

INTRODUCTION

Writing in the mid-1980s on the state of the field of International Human Resource Management (IHRM), Laurent (1986) concluded that “the challenge faced by the infant field of international human resource management is to solve a multidimensional puzzle located at the crossroad of national and organizational cultures” (101). The aim of this paper is to examine developments in the field of IHRM and to see if any progress has been made towards completing the puzzle noted by Laurent. In doing so this paper will draw on work which has been completed over the last ten years with a number of colleagues—initially with Randall Schuler (New York University) and more recently with Helen De Cieri (University of Melbourne), Denice Welch (Norwegian School of Management), Marion Festing and Wolfgang Weber (University of Paderborn).¹ Specifically, three issues are examined: first, the various approaches which have been taken to the study of IHRM; second, the variables which moderate differences between domestic and international HRM; and third, recent work which examines the topic of strategic human resource management in multinational enterprises (MNEs).

APPROACHES TO INTERNATIONAL HRM

The field of international HRM has been characterized by three broad approaches.² Early work in this field emphasized a cross-cultural management approach and examines human behavior within organizations from an international perspective (Adler, 1997; Phatak, 1997). A second approach developed from the comparative industrial relations and HRM literature seeks to describe, compare and analyse HRM systems in various countries (see for example, Brewster & Hegewisch, 1994). A third approach seeks to focus on aspects of HRM in multinational firms (see for example, Dowling, Welch & Schuler, 1999).

The approach taken by the author and his colleagues reflects the third approach and our objective has been to explore the implications that the process of internationalization has for the activities and policies of HRM. In particular, we are interested in how HRM is practised in multinationals.

Each approach takes a somewhat different view of IHRM and in my view it is essential to identify the approach which a researcher is taking to the subject as the approach taken influences what is defined as IHRM. One only has to look at the diversity in the program at the various International HRM conferences to see that there are multiple definitions of what constitutes international HRM.

Defining International HRM from the perspective of a multinational firm

Before offering a definition of international HRM, we should first define the general field of HRM. Typically, HRM refers to those activities undertaken by an organization to effectively utilize its human resources. These activities would include at least the following:

- Human resource planning
- Staffing
- Performance management
- Training and development
- Compensation and Benefits
- Labor relations

We can now consider the question of which activities change when HRM goes international. A paper by Morgan (1986) on the development of international HRM is helpful in considering this question. He presents a model of international HRM (shown in Figure 1) that consists of three dimensions:

1. The three broad human resource activities of procurement, allocation, and utilisation. (These three broad activities can be easily expanded into the six HR activities listed above).
2. The three national or country categories involved in international HRM activities: (1) the host-country where a subsidiary may be located, (2) the home-country where the firm is headquartered, and (3) "other" countries that may be the source of labor or finance.
3. The three types of employees of an international firm: (1) host-country nationals (HCNs), (2) parent-country nationals (PCNs), and (3) third-country nationals (TCNs).³ Thus, for example, IBM employs Australian citizens (HCNs) in its Australian operations, often sends U.S. citizens (PCNs) to Asia-Pacific countries on assignment, and may send some of its Singaporean employees on an assignment to its Japanese operations (as TCNs).

[Insert Figure 1 about here]

Morgan defines international HRM as the interplay among these three dimensions—human resource activities, types of employees, and countries of operation. We can see that in broad terms international HRM involves the same activities as domestic HRM: (eg. procurement refers to HR planning and staffing). However, domestic HRM is involved with employees within only *one national boundary*.

In this paper it is argued that the *complexities of operating in different countries and employing different national categories of workers* is a key variable that differentiates domestic and international HRM, rather than any major differences between the HRM activities performed. Many firms underestimate the complexities involved in international operations, and there is some evidence to suggest that business failures in the international arena may often be linked to poor management of human resources (Desatnick & Bennett, 1978).

Increasingly, domestic HRM is taking on some of the flavor of international HRM as it deals more and more with a multicultural workforce. Thus, some of the current focus of domestic HRM on issues of managing workforce diversity may prove to be beneficial to the practice of international HRM. However, it must be remembered that management of diversity within a single national context may not necessarily transfer to a multinational context without some modification. This leads to the second issue examined in this paper, the variables that moderate differences between domestic and international HRM.

VARIABLES THAT MODERATE DIFFERENCES BETWEEN DOMESTIC AND INTERNATIONAL HRM

In our discussion so far, we have argued that the *complexity involved in operating in different countries and employing different national categories of employees* is a key variable that differentiates domestic and international HRM, rather than any major differences between the HRM activities performed. In addition to complexity, there are four other variables that moderate (that is, either diminish or accentuate) differences between domestic and international HRM. These variables (shown in Figure 2) are the *cultural environment*; the *industry (or industries) with which the multinational is primarily involved*; the *extent of reliance of the multinational on its home-country domestic market*; and the *attitudes of senior management*. These four additional variables are discussed in this section of the paper.

[Insert Figure 2 about here]

The Cultural Environment

There are many definitions of *culture*, but the term is usually used to describe a shaping process. That is, members of a group or society share a distinct way of life with common values, attitudes, and behaviors that are transmitted over time in a gradual, yet dynamic, process. As Phatak (1995) explains:

A person is not born with a given culture: rather she or he acquires it through the socialisation process that begins at birth: an American is not born with a liking for hot dogs, or a German with a natural preference for beer: these behavioral attributes are culturally transmitted. (48)

An important characteristic of culture is that it is so subtle a process that one is not always conscious of its effect on values, attitudes, and behaviors. One usually has to be confronted with a different culture in order to fully appreciate this effect. Anyone travelling abroad, either as a tourist or businessperson, experiences situations that demonstrate cultural differences in language, food, dress, hygiene, and attitude to time. While the traveller can perceive these differences as novel, even enjoyable, for people required to live and work in a new country, such differences can prove difficult. They experience *culture shock*—a phenomenon experienced by people who move across cultures. The new environment requires many adjustments in a relatively short period of time, challenging people's frames of reference to such an extent that their sense of self, especially in terms of nationality, comes into question. People, in effect, experience a shock reaction to new cultural experiences that cause psychological disorientation because they misunderstand or do not recognise important cues. Culture shock can lead to negative feelings about the host country and its people and a longing to return home (Harris & Moran, 1979).

Because international business involves the interaction and movement of people across national boundaries, an appreciation of cultural differences and when these differences are important is essential. Research into these aspects has assisted in furthering our understanding of the cultural environment as an important variable that moderates differences between domestic and international HRM. However, while cross-cultural and comparative research attempts to explore and explain similarities and differences, there are problems associated with such research. A major problem is that there is little agreement on either an exact definition of culture or on the operationalization of this concept. For many researchers, culture has become an omnibus variable, representing a range of social, historic, economic, and political factors that are invoked *post hoc* to explain similarity or dissimilarity in the results of a study. As Bhagat and McQuaid (1982) have noted,

Culture has often served simply as a synonym for *nation* without any further conceptual grounding. In effect, national differences found in the characteristics of organizations or their members have been interpreted as cultural differences. (653)

To reduce these difficulties, researchers must specify their definition of culture *a priori* rather than *post hoc* and be careful not to assume that national differences necessarily represent cultural differences.

Another issue in cross-cultural research concerns the *emic-etic* distinction (Berry, 1980; De Cieri & Dowling, 1995; Teagarden & Von Glinow, 1997). *Emic* refers to *culture-specific aspects of concepts or behavior*, and *etic* refers to *culture-common aspects*. These terms have been borrowed from linguistics: A *phonemic* system documents meaningful sounds specific to a given language, and a *phonetic* system organizes all sounds that have meaning in any language (Triandis & Brislin, 1984). Both the emic and etic approaches are legitimate research orientations. A major problem may arise, however, if a researcher imposes an etic approach (that is, assumes universality across cultures) when there is little or no evidence for doing so. A well-known example of an imposed etic approach is the *convergence hypothesis* that dominated much of U.S. and European management research in the 1950s and 1960s. This approach was based on two key assumptions (Hofstede, 1983). The first assumption was that there were principles of sound management that held regardless of national environments. Thus, the existence of local or national practices that deviated from these principles simply indicated a need to change these local practices. The second assumption was that the universality of sound management practices would lead to societies becoming more and more alike in the future. Given that the United States was the leading industrial economy, the point of convergence would be toward the U.S. model. Adoption of the convergence hypothesis has led to some rather poor predictions of future performance. For example, writing in the late 1950s, Harbison (1959) concluded the following with regard to the Japanese managerial system:

Unless basic rather than trivial or technical changes in the broad philosophy of organization building are forthcoming, Japan is destined to fall behind in the ranks of modern industrialised nations. (254)

To use Kuhn's (1962) terminology, the convergence hypothesis became an established paradigm that many researchers found difficult to give up, despite a growing body of evidence supporting a *divergence hypothesis*. In an important paper reviewing the convergence/divergence debate, Child (1981) made the point that there is evidence for both convergence and divergence. The majority of the convergence studies, however,

focus on macrolevel variables (for example, structure and technology used by firms across cultures), and the majority of the divergence studies focus on microlevel variables (for example, the behavior of people within firms). His conclusion was that although firms in different countries are becoming more alike (an etic or convergence approach), the behavior of individuals within these firms is maintaining its cultural specificity (an emic or divergence approach). As noted above, both emic and etic approaches are legitimate research orientations, but methodological difficulties may arise if the distinction between these two approaches is ignored or if unwarranted universality assumptions are made.⁴ The debate on assumptions of universality is not limited to the literature in international management. Recently, this issue has become a topic of debate in the field of international relations and strategic studies where research from international management is cited (Huntington, 1996).

The Importance of Cultural Awareness

Despite the methodological concerns about cross-cultural research, it is now generally recognised that culturally insensitive attitudes and behaviors stemming from ignorance or from misguided beliefs ("my way is best," or "what works at home will work here") not only are inappropriate but often cause international business failure. Therefore, an awareness of cultural differences is essential for the HR manager at corporate headquarters as well as in the host location (Tung, 1993). Activities such as hiring, promoting, rewarding, and dismissal will be determined by the practices of the host country and often are based on a value system peculiar to that country's culture. A firm may decide to head up a new overseas operation with an expatriate general manager but appoint as the HR department manager a local, a person who is familiar with the host country's HR practices. This practice can cause problems, though, for the expatriate general manager, as happened to an Australian who was in charge of a new mining venture in Indonesia. The local manager responsible for recruitment could not understand why the Australian was upset to find that he had hired most of his extended family rather than staff with the required technical competence. The Indonesian was simply ensuring that his duty to his family was fulfilled—since he was in a position to employ most of them, he was obligated to do so. The Australian, however, interpreted the Indonesian's actions as nepotism, a negative practice according to his own value system (Dowling, Welch & De Cieri, 1989).

Wyatt (1989: 5) recounts a good example of the fallacy of assuming "what works at home will work here" when dealing with work situations in another culture. HR department

staff of a large firm in Papua New Guinea were concerned over a number of accidents involving operators of very large, expensive, earth-moving vehicles. The expatriate managers investigating the accidents found that local drivers involved in the accidents were chewing betel nut, a common habit for most of the coastal peoples of Papua New Guinea and other Pacific islands. Associating the betel nut with depressants such as alcohol, the expatriate managers banned the chewing of betel nut during work hours. In another move to reduce the number of accidents, free coffee was provided at loading points, and drivers were required to alight from their vehicles at these locations. What the managers did not realise was that betel nut, like their culturally acceptable coffee, is, in fact, a stimulant, though some of the drivers were chewing it to cover up the fact that they drank beer before commencing work. As Wyatt points out, many indigenous workers used betel nut as a pick-me-up in much the same way as the expatriates used coffee.

Adjusting to a new cultural environment can cause problems for both the expatriate employee and the accompanying spouse and family members. Coping with cultural differences, and recognising how and when these differences are relevant, is a constant challenge for the expatriate employee. Helping to prepare expatriates and their families for the cultural environment has now become a key activity for HR departments in those multinationals that appreciate (or have been forced, through experience, to appreciate) the impact that the cultural environment can have on staff performance and well-being.

Industry Type

Porter (1986) suggests that the industry (or industries if the firm is a conglomerate) in which a multinational firm is involved is of considerable importance because patterns of international competition vary widely from one industry to another. At one end of the continuum of international competition is the *multidomestic industry*, one in which competition in each country is essentially independent of competition in other countries. Traditional examples include retailing, distribution, and insurance. At the other end of the continuum is the *global industry*, one in which a firm's competitive position in one country is significantly influenced by its position in other countries. Examples include commercial aircraft, semiconductors, and copiers. The key distinction between a multidomestic industry and a global industry is described by Porter as follows:

The global industry is not merely a collection of domestic industries but a series of linked domestic industries in which the rivals compete against each other on a truly worldwide basis... In a multidomestic industry, then, international strategy collapses to a series of domestic strategies. The issues that are uniquely international revolve around how to do business abroad, how to select good

countries in which to compete (or assess country risk), and mechanisms to achieve the one-time transfer of know-how. These are questions that are relatively well developed in the literature. In a global industry, however, managing international activities like a portfolio will undermine the possibility of achieving competitive advantage. In a global industry, a firm must in some way integrate its activities on a worldwide basis to capture the linkages among countries (Porter, 1986: 23).

The the role of the HRM function in multidomestic and global industries can be analysed using Porter's value-chain model (Porter, 1985). In Porter's model, HRM is seen as one of four support activities for the five primary activities of the firm. Since human resources are involved in each of the primary and support activities, the HRM function is seen as cutting across the entire value chain of an firm. If the firm is in a multidomestic industry, the role of the HR department will most likely be more domestic in structure and orientation. At times there may be considerable demand for international services from the HRM function (for example, when a new plant or office is established in a foreign location and the need for expatriate employees arises), but these activities would not be pivotal—indeed, many of these services may be provided via consultants and/or temporary employees. The main role for the HRM function would be to support the primary activities of the firm in each domestic market to achieve a competitive advantage through either cost/efficiency or product/service differentiation (Schuler & MacMillan, 1984). If the multinational is in a global industry, however, the "imperative for coordination" described by Porter would require a HRM function structured to deliver the international support required by the primary activities of the multinational.

The need to develop coordination raises complex problems for any multinational. As Laurent (1986) has noted:

In order to build, maintain, and develop their corporate identity, multinational organizations need to strive for consistency in their ways of managing people on a worldwide basis. Yet, and in order to be effective locally, they also need to adapt those ways to the specific cultural requirements of different societies. While the global nature of the business may call for increased consistency, the variety of cultural environments may be calling for differentiation. (97)

Laurent proposes that a truly international conception of human resource management would require the following steps:

1. An explicit recognition by the parent organization that its own peculiar ways of managing human resources reflect some assumptions and values of its home culture.

2. An explicit recognition by the parent organization that its peculiar ways are neither universally better nor worse than others but are different and likely to exhibit strengths and weaknesses, particularly abroad.
3. An explicit recognition by the parent organization that its foreign subsidiaries may have other preferred ways of managing people that are neither intrinsically better nor worse, but could possibly be more effective locally.
4. A willingness from headquarters to not only acknowledge cultural differences, but also to take active steps in order to make them discussable and therefore usable.
5. The building of a genuine belief by all parties involved that more creative and effective ways of managing people could be developed as a result of cross-cultural learning.

In offering this proposal, Laurent acknowledges that these are difficult steps that few firms have taken:

They have more to do with states of mind and mindsets than with behaviors. As such, these processes can only be facilitated and this may represent a primary mission for executives in charge of international human resource management (Laurent, 1986: 100).

Implicit in Laurent's analysis is the idea that by taking the steps he describes, a multinational attempting to implement a global strategy via coordination of activities would be better able to work through the difficulties and complex trade-offs inherent in such a strategy. Increasingly, multinationals are taking a more strategic approach to the role of HRM and are using staff transfers and training programs to assist in coordination of activities.

Reliance of the Multinational on its Home-country Domestic Market

A pervasive but often ignored factor which influences the behaviour of multinationals and resultant HR practices is the extent of reliance of the multinational on its home-country domestic market. When for example, we look through lists of very large firms (such as those that appear in *Fortune* and other business magazines), it is frequently assumed that a global market perspective would be dominant in the firm's culture and thinking. However, size is not the only key variable when looking at a multinational – the extent of reliance of the multinational on its home-country domestic market is also very important.

In fact, for many firms, a small home market is one of the major motives for “going international”.

The United Nations Conference on Trade and Development (UNCTAD) in its annual survey of foreign direct investment calculates what it refers to as an “index of transnationality” which is an average of ratios of foreign assets to total assets; foreign sales to total sales; and foreign employment to total employment.⁵ Based on this index of transnationality, the most foreign-oriented multinational is Nestlé, with 87% of assets, 98% of sales and 97% of employees located outside of Switzerland. The “top ten” multinationals are as follows:

1. Nestlé (Switzerland)
2. Thomson (Canada)
3. Holderbank Finacière (Switzerland)
4. Seagram (Canada)
5. Solvay (Belgium)
6. Asea Brown Boveri (Sweden/Switzerland)
7. Electrolux (Sweden)
8. Unilever (Britain/Netherlands)
9. Philips (Netherlands)
10. Roche (Switzerland)

There is not a U.S. firm in the first fifteen multinationals listed and Coca-Cola and McDonald’s are ranked 31st and 42nd respectively. The reason for this is as obvious as it is important – *the size of the domestic market for U.S. firms*. A very large domestic market influences all aspects of how a multinational organizes its activities. For example, it will be more likely to use an international division as the way it organizes its international activities and even if it uses a global product structure, the importance of the domestic market will be pervasive. A large domestic market will also influence the attitudes of senior managers (discussed in more detail in the next section) and will generate a large number of managers with an experience base of predominantly or even exclusively domestic market experience. Thus, multinationals from small advanced economies like Switzerland (population 7 million), Belgium (10 million), Sweden (9 million) and The Netherlands (15 million) are in a quite different position to US multinationals based in the largest single national market in the world with over 250 million people. The demands of a large domestic market present a challenge to the globalization efforts of many US firms. As Cavusgil (1993) has noted in an important book on internationalizing business education, the task of internationalizing business education in the United States is a large one. So too, is the task facing many U.S. firms in terms of developing global managers.

Attitudes of Senior Management to International Operations

The point made by Laurent that some of the changes required to truly internationalize the HR function "have more to do with states of mind and mindsets than with behaviors" illustrates the importance of a final variable that may moderate differences between international and domestic HRM: the attitudes of senior management to international operations.

It is likely that if senior management does not have a strong international orientation, the importance of international operations may be underemphasized (or possibly even ignored) in terms of corporate goals and objectives. In such situations, managers may tend to focus on domestic issues and minimise differences between international and domestic environments. They may assume that there is a great deal of transferability between domestic and international HRM practices. This failure to recognise differences in managing human resources in foreign environments—regardless of whether it is because of ethnocentrism, inadequate information, or a lack of international perspective—frequently results in major difficulties in international operations (Desatnick & Bennett, 1978). The challenge for the corporate HR manager is to work with top management in fostering the desired "global mindset." This goal requires, of course, a HR manager who is able to think globally and to formulate and implement HR policies that facilitate the development of globally oriented staff (Bartlett & Ghoshal, 1992; Pucik, 1997).

THEORETICAL DEVELOPMENTS: A FRAMEWORK OF STRATEGIC HRM IN MULTINATIONAL FIRMS

An integrative framework of strategic international HRM has been presented by Schuler, Dowling & De Cieri (1993). Since the publication of Schuler et al.'s framework, developments have brought the need to consider revision of the framework and De Cieri & Dowling (forthcoming) have developed a revised framework of SHRM in multinational firms which is shown in Figure 3.

[Insert Figure 3 about here]

As depicted in Figure 3, multinationals operate in the context of worldwide conditions, including the exogenous contexts of industry, nation, region, and inter-organizational networks and alliances. For example, the removal of internal trade barriers and integration

of national markets in the European Union has brought a new range of inter-organizational relationships. In addition, the introduction of the European Monetary Union from January 1999 has the potential to hold significant implications for inter-organizational relationships. Exogenous factors exert direct influence on endogenous factors, SHRM strategy and practices, and multinational concerns and goals. If we were to examine the impact of economic difficulties in the Asia Pacific region since 1997, we would be likely to see examples of this influence.

Endogenous factors are shown in order of most 'tangible' to most 'intangible'. Multinational structure refers to both the structure of international operations and intra-organizational networks and mechanisms of co-ordination. The life cycle stage of the firm and the industry in which it operates are important influences for SHRM in multinationals as are international entry modes and levels of firm strategy. The most intangible endogenous factors are experience in international business and headquarters' international orientation. Following developments in the literature and Taylor, Beechler and Napier's (1996) integration of resource dependence and resource-based perspectives, the model suggests that there are reciprocal relationships between endogenous factors, SHRM, and multinational concerns and goals.

With regard to HR strategy and practices, reciprocal relationships between strategic issues and SHRM strategy and practices have been highlighted by research taking a resource-based perspective (Taylor et al. 1996; Kamoche, 1997). In addition, several studies have shown that HR activities such as expatriate management are influenced by both endogenous and exogenous factors. Effective SHRM is expected to assist the firm in achieving its goals and objectives. This view is influenced by the emerging body of SHRM literature that examines the relationships between endogenous characteristics, SHRM strategy and practices, and firm performance or competitive advantage (Becker & Gerhart, 1996; Dyer & Reeves, 1995). While some research has suggested that multinationals will gain by utilizing and integrating appropriate SHRM strategy and practices, to enhance firm performance (Festing, 1997; Kobrin, 1994), there remains inconclusive evidence and important questions about the nature of this relationship (Caligiuri & Stroh, 1995; Peterson, Sargent, Napier & Shim, 1996; Sparrow, Schuler & Jackson, 1994). The model offered by De Cieri & Dowling (forthcoming) aims to assist in the cross-fertilization of ideas to further develop theory and empirical research in strategic HRM in multinational firms.

To summarise, this paper has endeavoured to meet three objectives: First, to outline the various approaches which have been taken to the study of IHRM; second, to discuss the variables which moderate differences between domestic and international HRM; and third, to briefly outline recent work which examines the topic of strategic human resource management in multinational enterprises. Attention to these three points will, I believe, take us some way to completing the puzzle of International HRM which Laurent has described.

ENDNOTES

¹ A summary of this work appears in Dowling, Welch & Schuler, *International Human Resource Management: Managing People in a Multinational Context*, 3rd ed., Cincinnati, Ohio, South-Western, 1999.

² This section is based upon various presentations by the first author and the following paper: De Cieri, H. & Dowling, P., Strategic Human Resource Management in Multinational Enterprises: Theoretical and Empirical Developments, forthcoming in Wright et al (eds.) *Research and Theory in SHRM: An agenda for the 21st century*, Greenwich, CT: JAI Press.

³ While it is clear in the literature that PCNs are always expatriates, it is often overlooked that TCNs are also expatriates. See De Cieri, McGaughey & Dowling, 1996, for further discussion of this point.

⁴ See D. A. Ricks, *Blunders in International Business* (Cambridge, MA: Blackwell, 1993) for a comprehensive collection of mistakes made by multinational firms which paid insufficient attention to their cultural environment in their international business operations. For further literature on this topic see the following: Kirkbride & Tang, 1994; Tayeb, 1994; Sparrow, Schuler & Jackson, 1994; Morishima, 1995; Delery & Doty, 1996.

⁵ This section is based on a short article on Multinationals which appeared in *The Economist*, 27 September, 1997 at page 119. The UNCTAD index uses 1995 data.

REFERENCES

- Adler, N. 1997. *International dimensions of organizational behavior* (3rd ed). Cincinnati, Ohio: South-Western.
- Bartlett, C. & Ghoshal, S. 1992. *Transnational management: Text, cases, and readings in cross border management*. Boston: Irwin.
- Becker, B. & Gerhart, B. 1996. The impact of human resource management on organizational performance: Progress and prospects. *Academy of Management Journal*, 39 (4): 779–801.
- Berry, J.W. 1980. Introduction to methodology. In H.C. Triandis & J.W. Berry (Eds), *Handbook of cross-cultural psychology, Volume 2, Methodology*, 1–28. Boston: Allyn & Bacon.
- Bhagat, R.S. & McQuaid, S.J. 1982. Role of subjective culture in organizations: A review and directions for future research, *Journal of Applied Psychology*, 67: 653–685.
- Brewster, C. & Hegewisch, A. 1994. *Policy and practice in european human resource management—The Price Waterhouse Cranfield Survey*. London: Routledge.
- Caligiuri, P.M. & Stroh, L.K. 1995. Multinational corporate management strategies and international human resource practices: Bringing IHRM to the bottom line, *International Journal of Human Resource Management*, 6: 494–507.
- Cavusgil, S.T. 1993. *Internationalizing business education: Meeting the challenge*. East Lansing, MI: Michigan State University Press.
- Child, J.D. 1981. Culture, contingency and capitalism in the cross-national study of organizations. In L.L. Cummings & B.M. Staw (Eds), *Research in organizational behavior*, (3), Greenwich, CT: JAI Publishers.
- De Cieri, H. & Dowling, P.J. 1995. Cross-cultural issues in organizational behavior. In C.L. Cooper & D.M. Rousseau (Eds) *Trends in organizational behavior*, Chicester, (2): 127–145. U.K.: John Wiley & Sons.
- De Cieri, H. & Dowling, P.J. Strategic human resource management in multinational enterprises: Theoretical and empirical developments, forthcoming. In Wright et al. (Eds), *Research and theory in SHRM: An agenda for the 21st century*. Greenwich, CT: JAI Press.
- De Cieri, H. & McGaughey, S.L. & Dowling, P.J. 1996. Relocation. In M. Warner (Ed). *International encyclopedia of business and management*, (5): 4300–4310. London: Routledge.
- Delery, J.E. & Doty, D.H. 1996. Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions, *Academy of Management Journal*, 39: 802–835.
- Desatnick, R.L. & Bennett, M.L. 1978. *Human resource management in the multinational company*. New York: Nichols.
- Dowling, & Schuler, R. 1990. *International dimensions of human resource management*. Boston, MA: PWS-Kent.

- Dowling, Schuler, R. & Welch, D. 1994. *International dimensions of human resource management*. (2nd ed). Belmont, CA: Wadsworth.
- Dowling, P.J., Welch, D.E. & De Cieri, H. 1989. International joint ventures: a new challenge for human management. In R. Luostarinen (Ed). *Proceedings of the fifteenth conference of the European international business association*. Helsinki, December, 1989.
- Dowling, P.J., Welch, D.E. & Schuler, R.S. 1999. *International Human Resource Management: Managing People in a Multinational Context* (3rd ed). Cincinnati, Ohio, South-Western.
- Dyer, L. & Reeves, T. 1995. Human resource strategies and firm performance: What to we know and where do we need to go? *International Journal of Human Resource Management*, 6: 656–670.
- Festing, M. 1997. International human resource management strategies in multinational corporations: Theoretical assumptions and empirical evidence from German firms, *Management International Review*, 37 (10): 43–63.
- Harbison, F. 1959. Management in Japan. In F. Harbison & C.A. Myers (Eds). *Management in the industrial world: An international analysis*. 254. New York: McGraw-Hill.
- Harris, J.E. & Moran, R.T. 1979. *Managing cultural differences*. Houston: Gulf.
- Hofstede, G. 1983. The cultural relativity of organizational practices and theories, *Journal of International Business Studies*, 14 (2): 75–89.
- Huntington, S. 1996. The west: unique, not universal, *Foreign Affairs*, November/December, 1996, 28–46.
- Kamoche, K. 1997. Knowledge creation and learning in international HRM. *International Journal of Human Resource Management*, 8: 213–222.
- Kirkbride, P.S. & Tang, S.F.Y. 1994. From Kyoto to Kowloon: Cultural barriers to the transference of quality circles from Japan to Hong Kong, *Asia Pacific Journal of Human Resources*, 32 (2): 100–111.
- Kobrin, S.J. 1994. Is There a relationship between a geocentric mind-set and multinational strategy? *Journal of International Business Studies*, 25: 493–511.
- Kuhn, T.S. 1962. *The structure of scientific revolution* (2nd ed), Chicago: University of Chicago Press.
- Laurent, A. 1986. The cross-cultural puzzle of international human resource management, *Human Resource Management*, 25: 91–102.
- Morgan, 1986. International human resource management: fact or fiction, *Personnel Administrator*, 31 (9): 43–47.
- Morishima, M. 1995. Embedding HRM in a social context, *British Journal of Industrial Relations*, 33 (4): 617–643.

- Peterson, R.B., Sargent, J., Napier, N.K. & Shim, W.S. 1996. Corporate expatriate HRM policies, internationalization, and performance in the world's largest MNCs, *Management International Review*, 36: 215–230.
- Phatak, A. 1997. *International management: Concept & cases*, Cincinnati, Ohio: South-Western.
- Phatak, A. V. 1995. *International dimensions of management*, (4th ed), Cincinnati: South-Western.
- Porter, M.E. 1985. *Competitive advantage: Creating and sustaining superior performance* New York: The Free Press.
- Porter, M.E. 1986. Changing patterns of international competition, *California management review*, 28 (2): 9–40.
- Pucik, V. 1997. Human resources in the future: An obstacle or a champion of globalization? *Human Resource Management*, 36: 163–167.
- Ricks, D.A. 1993. *Blunders in international business*, Cambridge, MA: Blackwell.
- Schuler, R.S, Dowling, P.J. & De Cieri, H. 1993. An integrative framework of strategic international human resource management, *Journal of Management*, 19: 419–459.
- Schuler, R.S. & MacMillan, I.C. 1984. Gaining competitive advantage through human resource management practices, *Human Resource Management*, 23 (3): 241–255.
- Sparrow, S., Schuler, R.S. & Jackson, S.E. 1994. Convergence or divergence: Human resource practices and policies for competitive advantage worldwide, *International Journal of Human Resource Management*, 5 (2): 267–299.
- Tayeb, M. 1994. Organizations and national culture: Methodology considered, *Organization Studies*, 15 (3): 429–446.
- Taylor, S., Beechler, S. & Napier, N. 1996. Towards an integrative model of strategic international human resource management. *Academy of Management Review*, 21: 959–985.
- Teagarden, M.B. & Von Glinow, M.A. 1997. Human resource management in cross-cultural contexts: Emic practices versus etic philosophies, *Management International Review*, 37 (1):7–20 - Special Issue.
- The Economist*. 27 September, 1997: 119.
- Triandis, H. & Brislin, R. 1984. Cross-cultural psychology, *American Psychologist*, 39: 1006–1016.
- Tung, R.L. 1993. Managing cross-national and intra-national diversity, *Human Resource Management*, 32 (4): 461–477.
- Wyatt, T. 1989. Understanding unfamiliar personnel problems in cross-cultural work encounters, *Asia Pacific HRM*, 27 (4): 5–18.

FIGURE 1
Model of International HRM

Source:
Adapted from P.V.Morgan 1986. International Human Resource Management: Fact or Fiction, *Personnel Administrator*, 31 (9): 44.

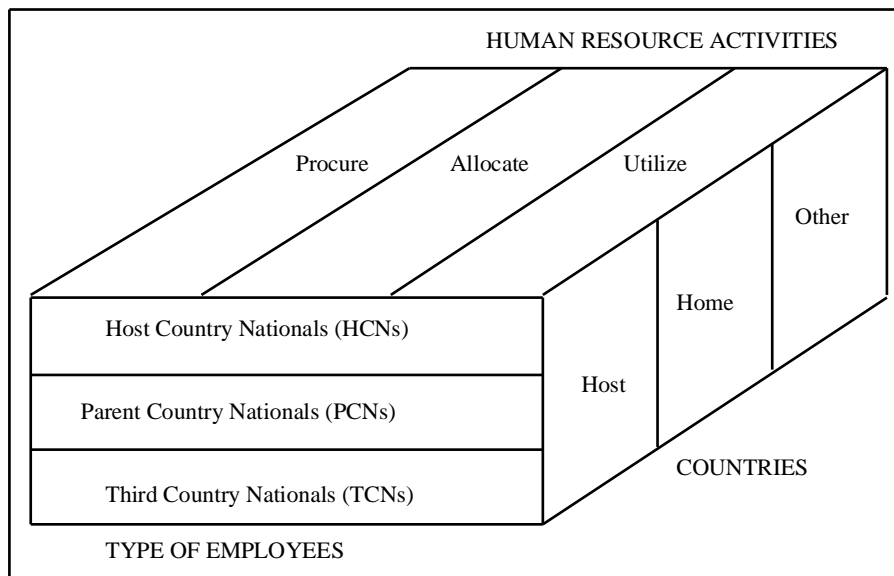


FIGURE 2

Variables that Moderate Differences Between Domestic and International HRM

Source:
Peter J Dowling, University of Tasmania.

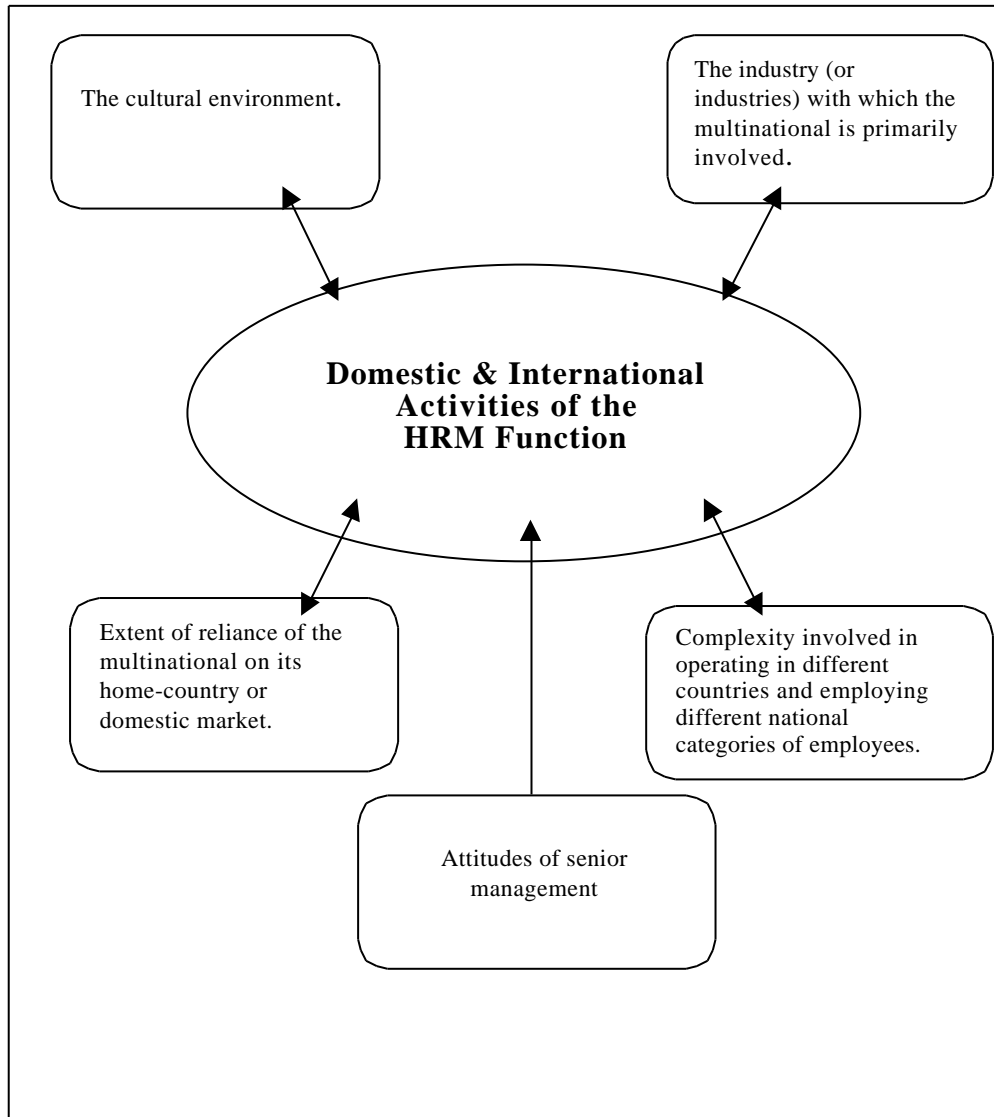


FIGURE 3

A Model of Strategic HRM in Multinational Enterprises

Source:

De Cieri, H & Dowling, P.J. Strategic Human Resource Management in Multinational Enterprises: Theoretical and Empirical Developments, forthcoming in Wright et al. (eds.) *Research and Theory in SHRM: An Agenda for the 21st Century*. Greenwich, CT: JAI Press.

