

Human Resource Management Strategy of Medium-sized Firms in Japan

AIHARA, Akira

I. Introduction

It is well known that most medium-sized firms in Japan have groped impromptu for the new direction of managing human resources in order to adapt themselves to the new economic and social environments. Especially, legislation, institutions, and stakeholders all play an important role in shaping the new direction of HRM (Paauwe, 2004; Boselie, Paauwe, & Jansen, 2001). It is not actually peculiar to medium-sized firms but large-sized ones in a Japan setting. Such phenomenon shows that most of them have remodeled negatively the typical Japanese human resource management systems such as life-time employment system, seniority system, hiring of new graduates, and so forth (Suzuki, 2006). As one of the prime examples, they have introduced a merit system by following Japanese large business organizations (Asahi Research Institute, 2002; Japan Institute of Life Insurance, 1998).

It is often said that their restructuring measure of HRM systems was not a gradual and evolutionary approach but a drastic approach (Takahashi, 2004). Additionally, little had been paid attention to 'fit' between new HRM policies and practices and the existing corporate culture. It seems like a 'best practice approach' (e.g. Pfeffer, 1994; Huselid, 1985; Koch & McGraith, 1996; Ichniowski & Shaw, 1999) without considering institutional

settings. Some medium-sized firms have recently confronted some new kind of dysfunction of HRM practices such as depression of employees' work motivation and commitment, depression caused by overwork and death by overwork, successor's problem, a labour shortage and so forth. Typical medium-sized firms management based on a relationship of mutual trust is about to become a thing of the past.

Consequently, reflecting the recent situation assessment based on some priority review, this research investigates the strategic direction of HRM systems which Japanese medium-sized firms aspire to introduce or improve within three years in order to dispel dysfunction of HRM systems. As it were, this research might be a verification survey whether medium-sized firms recognize their organizational members as valuable assets and/or strategic assets or not. There have been many these kinds of similar researches by government literature, investigative researches of independent administrative legal entity, foundation, private think tank, and so forth; however, these are just entirely-focused on analysis of the present state and are devoid of a theoretical perspective. Because this research focuses upon an aspect of medium-sized firms' HRM strategy, which means the future aspect, this could be significant from this stand.

II. Japanese medium-sized firms issues and HRM systems

Overview of 'typical' medium-sized firms characteristics and problems

Small and medium-sized firms are better known as 'backbone' of Japanese economy. In other words, they might be considered as the primary 'engine of Japanese economic growth'. That is due to the fact that they account for approximately 99.7% of the total number of business organizations and employ approximately 71.0% workers (27million employees)

of the total (Small and Medium Enterprise Agency, 2007). Additionally, small and medium-sized firms have obviously played the following decisive role and contribution in development of economy and society (Watanabe, Ogawa, Kurose, & Mukoyama, 2006).

First of all, most small and medium manufacturers as subcontractors have had an important part to play in supporting large business organizations. They have been essential for the effective conduct of fabricating industry such as auto industry, electronic manufacturers, and so forth. They have created most end products' qualities and price competitiveness. Second of all, some of them have soundly fulfilled their roles as niche players. They have supplied many fine products which most large business organizations have not been able to produce due to money-losing businesses. Third of all, some of them have generally played pioneering work which goes after new businesses. Some have embarked on risky businesses which might be unknown business territory.

Despite medium-sized firms' original role and contribution in development of economy and society, the problems that they have confronted have been deliberated by numerous social scientists and/or researchers for a considerable length of time. One popular problem of them is vulnerability of managerial resources such as financial difficulty, labor scarcity, and a shortage of facilities (Small and Medium Enterprise Agency, *ibid.*; Watanabe *et al.*, *ibid.*; Kawasaki, 2003; Saruta, 2000). This indication is generally based upon comparison with scale and behavioral pattern of most large business organizations. Besides these problems, Watanabe *et al.* (2006) categorize their problems into at least three typical problems: '*habitual reliance on narrow range of specialized experiences*', '*weakness of information-gathering ability*', and '*Caesar management and weakness of organiza-*

tional capabilities'.

First problem is '*habitual reliance on narrow range of specialized experiences*'. Most medium-sized firms, especially small-and-medium-sized manufacturers depend highly upon limited and/or specialized skills to deploy business activities. This is actually not a problem. The root of this problem here is that technical skills which have accumulated from years of experience become entirely dependent upon organizational members such as engineers and technicians. Thus, such limited and/or specialized skills are not generally able to be compiled in a manual, and it is extremely difficult to transfer from implicit knowledge to formal knowledge.

Second problem is '*weakness of information-gathering ability*'. Despite of the rapid progress of information technology (IT) after mid-1990s, most small-and-medium-sized manufacturers do not have their own original business information channel. That is mainly because they just supply various products under their counterparties' and/or parent organizations' orders. Put simply, the bargaining power of customers is ahead. Thus, all the requirements they fulfill are quality assurance of products, strict observance of delivery time, low-cost, and so forth. Moreover, most of them are generally committed to relationship with some bigger business organization and have no sense of the perspective of relationships of other stakeholders. Due to the rapid progress of IT, the digital divide among medium-sized firms by industry has sprawled.

Third problem is '*Caesar management and weakness of organizational capabilities*'. Generally speaking, the smaller scale of business organizations are, the stronger degree of dependence upon top management is. In addition, top management of medium-sized firms is often thought as

autocratic, and their entrepreneurialships and managerial capabilities contribute to their survival and development. Charismatic top management might be absolutely imperative to exercise leadership in a way. In other circumstances, such medium-sized firms are not able to utilize organizational members' KSAs at a maximum because their behavioral patterns change voluntary and/or active behaviors into passive one, and synergy effects caused by interaction between organizational members is not very expected. Furthermore, in the event that top management's KSA become obsolete, it would be impossible to exercise quick adaptation to external institutional settings as a matter of practice.

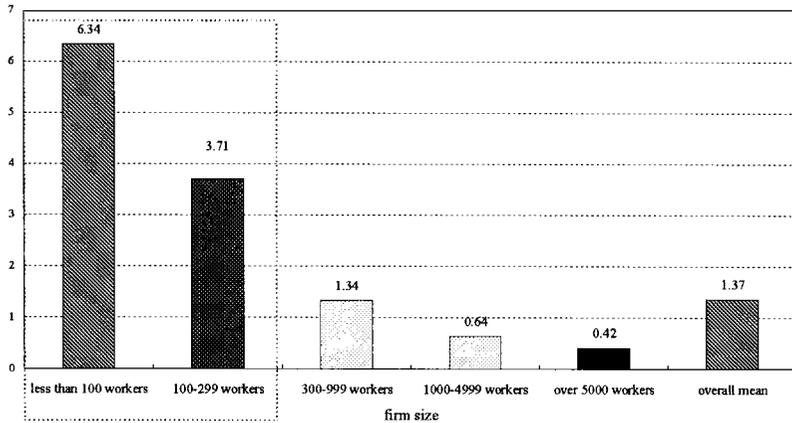
General issues of managing human resources

As referred to above, medium-sized firms including small ones have their original problems that might be extremely hard to overcome. Here medium-sized firms' HRM issues are roughly raised in order to build the standpoint of this research. It is common knowledge that typical labor issues of medium-sized firms such as transfers of managerial skills and skills transfers, wage differential, working hours, work environments, welfare, high turnover of younger organizational members and so forth, have vigorously been disputed for years from various standpoints. Many discussions about medium-sized firms' labor issues are highly related to how researchers and others recognize medium-sized firms. Most recognize medium-sized firms as the vulnerable groups and/or the weak through the viewpoint of industrial dualism (e.g. Watanabe *et al.*, 2006; Saruta, 2000; Tachibanaki, 1998; Nakamura & Hashimoto, 1992). Addressing the gap issue is very significant, but it is beyond the scope of this research to argue it caused by industrial dualism in detail.

Let us organize some recent representative researches regarding HRM issues on medium-sized firms. In white paper on small and medium-sized businesses in 2006, due to the aging of Japan's demographic structure and birthrate decline, *business successions and skills transfers, the stabilization of younger people's employment and incomes, the establishment of conditions that enable people to balance work and parenting*, and so forth, are examined in detail. For instance, as a result of their research results, regarding business successions, it is pointed out that M&A as a means of business succession might be available. Regarding skill transfers, it is pointed out that the biggest obstacle to skills transfer is their inability to recruit the younger workers that they would like. In addition, regarding the employment of younger people, for them, engaging in wide-ranging hiring activities and retaining younger organizational members by clearly disclosing training policies and taking steps to promote HRD are shown. Regarding the balancing of work and parenting, it is pointed out that smaller medium-sized firms tend to offer working conditions that make it easier to combine work and parenting.

Likewise, according to Ministry of Economy, Trade and Industry (METI) (2005), there are at least three HRM issues: *shortfall in human resources, reconsideration of traditional human resource development, and crisis in manufacturing power*. As mentioned above, these issues might be able to paraphrase what is examined in white paper on small and medium-sized businesses in 2006. Regarding a shortfall in human resources, most new graduates are interested in joining much larger business organizations and are uninterested in small and medium-sized firms. Job opening-to-application ratio by firm size offered to new graduates in 2005 supports this fact (**Figure 1**).

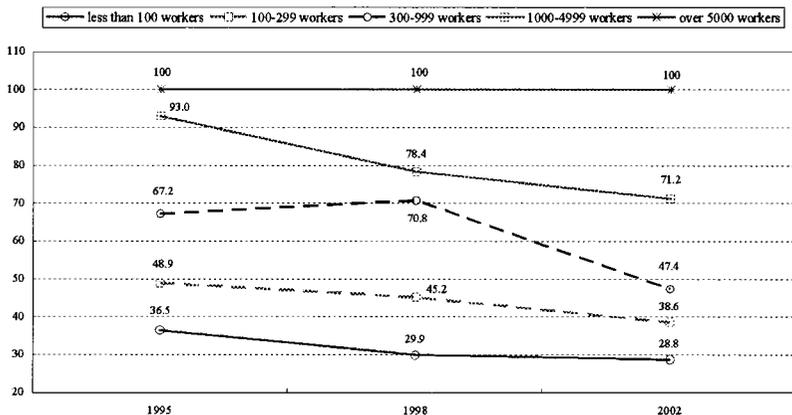
Figure 1 application ratio offered to new graduates



Source: Works Institute, Recruit Co., Ltd., *College graduate recruitment survey*, 2005.

Next, reconsideration of traditional human resource development means the limitation of OJT and/or the difficulty in skills transfers because of frontline downsizing, shortening of technologies cycles, lack of explicit KSA, and so on. In fact, the smaller business organizations do not afford the education cost (Figure 2). Lastly, regarding crisis in manufacturing power, it is closely related to the issues of shortfall in human resources and skills transfers. Especially, after 2007, many organizational members, baby boomers, who were born from 1945 to 1947, retire if medium-sized firms adopt a retirement age system. Thus, it is urgent to transfer manufacturing power to younger talented organizational members; otherwise, most medium-sized firms would discontinue their businesses. An examination of the age profile of exiting entrepreneurs reveals that 43.1% of exiters were aged over 60 years in 2002 (Figure 3). A major cause of the increase in the exit rate in recent years is the retirement of entrepreneurs due to aging.

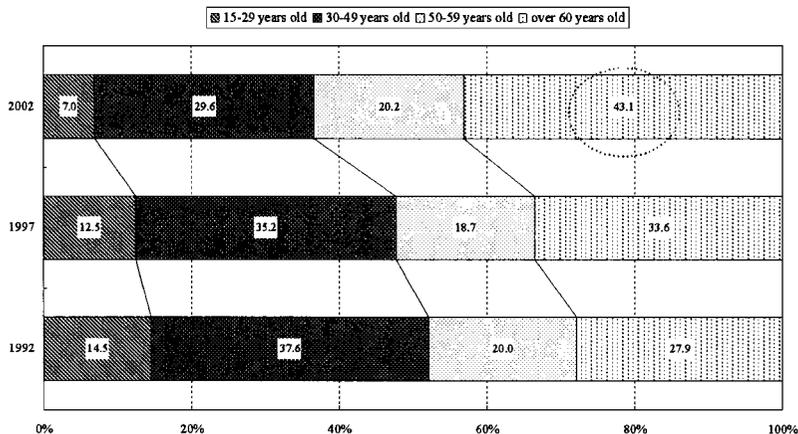
Figure 2 education cost by firm size



Source: Recompiled from Ministry of Health, Labour and Welfare, *White paper on the labour economy*.

Note: over 500 works = 100

Figure 3 exiters by age



Source: Recompiled from Ministry of Internal Affairs and Communications, *Employment Status Survey*.

Up to here several representative researches and surveys regarding the current HRM issues in Japan have been observed from a vantage point. The current serious of SMEs issues might be summarized in the simplest of terms: an employment issue and a human resource development (education and training) issue. Additionally, these fact-finding surveys should be relatively very useful to plan and formulate medium-sized firms' HRM policies and practices. Equally important, these enable a deepening of understanding regarding the actual state of medium-sized firms from a macroscopic point of view. It is possible to know some profound issues that many have confronted.

Nonetheless, it is clear that these researches and surveys are inexhaustive as follows. Because these just analyze the present state of medium-sized firms and sort out typical problems, vision that each of them conceives is not explained adequately. That is, the perspective of medium-sized firms HRM strategy and/or 'strategic intent' might not be fully emphasized. It is actually arduous to clarify this point. Nonetheless, attempting to investigate what medium-sized firms consider in order to utilize their human resources maximally as a means to achieve their ultimate objectives must be valuable.

In this paper, HRM policies and practices in the future (three years from 2006) are investigated based upon an explorative questionnaire survey in next section. Especially, based upon the above researches and surveys, the analyses from the perspective of medium-sized firms' HRM strategy are advanced. Here, their HRM strategies might be considered to consist chiefly of personnel policy, employment (recruiting activities), and employee satisfaction. However, some institutional settings are under the given condition in the following analyses. This might be over of the limitations in

this research.

III. Method

Sample and data-gathering process

It is quite difficult to find generally accepted definition of a SME due to its diverseness and foreignness (Watanabe *et al.*, 2006; Suzuki, 2006, Saruta, 2000). The most widely accepted one in Japan is the definition of statistical concept by many government and other public offices and *Small and Medium Enterprise Basic Law*. It defines them from three standpoints (Table 1): industry, capital, and total number of employees. Following its definition, industry was limited to gather data. Furthermore, the employed industry was small-and-medium-sized manufacturers in this research.

The questionnaire was distributed to a total of 2,027 medium-sized firms' heads of corporate development division or HRM division. 135 medium-sized firms out of them returned the completed questionnaire (6.7

Table 1 the definition of SMEs provided by Small and Medium Enterprises Basic Law

Industry	Small and medium enterprises (meet one or more of the following conditions)		Of which small enterprises
	Capital	# of regular employees	# of regular employees
1) Manufacturing, construction, transport, other industries (excluding 2)–4)	up to 300 million yen	up to 300	up to 20
2) Wholesale	up to 100 million yen	up to 100	up to 5
3) Servicea	up to 50 million yen	up to 100	up to 5
4) Retail	up to 50 million yen	up to 50	up to 5

per cent) from December 2005 to January 2006.

Variables and analytic procedure

First of all, 41 items to indicate medium-sized firms' strategic HRM systems were developed. 2 items are developed to classify general medium-sized firms' behavioral patterns (q_1 and q_16). 9 items from q_2 to q_10 indicate the future direction of recruitment. 5 items from q_11 to q_15 indicate medium-sized firms' personnel policy, that is, the future direction of personnel management. The other 25 items from q_17 to q_41 indicate a variety of ES measures. All items, which are category, key words, and scale measure, are briefly summarized in **Table 2**.

The following analyses mainly consist of three areas: *the future direction of personnel management, recruitment, and ES measures*. First, in an analysis of future direction of personnel management, from diversified standpoints of the employment duration and pattern, short-term oriented or long-term oriented employee evaluation, emphasis on new graduates or mid-career employment, and HRD by organizational members themselves or medium-sized firms' initiatives, both future analysis and chi-square test are attempted. Second, in an analysis of future direction of recruitment, from two standpoints of organization hierarchy and occupational category, future analysis is practiced. Lastly, in an analysis of future direction of ES measures, from the standpoint of the degree which medium-sized firms emphasize on ES measures, a statistical comparative study is executed.

The future direction of personnel management

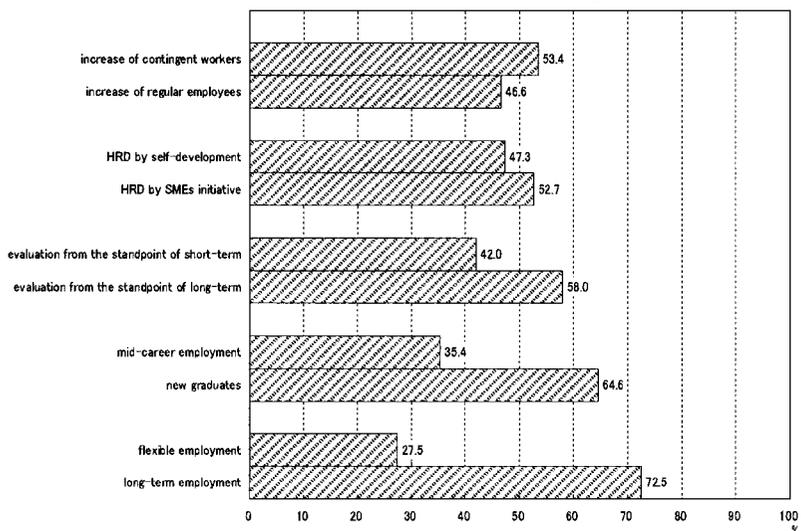
Figure 4 indicates medium-sized firms' future direction of personnel management. It follows from this result that three aspects which more

Table 2 summary of questionnaire items

item	category	key words	scale
q_1	per cent of regular employees		per cent
q_2	future direction of recruitment	irregular employee	1 to 5 scale, 1 = strong disagree, 5 = strongly agree
q_3		leader in the workplace	
q_4		department head	
q_5		top management	
q_6		R&D	
q_7		production	
q_8		sales	
q_9		clerical employees	
q_10		planning and policy	
q_11	future direction of personnel management	long-term employment or flexible employment	dichotomous measure, 1 = traditional items, 2 = recent items
q_12		regular employee vs. contingent worker	
q_13		short-term oriented or long-term oriented employee evaluation	
q_14		new graduates or mid-career employment	
q_15	HRD by corporate initiative or self-development		
q_16	practice of in-house	periodical ES survey	dichotomous measure (yes-no)
q_17	future direction of ES measures	strengthening of communication from top management	1 to 4 scale, 1 = strong disagree, 4 = I strongly agree
q_18		talks with top management	
q_19		empowerment	
q_20		promotion of younger employees to management level	
q_21		promotion of female employees to management level	
q_22		promotion of contingent workers to regular employees	
q_23		offering challenging jobs	
q_24		individual career support	
q_25		employee evaluation excluding the failure of the job	
q_26		objective and persuasive employee evaluation	
q_27		positive reinforcement	
q_28		QC	
q_29		communication after office hours	
q_30		talks with the other employees freely regarding their jobs	
q_31		shortening of in-house communication channels	
q_32		increase of education cost	
q_33		fulfilling welfare	
q_34		higher wages than rivals	
q_35		ESOP	
q_36		outplacement	
q_37		flexible work system	
q_38	placing the right people in the right jobs		
q_39	in-house staff recruitment system		
q_40	free AWL system		
q_41	in-house mental health system		

Results

Figure 4 future direction of personnel management

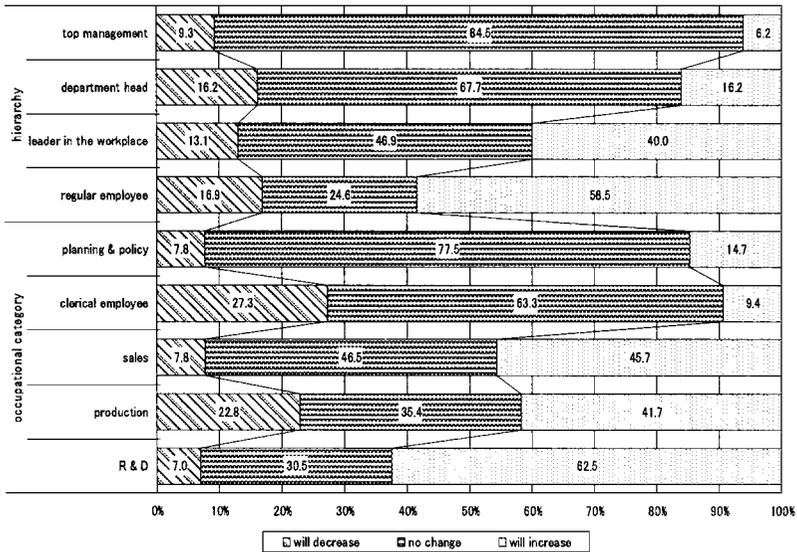


than half of them support might suggest one significant point. Incidentally, three aspects here are ‘long-term employment (72.5%, $\chi^2_{(1)} = 26.57$)’, ‘emphasis on employing new graduates (64.6%, $\chi^2_{(1)} = 11.10$)’, and ‘employee evaluation from a long term standpoint (58.0%, $\chi^2_{(1)} = 3.36$)’. These were also supported by chi-square test. From these results, it might be inferable that more than half of medium-sized firms’ manufacturers stand statically and significantly at a crucial turning point in redesigning their HRM systems for further advancement. Especially, the departure from short-term orientation to mid and/or long-term orientation might be pointed out.

The future direction of recruitment

As has been noted, 9 items indicate human resources that medium-sized firms plan to employ within three years. 5 items are items from the point of view of organization hierarchy such as regular employees, leader

Figure 5 future direction of recruitment



in the workplace (lower-level managers), and so forth. The other items are those from job title viewpoint such as R&D, production, sales, and back-office sections. As a result of counting, more than half of medium-sized firms are planning to increase lower-level human resources such as general employees and leader in the workplace. Meanwhile, more than half of medium-sized firms are planning to increase human resources of R&D (Figure 5), which means they need to hire engineers and technicians. These results might suggest that there is a kind of dark past. For instance, the aftermath of the bubbles burst, the practice of drastic streamlining plan, the loss of talented organizational members, and so forth, are raised. Nonetheless, as these results indicate (Figure 5), most medium-sized firms stand at to strengthen the bottom of organizations mainly because the primary source of organization power is lower-level organizational members.

The future direction of employee satisfaction measures

Many ES measures to motivate organizational members have hitherto been introduced, practiced, and managed. As I mentioned before, the purpose here is to reveal the future direction of ES measures and policies. However, it might be impossible to take up all ES measures and policies. Thus, relatively common 25 items in Japanese HRM systems were em-

Table 4 summary of ES measures

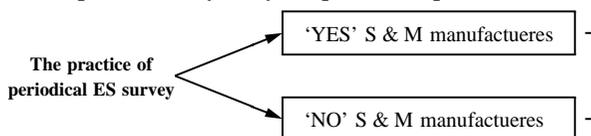
	factor 1	factor 2	factor 3	factor 4	factor 5	factor 6	factor 7	factor 8
	respect for the individual	opportunity of exertion of KSA	strengthening of formal communication	respect for the individual 2	fulfilling education & training and welfare	monetary incentives	informal communication	free working condition
q_24	0.62							
q_28	0.62							
q_27	0.60							
q_26	0.58							
q_41	0.56							
q_25	0.50							
q_30	0.45							
q_20		0.80						
q_21		0.76						
q_19		0.66						
q_17			0.82					
q_18			0.72					
q_31			0.45					
q_37				0.63				
q_36				0.61				
q_39				0.60				
q_38				0.58				
q_33					0.83			
q_32					0.63			
q_35						0.81		
q_34						0.54		
q_29							0.83	
q_22							0.49	
q_40								0.77
q_23								0.42
eigenvalue	6.14	1.77	1.66	1.47	1.35	1.28	1.16	1.02
cumulative proportion	24.57	31.68	38.34	44.22	49.61	54.73	59.36	63.44

ployed.

In order to summarize ES items, a principal factor analysis with varimax rotation was done. For a simplification of factor structure, varimax rotation was performed. And, its measure that an eigenvalue should be more than 1 and factor loading be more than 0.5 was employed. Accordingly, eight factors were abstracted (Table 4). Moreover, a standard factor score was calculated to use the next comparative analysis. Abstracted eight factors were ad referendum named as Table 4 shows. In the following, from the viewpoint of ‘periodical practice of in-house ES survey’, the future direction of ES measures was analyzed. That is because the statistical tests did not show any significances from the stand points of scale, industry, and so forth.

In Figure 6, medium-sized firms, which practice periodical ES survey, relatively value five factors which indicated significant difference as a

Figure 6 comparative analyses by the practice of periodical ES survey



Factor		t values (df)	p-values (2-tailed test)
factor 1	respect for the individual	-1.75(166)	p<.10
factor 2	opportunity of exertion of KSA	-2.38(119)	p<.05
factor 3	strengthening of formal communication	-2.55(119)	p<.01
factor 4	respect for the individual 2	-0.62(121)	n.s.
factor 5	fulfilling education & training and welfare	-1.51(120)	n.s.
factor 6	monetary incentives	-2.44(118)	p<.05
factor 7	informal communication	-0.63(121)	n.s.
factor 8	free working condition	-2.11(118)	p<.05

result of ANOVA. Especially, ‘strengthening of formal communication (factor 3)’ indicate a stronger difference than others. Thoroughness of information sharing based on interpersonal communication is stressed and would be continued. On the basis of ‘factor 3’, medium-sized firms that practice periodical ES survey would earnestly engage on remodeling ES measures either to motivate organizational members maximally or to attempt to know their organizational members inside out. In other words, reconsideration of the current communication channels might be key to overturn the status quo.

IV. Summary

Main objective in this research is exploratively to reveal medium-sized firms’ HRM strategic intent and/or the future direction of HRM systems from three perspectives: future personnel management, future recruitment, and future emphasis points based on ES measures. The implications based on a series of analyses can be summarized as follows.

First of all, from the viewpoint of ‘long-term’, most medium-sized firms have positively begun to tackle a wide range of HR issues. Seemingly, as if again in that moment, HRM in the high-growth period (1960-1975) in Japan, the results of this survey suggest. That is mainly because three aspects, which are long-term employment, strengthening of new recruits, and long-term oriented employee evaluation, imply that medium-sized firms frame of reference turn almost 180 degree.

Second of all, regarding future direction of recruitment, medium-sized firms emphasize on their organization power again and aspire to strengthen it. This trend would undoubtedly be continued and changed due to a variety of institutional settings. Notably, in the hereafter, human

resources needed by medium-sized firms are not top management and middle management but lower-level management and employees on the shop-floor who are close to production activities and customers and forge the wave of the future of medium-sized firms.

Thirdly, even though most ES measures are valued, these are absolutely secondary matter for medium-sized firms. Some medium-sized firms have currently come up with a variety of ES measures. On the other hand, about a half of medium-sized firms do not and will not. Approximately a half of them do not practice in-house ES survey periodically due to the high cost. Regarding this reason, further investigations into details is required besides it. However, as a result of a series of analyses, it has discovered that the strengthening of information sharing based on interpersonal communication is significantly stressed and would be continued in the short hereafter.

Lastly, organizational members are 'core being' of management resources to develop organizations' business activities. Especially, in order to adapt rapidly to changing institutional settings, most medium-sized firms need to create and understand their own HRM mechanism systematically which are supposed to be convincing one for both their organizations and their members if at any time most organizations restructure traditional internal environment such as business deployment, organizational architecture, personnel management, and so on.

References

Asahi Research Institute (2002). *Chushokigyō keiei doukouchōsa* (survey of management of medium and small businesses).

Human Resource Management Strategy of Medium-sized Firms in Japan

- Boselie, P., Paauwe, J., & Jansen, P. (2001). 'Human Resource Management and Performance: Lessons from the Netherlands', *Int. J. of Human Resource Management*, vol. 12, no. 7, pp. 1107-1125.
- 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*, vol. 39, no. 4, pp. 802-835.
- Dimaggio, P. J. & Powell, W. W. (1983). 'The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields', *American Sociological Review*, vol. 48, pp. 147-160.
- Huselid, M. A. (1995). 'The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance' *Academy of Management Journal*, vol. 38, no. 3, pp. 635-672.
- Ichniowski, C. & Shaw, K. (1999). 'The Effects of Human Resource Management Systems on Economic Performance: An International Comparison of U. S. and Japanese Plants', *Management Science*, vol. 45, no. 5, pp. 704-721.
- Japan Institute of Life Insurance (1998). *Kigyō no fukurikōsei nikansurūcyōsa* (survey of welfare in Japanese firms).
- Koch, M. J. & McGrath, R. G. (1996). 'Improving Labor Productivity: Human Resource Management Policies Do Matter', *Strategic Management Journal*, vol. 17, pp. 335-354.
- METI (2005). *Chushokigyō no kakaeru jinzaiondai enotaiou* (Medium-sized firms labour issues) (<http://www.chusho.meti.go.jp/koukai/shingikai/download/051005shiryō5.pdf>).
- Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2000). *Human Resource Management*, Irwin McGraw Hill.
- Paauwe, J. (2004). *HRM and Performance*, Oxford University Press.
- Pfeffer, J. (1994). *Competitive Advantage through People*, Harvard Business School Press.
- Saruta, M. (2000). 'Medium-sized firms' Labour Problems', *The Journal of Ohara Institute for Social Research*, no. 504, pp. 17-33.
- Segev, E. (1989). 'A Systematic Comparative Analysis and Syntheses of Two Business-level Strategic Typologies', *Strategic Management Journal*, vol. 10, pp. 487-505.
- Small and Medium Enterprise Agency (2005). *White Paper on Small and Medium*

Enterprises in Japan 2005.

Small and Medium Enterprise Agency (2006). *White Paper on Small and Medium Enterprises in Japan 2006.*

Small and Medium Enterprise Agency (2007). *White Paper on Small and Medium Enterprises in Japan 2007*'.

Suzuki, H. (2006). 'The Changing Models of Human Resource Management in Japanese Firms: A Long-Term View', in Haak, R. (eds.) *The Changing Structure of Labour in Japan.*

Takahashi, N. (2004). *Kyomou-no-Seikasyugi*. Japan. Nikkei BP.

Watanabe, Y., Ogawa, M., Kurose, N. and Mukoyama, M. (2006). *Small and Medium-sized Enterprises in the 21st Century*, Yuhikaku.

Wright, P. M. & McMahan, G. C. (1992). 'Theoretical Perspectives for Strategic Human Resource Management', *Journal of Management*, vol. 18, no. 2, pp. 295-320.