measures of performance.
- Conceptual refinement: A better theory about HRM, outcomes and the possible intermediary mechanisms was needed. This fourth stage gave birth to the use of expectancy theory as a theoretical foundation for HRM-Performance studies (Becker et al., 1997), the Ability-Motivation-Opportunity model by Purcell et Hutchinson (2007), the RBV which helped Lepak and Snell (1999; 2002) develop their architectural approach to human capital, employment modes and HRM systems.

One more conceptual refinement was the integration of the employees' perceptions and behavior in understanding the relationship between HRM and firm performance. "More generally, there was a frequent call to open the black-box to explore the process linking HRM to performance and this inevitably led to a greater focus on the way in which employees respond to HRM practices.

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- Growing sophistication: Multi-level analyses were conducted at both the individual and organizational level by Ostroff and his colleagues (2000; 2004). The use of organizational and social psychology led to a better consideration of how employees interpret HR practices and how this interpretation shapes their responses to the surveys.

SHRM: definition and main themes

Strategic human resource management refers to the “pattern of planned human resource deployments and activities intended to enable an organization to achieve its goals.” (Wright and Mc Mahan, 1992: 298).

In their extensive chronological literature review, Lengnick-Hall et al. (2009) reviewed the SHRM literature and identified seven main themes which are represented in table 1.

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Table 1: The seven themes of SHRM (Lengnick-Hall et al. 2009)

Theme	Research interests and findings	Authors
Explaining contingency perspective and fit	<p>HR scholars recognized that particular sets of HR practices were likely to yield better performance if they were matched with specific objectives, conditions and strategic choices.</p> <p>The external (vertical) fit between firm strategy and its HRM system was an important component in the success of the organization</p> <p>The internal (horizontal) fit helps align HR practices with one another.</p>	<p>Mailles and Snow (1984); Schuler and Jackson (1987); Buffa (1984), etc.</p>
Shifting from a focus on managing people to creating strategic contributions	<p>Drawing on open systems theory, the RBV researchers sought to demonstrate that HRM practices contribute to the creation of internal strategic capabilities</p> <p>Strategic contributions: human capital pool, strategic flexibility, organizational agility, firm financial performance, firm market performance, etc.</p>	<p>Wright and Snell (1991); Lado and Wilson (1994)</p>
Elaborating HR system components and structure	<p>Arthur (1994) published one of the earliest studies examining HR systems. He found that commitment HR systems in contrast to control systems resulted in higher productivity and reduced turnover.</p>	<p>Arthur (1994) Huselid (1995)</p>

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	Huselid (1995) was the first to define the HPWS. He found they were positively associated to productivity and negatively associated to turnover.	
Expanding the scope of the SHRM	Research on international SHRM analyzed the HRM-Performance linkages in international contexts: China, India, and Europe.	Ngo et al. (2008); Wei and Lau (2005)
Achieving HR implementation and execution	Scholars began to distinguish between intended HR strategies and implemented one. Differences in perceptions of HRM among HR managers and line managers have been examined.	Truss and Gratton (1994); Boswell (2006)
Measuring outcomes of SHRM	There was no consensus found about the outcomes. The couple organizational/individual level was examined. Also various dimensions of performance have been extensively analyzed by researchers.	Way and Jhonson (2005); Quinn and Rohrbaugh (1981)
Evaluating methodological issues	Measurement errors and construct validity were among the most discussed methodological issues.	Huselid and Becker (2000); Gerhart et al. (2000)

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SHRM: Deficiencies and key challenges

1. The questionable strategic contributions

Rynes et al. (2007) contacted 208 editorial Board members of HR-related journals and asked each to list the “five most fundamental findings from HR research that all practicing managers should know. Table 2 contains the six answers that at least received 10 mentions. As noted by Kaufman (2012), five of the six most fundamental findings are very micro and psychology oriented. Only one item was directly referring to the strategic contribution of HRM.

2. The poor integration of strategy in SHRM research

As stated earlier, one of the major themes of research in SHRM is the fit/contingency perspective. Researchers sought to demonstrate the crucial role that a vertical alignment between firm's strategy and its HRM system will have in creating an effective HR system and fostering firm's performance. A simple research conducted on the ABI/INFORM database using the two key words “HRM” and “Performance” for the period 1975-2014 identified 9033 peer-reviewed journal articles (including research and practice-oriented journals). A second search including the key word “organizational strategy” revealed only 357 articles. This is to show that strategy was particularly uncovered topic within the SHRM research.

3. The implementation issues

A major deficiency in the SHRM literature is that it is now dominated by quantitative research. This means that a few room is made for in-depth qualitative inquiry. One of the reasons why qualitative research should be encouraged is that it is the unique way to help researchers understand how intended HRM practices are implemented, how they are perceived by employees and why, in many cases, good HR practices deliver bad outcomes. In particular, researchers have to focus on the role of line managers. It is understood that line managers are the primary responsible for the implementation of HR practices.

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4. Methodological issues

A frequently encountered problem in SHRM designs is that it is widely cross-sectional. Guest (2011) reported a very small number of longitudinal researches in the field. Cross-sectional designs do not allow for a better understanding of the variation of performance as it is supposed to vary according to the implementation of HR practices.

On another hand, very few researches have explored the intermediary role of operational performance between HRM and firm external performance. Productivity, quality, operational performance should be used more extensively in future research.

Furthermore, it seems that the field needs more robust information about HR practices. Instead of asking senior HR managers about the existence of certain HR practices, it would be much better for researchers to survey line managers who will be responsible for the implementation of HR practices. Also, instead of surveying the existence of these practices, it's more interesting and accurate to survey employees' perception of the effectiveness of these practices.

Guest (2011:10) summarized these critics in his recent literature review. He states "the research is riddled with error both with respect to data on HRM and on outcomes. This may hide the size of any true effect but it also leaves room for considerable doubt about the process at play."

Conclusion

After almost three decades of SHRM, one should recognize the major progress that has been achieved by the scientific community. It is however right to state that some key issues need to be addressed urgently in order to provide accurate findings and draw useful conclusions to inform practitioners' decisions. This paper investigated some of these issues and, hopefully, contributed to a better understanding of the challenges that lay ahead for the SHRM community.

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