CONFUSING VARIETY OF «HUMAN RESOURCE MANAGEMENT» DEFINITIONS

In the modern world, human resources are the most valuable asset of the company and crucial instrument of organization’s success. For effective exploitation of human resources, it is vital to understand how appropriately execute the managing process over people. Such managing activity is quite complex due to peculiar nature of its object – person. Hence, in order to determine the effective system of personnel management for successful performance of the company, it is equally important to understand what exactly constitutes human resource management. Unfortunately, despite the fact that a considerable research has been done in this area, there are still significant doubts about what precisely composes human resource management and controversies around the meaning of the term. Therefore, the author of the article examined and analyzed the nature of human resource management, focusing on a number of existed definitions, views, and approaches suggested by various prominent foreign and local scholars and experts in the field of human resource management. The tasks of the study lie in consideration of a significant number of definitions of HRM, interpretations, and approaches existed in current foreign and national literature; and to determine the definition and meaning of human resource management practices. The analysis of various existing definitions, interpretations and approaches to human resource management were made. As a result of the research, it has become possible to clarify the meaning and essence of human resource management, also by summarising all considered definitions one comprehensive definition was proposed. In its turn, this will help the administration to develop the efficient system of HR management in companies and fortunately, will improve the implementation of such practices in the organizations.

Key words: human resources, governance, human resource management, definitions of human resource management, «soft» and «hard» human resource management

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Introduction

Nowadays, in an unstable economic environment, organizations for being competitive and successful must effectively exploit all their resources: product technology and information, capital sources, finance and human capital. Especially, a great attention must be paid to human capital as a people is the most valuable asset and the key instrument of company’s success. (Schuler et al., 2002: 42; Wei and Lau, 2005: 1901; Biron et al., 2011: 1294; Eriksson et al., 2014: 584; Savaneviciene and Kersiene, 2015: 982). From one side, they are creators of the organization, determining the goals and ways to achieve them, and from other – they perform as crucial resources used by organizations for the realization of the determined objectives. In this dimension, it is necessary to execute managing process over the personnel. Such process of managing is quite complex due to peculiar nature of its object – person. Hence, in order to determine the effective system of personnel management for successful performance of the company, it is equally important to understand what exactly constitutes the human resource management (hereinafter HRM). Unfortunately, despite the fact that a considerable research has been done in this area, there are still significant doubts about what precisely composes human resource management and controversies around the meaning of the term. (Watson, 2002: 369; Keenan, 2015: 1; Beardwell and Thompson, 2017: 4; Tulembaeva ed., 2017: 423).

Literature review

Although this may be true, many authors have greatly contributed to expanding and developing the research in this area, by studying HRM practices from different angles and using various methods and approaches for better understanding of its na-
ture. This might be well illustrated in the works of J. Storey. He is an author of several well-known books such as «Developments in the Management of Human Resources» 1992, «Managing human resources» 1993, «Human Resource Management» 2007 and «Managerial Dilemmas» 2009. In these books he pays much attention to considering of HRM nature, indicating its origins, determining its definition, objectives, and functions, analyzing its development and issues.

Similarly, extensive knowledge in area of HRM has been presented by Australian academic P. Boxall and British strategic expert J. Purcell in the book called «Human resource management: Third edition 2011». This book concentrates on defining of HRM, its goals and its connection with strategic management, it considers tensions and issues related to these practices.

In addition, such prominent British scholars as H.T. Graham and R. Bennet detailly examine HRM practices, considering it as one of the key directions of the corporate management, focusing on the questions of company’s policies, related to the relations in the area of employment within the organization, organizational culture, and behavior. Moreover, they put an accent on consideration of such topics as new approaches to HRM, motivation and wages questions, working in the team, formation of working groups and solving the issues of discrimination of disabled people and sexual harassment at work. Additionally, they analyze different models of HRM and describe the experience and conditions of employment in the USA, Japan, and European countries.

Equally important to notice the contribution of M. Armstrong to the development of theoretical and practical basics of HRM. For example, in his book «Human resource management: Eight editions» 2004 he presents the general observation of different definitions of HRM and strategic HRM. Also, he considers questions regarding employment, payment of wages, organizational behavior; providing of labour resource management; management of labour indicators and rewards.


Research methodology

Therefore, extensive research in this area is absolutely relevant. The object of this research compose from the process of HRM, and subject focuses on the theoretical fundamentals of HRM process. With intention to determine what constitutes HRM and how HRM has been perceived over time, this article will consider the nature of HRM, focusing on the examination of a number of views and definitions suggested by various experts and scholars; also, some approaches, interpreting the meaning of HRM will be presented; and one summarized and comprehensive definition will be presented further. Then, some conclusions will be made.

Distinct techniques have been used to explore HRM area. In particular, for conducting the major part of the research desktop method was applied. This approach has been considered as the most convenient and appropriate to organise this study. It enabled to gather and analyse the wide range of reputable sources regarding the same. The materials came from foreign and domestic literature, particularly, books, journals, articles, websites have been used to examine all existed variety of definitions of HRM and to determine what constitutes HRM.

Research results and discussion

There is a significant number of examples of a different understanding of HRM. Some authors put an accent on the organizational structure of management, operating with purpose and methods by using, which these purposes might be reached, while others emphasize substantive part, reflecting a functional component of management. (Melikov and Maluye, 2008, «Approaches to determination of the concept of personnel management», para 3)

In addition, the great influence on the discrepancy of definitions has had a translated literature with her various terminology, inherent in distinct schools of management. Some examples of such definitions are enumerated below. (Melikov and Maluye, 2008, «Approaches to determination of the concept of personnel management», para 4)

Personnel administration – administrating of personnel (recruitment, control, placement, training, and exploitation), relationships between administration and subordinates. (Melikov and Maluye, 2008,
«Approaches to determination of the concept of personnel management», para 5)

Personnel management - managing of personnel, including recruitment, training, conditions of labour, payment of wages, questions related to health and safety regulations. (Melikov and Maluev, 2008, «Approaches to determination of the concept of personnel management», para 6)

Human resource management – governance of human resources. Broadly speaking this term can be considered as a general term to describing of any approach to manage people. In attempt to give a definition and clarify the meaning of HRM, authors in their opinion, focus attention on the most important side of the question. (Melikov and Maluev, 2008, «Approaches to determination of the concept of personnel management», para 8)

A number of definitions, proposed by national and foreign economic experts will be considered. For example, Boxall and Purcell use the term to encompass ‘the management of work and the management of people to do the work’. (Boxall and Purcell, 2011: 3) Moreover, Beardwell and Thompson define HRM as a wide range of policies directed to the organizing of work in the employment relationship, concentrating on the managing of working process and personnel who perform this work. (Beardwell and Thompson, 2017: 5) In accordance with Graham’s definition, HRM is a human aspect of entity’s management and relationships of employees with their companies. He claims that the purpose of HRM is to ensure that employer receives a greatest possible benefit from the knowledge and skills of his employees, while personnel – obtain both material and psychological benefits. (Graham and Bennett, 2003: 1) Thus, HRM involves hiring, selection, training, and development, reward system, communication and cooperation process of employees, personnel involvement, teamwork and performance management. (Graham and Bennett, 2003: 1) Such description of HRM identifies it, as a process of managing people in companies in structured and thorough manner. Even though, it is a quite easy to list the activities, constituting HRM, its subject is still unclear and has generated many controversies and debates. That means that despite the fact that HRM is widely used, there is no agreement of universally determined definition of HRM. Watson proposes that ‘the term HRM is used in a confusing variety of ways’. (Watson, 2002: 369)

Many scholars think that HRM is an innovative approach, created for people’s managing and it possesses new characteristics in comparison to traditional techniques. Specifically, they claim that HRM is more strategically centered, that is, human resource management policies are elaborated to reinforcing of each other and providing support to the organization’s business strategy. (Beardwell and Thompson, 2017: 5) For example, Buchanan and Huczynski argue that HRM is a managerial perspective, which argues the need to establish an integrated series of personnel policies to support organizational strategy. (Buchanan and Huczynski, 2004; «Definitions of Human Resource Management», n.d., para 6).

Additionally, the prominent English economist M. Armstrong marks that HRM is ‘a strategic and logically consequential approach to managing of the most valuable asset of the entity is people working there, who are collectively and individually contribute to solving tasks of the entity’. (Armstrong, 2004: 20) This strategically oriented aspect has vertical integration, that means that human resource policies must be adapted to business strategies, while the operational element is horizontally integrated, i.e. human resource programs must match each other. Moreover, an appropriate organization of human resource practices forms a positive working environment in which personnel has higher motivation and commitment to interact closely with directorate to achieve organization’s goals. (Beardwell and Thompson, 2017: 5) J. Storey has summarized this approach as ‘a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an array of cultural, structural and personnel techniques’. (Storey, 2007: 7) Similarly, Bratton and Gold present HRM as a strategic approach to managing employment relations which emphasizes the leveraging people’s capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, programs, and practices. (Bratton and Gold, 2007; «Definitions of Human Resource Management», n.d., para 7)

Although, it is questionable whether HRM programs created for the accomplishment of strategically oriented objectives, for instance, the ability of the organization to respond rapidly to changes appearing in markets, can at the same time generate and nurture a comfortable atmosphere where relationships between personnel and managers are based on implicit trust and close cooperation. Some academics, have stated that HRM is about creating an atmosphere of staff commitment (e.g. Pfeffer, 1998) and interaction, while others have claimed that HRM incorporates policies, directing to the management of workers to further the strategic ob-
jectives of the company (e.g. Legge, 2005; Huczynski and Buchanan, 2007). As a result, the term of HRM has an ambiguous character, what has transformed it into a contested concept and has led to numerous attempts to clarify the meaning of HRM. (Beardwell and Thompson, 2017: 5)

It is also worth to mention the classification given by Russian experts I.I. Isachenko, O.I. Elizarova, E.A. Kondrus’ which lies in dividing all existed definitions to four groups named motivational, descriptive, teleological and descriptive-teleological. However, as targeted definitions possess a great significance and they were not included in the classification suggested by these authors they will be presented first.

With the intention to identify meaning and basic characteristics of HRM, it is necessary to constitute the goals of this managerial activity. Two groups of objectives of personnel management exist: organizational and individual. Dj.M. Ivancevich and A.A. Lobanov argue that HRM is «an activity, performing in organizations, which contribute to the efficient exploitation of employees for reaching organizational and individual goals». Traditionally, the organizational aims take a principal place in HRM practices because they are closely related to the level of firm’s efficiency. (Ivancevich Dj M., Lobanov, 1993: 11-22) Thus, regarding this perspective, HRM is an activity targeting to the usage of personnel in order to accomplish company’s efficiency. (Isachenko et al., 2012, «Descriptive-teleological definitions, para 2)

The motivational group can be presented by the definition given by N. Mausov, who supposes that HRM is «an ongoing process, directed to targeted change of people’s motivations in order to achieve from them the maximum efficiency, consequently, high results». This and other identical definitions emphasize the most paramount and fundamental function of HRM. Nonetheless, these kinds of definitions indicate only partial part of administrative functions, concealing the rest part of HRM functions. (Isachenko et al., 2012, «Motivational definitions», para 1,2)

The descriptive character inherent in the definition proposed by I.N. Gerchikova. According to which, HRM is «an autonomous kind of activity, performed by specialist-managers, the main objective of which is to increase the production and creative efficiency, and activity of the personnel; orientation on the decrease of the part and number of production and managerial workers; the elaboration and realization of staff recruiting and positioning policy; development of personnel hiring and firing rules; solving questions related to the training and development of staff». This definition identifies the aim and the number of basic functions of HRM. In particular, it detailly and concretely discloses substantive activity of personnel management. However, such kind of definitions have several considerable disadvantages, namely, they poorly reveal content and nature of HRM; and itemize not all its key functions (Isachenko et al., 2012, «Descriptive definitions, para 1, 2).

In contrast, the teleological definitions have incomplete informative character. This type of definitions put an accent on the most crucial element of HRM system – its functions. Partially, the definition of I. N. Gerchikova, which was considered previously, inherits the teleological features. Gerchikova indicates the central goal of HRM but she reveals it through functions. (Isachenko et al., 2012) Additionally, characteristic of HRM given by A. Kibanov and D.K. Zaharov is a good illustration of these types of definitions. They propose that HRM is «a complex of managerial events, ensuring conformity of qualitative and quantitative features of the personnel, and focus on its labour behaviour on objectives, tasks of the organization» (Kibanov, 1998: 62; Isachenko et al., 2012, «Teleological definitions», para 1,2).

The descriptive-teleological definitions combine the specific features of goals of personnel management and also show its crucial functions. In accordance with the definition of the German academics M.R. Marr and V. Veber personnel economy (personnel management) is «an area of activity which is common for all organizations and her main task consists of providing the organization with human resources and purposeful exploitation of the personnel». (Isachenko et al., 2012,»Descriptive-teleological definitions», para 1) Together with this, M.R. Marr and A. Fliaster determine HRM as «a sphere of activity, the most fundamental components of which are the determination of necessity in personnel and attraction of the personnel, involvement and termination, development, controlling of the personnel, also the structuration of work, reward and social service policy, participation in success policy and management of expenditures on the personnel and administration of employees» (Melikov and Maluev, 2008, «Table 2», para 5)

Nevertheless, there is no agreement on the definition of HRM it can be noticed from presented above definitions that HRM is an integration of practices designed to managing people which consider workers as assets, not costs; and its key purpose is to build and maintain professional and committed labour force to get a competitive advantage.
Confusing variety of «human resource management» definitions


The distinctions, arising in the interpretation of HRM have caused the appearance of two various schools of thought: hard and soft types of HRM. (Storey, 1992) Moreover, hard and soft HRM is defined as two key models of HRM. Hard HRM mostly focuses on a strategy where human resources are exploited to accomplish company’s goals. It is also related to headcount strategies and cost control, specifically, in such business processes as reducing the amount of breaks or time for breaks, downsizing and lowering of salaries. («Definitions of Human Resource Management», n.d., para 9)

Therefore, hard HRM perceives people as any other resources owned by the company; it is directed to minimize the company’s expenditures and maximize its benefits. This put an emphasis on profit or so-called ‘bottom line’. Some supporters of the hard HRM indicate this accent by considering the several examples of this approach, where human resources are regarded as costs and on bottom line profits. Hard HRM might underline the eligibility of changing work practices in such way fewer employees could execute the required amount of work. This might be treated as a benefit for the company as surplus workers could be fired for decreasing costs. For example, from hard HRM prospective part-time employment and outsourcing would be more beneficial rather than full-time employment. (Keenan, 2015: 5)

While soft HRM concentrates on the organization of personnel training, development, participation in administration, commitment. It is applied to determine the functions of human resources directed to elaborate motivation, quality, and commitment of employees. (Beardwell and Claydon, 2007) In 1989, J. Storey wrote that soft HRM practices involve «treatment of workers as with the most valuable type of assets, and source of the competitive advantage, in case if they are committed to the company, adaptive and possess high quality». (Storey 1989, Armstrong 2004: 23) This means that in case if company completely utilizes the creativity and energy of its personnel, enhances their skills and increases their commitment, so workers will perform as a source of competitive advantage. Thereby, the organization should have an understanding of how to improve the efficiency of employees, intensifying their ability to contribute to the working process of the firm. D. Guest supposed that soft HRM perceives workers as a tool, not as a goal. (Guest, 1999) For this reason, advocates of soft HRM concentrate on ways, raising motivation and abilities of personnel by managing rewards, training and development. (Keenan, 2015: 6)

Summarizing all indicated views, interpretations and approaches, it is possible to form the following definition and indicate the essence of HRM.

Human resource management- is a science which studies different factors and allows to company exploit its available human resources with the greatest level of efficiency; and also, to create necessary production behaviour of workers while all objectives of the organization completely and adequately reached. («The essence and concept of human resource management», n.d., para 13)

Thereupon, the main thing which constitutes the essence of HRM is the systematic, smoothly organized influence, supported by interrelated organizational, economic and social measures in the process of formation, allocation, redeployment of labour force on the entity’s level, for the creation of the conditions to exploiting of labour skills of the worker to provide an effective functioning of the entity and comprehensive development of its employees. («The essence and concept of human resource management», n.d., para 14)

**Conclusion**

In recent decades, effective exploitation of human resources has played a crucial role in the successful performance of organizations as human resources are the most valuable resource of the company. In order to exploit human resources appropriately and efficiently, it is necessary to understand the concept and peculiarities of human resource management practices. Nevertheless, there is no answer what precisely constitutes HRM, and also many controversies have been around the meaning of the term. Thereby, intending to clarify the meaning of HRM, this study examined and analysed the substantial number of reputable sources devoted to HRM. It was found that many authors have contributed to solving this question, by developing the set of definitions, interpretations, and approaches for determining the meaning of HRM. Thus, after the analysis of discovered information, it has become possible to clarify the meaning and identify the essence of HRM what sufficiently simplifies the understanding of this term. In its turn, this will help the administration to develop efficient system of HR management in companies and fortunately, will improve the implementation of such practices in their organizations.
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