



UNIVERSITY OF GOTHENBURG

# The myth of HR strategizing

---

Analyzing Strategic Human Resource  
Management as global practice and local praxis

Linnéa Eldemark, 870922-0324

2013-06-04

Master Thesis in Strategic Human Resource Management and Labour Relations  
Spring semester 2013  
Faculty of Social Sciences  
Supervisor: Fredrik Lavén

## Table of contents

Abstract .....	2
Keywords .....	2
1. Introduction.....	3
1.2 Objectives and research questions .....	5
2. Previous research of SHRM .....	6
2.1 SHRM within Sweden .....	8
2.2 SHRM within USA .....	9
3. Theoretical framework.....	9
3.1 Strategy-as-Practice.....	9
3.2 Institutional theory.....	11
3.2.1 Linking Institutional theory and SaP .....	13
4. Method .....	14
4.1 Research design.....	14
4.2 Empirical data .....	14
4.3 Empirical analysis and theoretical framework .....	16
5. Results .....	17
5.1 The idea of strategic HR .....	17
5.2 The praxis of HR strategizing .....	20
5.2.1 Handling consequences of Business Strategies.....	21
5.2.2 Giving input on Business Strategies .....	22
5.2.3 Developing Business Strategies.....	22
6. Analysis.....	24
7. Conclusions and implications .....	27
7.1 Research limitations .....	29
8. References.....	30

## **Abstract**

The idea of Strategic Human Resource Management (SHRM), to combine HR strategizing with business strategizing in order to increase organizational performance, is today generally accepted and many organizations have transformed their HR organization from support functions into business partners. However, critical voices are questioning the actual success of the transformation and claim that HR still struggle to contribute with valuable strategic input. The aim of this study was to apply a Strategy-as-Practice (SaP) approach towards HR strategizing and investigate if, how, when and why HR practitioners are involved in strategic activities in order to question the “myth” of SHRM and getting closer to the actual praxis of HR strategizing. By interviewing HR practitioners in USA and Sweden, the study investigates how global ideas of SHRM translate into local activities and result in a variation of strategizing activities within different contexts. Based on SaP and institutional theory as theoretical frameworks, this study suggests that HR practitioners act in a setting where the idea of SHRM is institutionalized and accepted but the actual HR strategizing activities are still more or less marginalized from business settings. HR practitioners are to some extent fighting to legitimize their role as important strategic contributors which have direct impact on quality of HR strategizing activities and indirect on organizations competitive advantage. The study suggests a need for organizations to look beyond the myth of HR strategizing in order to create the right contextual factors that enhance optimal use of SHRM.

## **Keywords**

Strategic Human Resource Management, Globalization, HR transformation, Strategy-as-Practice, Institutional theory

## 1. Introduction

*“One must bear in mind that one-half of organizations won't believe the connection between how they manage their people and the profits they earn. One-half of those who do see the connection will do what many organizations have done- try to make a single change to solve their problems, not realizing that the effective management of people requires a more comprehensive and systematic approach. Of the firms that make comprehensive changes, probably only about one-half will persist with their practices long enough to actually derive economic benefits. Since one-half times one-half times one-half equals one-eighth, at best 12 percent of organizations will actually do what is required to build profits by putting people first.” (Pfeffer & Veiga, 1999, p.37)*

The quotation above, illustrating the aim and challenge of Strategic Human Resource Management (SHRM), was the inspirational source for this study. It was written in 1999; however, almost 15 years later it still feels up to date since SHRM continue the struggle to legitimize its role. Even though an enormous amount of research has been done supporting the positive effects from SHRM (e.g. Paauwe & Boselie, 2003; Collins & Smith, 2006; Siew, Halim & Keng-Howe, 2010), other results indicates that only a few organizations are actually managing their human resources coherent with how they are talking about it; as their most important asset (e.g. Vernon, 2004; Lawler III & Boudreau, 2009; Reilly, 2012). This study is aiming to explore the tension between the idea of SHRM, which is the source for organizational statements like “employees are our most important asset”, and the actual activities connected to this.

Today's globalized world has led to increased competition among companies with consequences for how human resources within companies are considered and managed. Free trade zones, reduced global transportation costs and technology advancements are some of the forces that facilitate globalization and causes firms to search for new sources of competitive advantage (Friedman, 2007). Here, HRM is playing a key role when the view of employees is transforming from a source of cost to a source of organizational success (Siew et al, 2010). Research shows that the degree of globalization is positively related to the degree of SHRM implemented within organizations, suggesting that global companies have incorporated a more strategic approach to the management of employees (ibid.). Another factor contributing to the rise of SHRM is the shift from labour-based organizations to knowledge based organizations which requires a new way to manage employees. An example is technological-

based firms where the only source for competitive advantage is the knowledge and innovations developed by their human resources (Collins et al, 2006). Today's knowledge based economy together with the increased globalization has led to numerous studies about human capital as a key strategic resource. Finding the right talents, motivating talents to stay and implement the right type of HRM practices that encourage high performance (among other aspects) has been proven to be critical for the competitive advantage of a firm (Paauwe, 2003; Collins et al, 2006; Siew et al., 2010).

One popular aspect related to the idea of SRHM has been to transform the HR-organization from pure administrative functions to more strategic and business oriented roles (Helen et al., 2005; Friedman, 2007; Berglund & Bergström, 2012). In 1997, the "HR-guru" Dave Ulrich presented a model for reorganizing the HR function which would transform HR from an isolated support function into a more efficient, more centralized and more business oriented function (Ulrich, 1997). His ideas have become known as "the Ulrich-effect" since they spread across the globe and have influenced many HR practitioners and business leaders in their way of handling HRM (Berglund et al, 2012). Brewster, Sparrow & Harris (2005) argue that the Ulrich-model is just one of many USA-originated HRM practices that have been commonly accepted around the world. Sweden and USA are interesting examples to use when investigating the trend towards global best practices, it provides us with opportunities to compare Sweden's HRM tradition of employee perspective, high state regulation, high union influence and welfare value system, with the American HRM tradition of managerial perspective with low state regulation, low union influence and capitalistic value system (Pieper, 1990; Kirkbride, 1994; Berglund, 2002; Adlercreutz & Mulder, 2007; Berglund et al, 2012). The countries are two very different contexts in which HRM operates, but even so the same type of best practice is implemented.

However, the actual results of the "HR transformation" are under debate. Some researchers describe how low level of strategic thinking and low business skills are leading to an unclear strategic contribution from HR (e.g. Rothwell & Prescott, 2010; Goodge, 2010, Lawler III & Mohrman, 2003), whereas other voices argue that unwillingness from top-management to include HR in strategic decisions is making HR struggle to become accepted as business partners (Reilly, 2012; Vernon, 2004). Lawler III & Boudreau (2009) report that the time HR-practitioners are spending on strategic issues is not more today than 20 years ago, which raises some concerns regarding what strategic HR practitioners actually do in today's organization. In what sense is HRM involved in strategic discussions and development of

business plans? Could the idea of SHRM be decoupled from its related activities? Based on the assumption that successful management of human resources is a critical source for competitive advantage, I suggest a change of focus from looking into the organization of HRM to investigate the actual activities of HR practitioners. By investigating how the idea of SHRM has travelled across borders from USA to a very distinctively different country like Sweden (in regards of HRM traditions), this research attempts to explain why previous researchers experience a tension between the idea of SHRM and the praxis of SHRM. Based on Strategy-As-Practice (SaP) and institutional theory as theoretical frameworks, this study presents interesting results; suggesting that HR practitioners act in a setting where the idea of SHRM is institutionalized and legitimized, but even so they are to some extent still fighting to legitimize their role as important strategic contributors which might have direct impact on quality of HR strategizing activities.

## 1.2 Objectives and research questions

This is a study of how HR practitioners carry through strategic HR activities, with the aim to understand different ways of strategizing within HR and the consequences this might have on the overall strategizing within organizations. I will analyse if, how, when and why HR practitioners are involved in strategic activities in order to discuss different connections to business and the implications this might have on the competitive advantage of a firm. The study is partly based on the Strategy-as-Practice framework presented by Whittington (2006) which allows me to identify *the practitioners*, who are doing HR strategy; *the praxis*, what activities are involved in strategic HR; and *the practice*, the strategic HR discourse and context surrounding HR practitioners. The aim is to understand how the three elements of practice, praxis and practitioner cohere in the production of HR strategies and in shaping the role of HR practitioners. Due to the spread of best practices within SHRM from USA to other parts of the world, this study compares HR strategizing within USA and Sweden; two very diverse countries in regards of state regulation, union influence and tradition of HR practices (Pieper, 1990; Kirkbride, 1994; Adlercreutz & Mulder, 2007). The purpose is to further understand how a global idea like SHRM is expressed in local practices, and how institutional forces like isomorphism and decoupling can explain the relation between what is said (the practice) and what is done (the praxis). The study will therefore also be based on institutional theory as a second theoretical framework.

My main research question is: How do HR practitioners strategize? This contains following three sub-questions:

- How do HR practitioners define strategic work?
- How are HR practitioners involved in strategic activities?
- What is the relationship between the global idea of SHRM and local praxis of HR strategizing within USA and Sweden?

This paper starts by reviewing earlier research within the area of SHRM, Strategy-as-Practice and Institutional theory. A short introduction to the context of SHRM in Sweden and USA are included in this section. Next, the methodological approach, research design and theoretical framework are presented. The results are then described, and finally an analytical discussion are followed which end with theoretical and practical conclusions.

## **2. Previous research of SHRM**

Strategic Human Resource Management (SHRM) has been defined as all HR strategies adopted by business units in order to enhance organizational performance (Boxall & Purcell, 2007). It is a macro-organizational view of the combined HRM processes, instead of looking at individual HR practices such as recruitment or compensation, and can be described as the pattern of human activities and behaviours helping to fulfil business goals (Wright & McMahan, 1992). Based on this background, the field of HRM has gone through major worldwide changes in the recent 20 years. Due to a perceived need to connect business strategy and HR strategy, HR has started to move from an activity-focused to a strategy-focused function (Rothwell et al, 2010). The reason for this could mainly be found in the increased globalization and knowledge-based economy, where human aspects of the firm have been proven to be key strategic assets (Paauwe et al., 2003; Collins et al., 2006; Siew et al., 2010). One important person related to the development of SHRM is Dave Ulrich who wrote his first book in 1997 related to the subject. In *Human Resource Champions* Ulrich explains the importance for HR to create value and deliver results, rather than performing one activity after another (Ulrich, 1997). He wishes HR to transform from administrators to business partners in order to achieve a high status profession that helps organizations increase profit. Based on Ulrich ideas, the so called “HR-transformation” became popular which divided the HR function into three different parts: the Human Resource Business Partner (HRBP), the Centre of Excellence, and the Shared Service Organization (Rothwell et al, 2010). As a result, a number of new roles and functions within HRM developed and many of

them had a clear business- and strategic approach. The purpose was, as argued by Ulrich, to contribute with strategic input on how to increase organizational performance from a HR point of view (Goodge 2010; Lawler III et al, 2003). Researchers criticize Ulrich's normative way of developing best practices that promise to give results independent of context (e.g Berglund et al, 2012; Boglind, Hällsten & Thilander 2011; Vernon, 2004). They argue that the transformation has not led to any substantial improvements neither for the organization nor for the HR practitioners (ibid). Despite this, his model has become world famous and is commonly used all over the globe. Therefore, it is of importance to consider when discussing the development of SHRM. Also, the Ulrich-model is a good example of best practices within HRM travelling from USA to other parts of the world, including Sweden where his ideas gained great attention (Boglind, et al, 2011).

Since Ulrich first book in 1997, a great deal of research has been written regarding what strategic HR *should do* (i.e. the purpose of SHRM), but often disregarding what strategic HR *actually is doing* (Lawler III et al, 2003). The actual activity performed by HR-strategists is very seldom in focus, e.g. how much time that is spend on strategic planning, how the planning is done and how the strategic plan is communicated. Results show that not much has changed in how HR distribute the time between activities from mid-90s to mid-00s (Lawler III et al, 2009). No actual change is found regarding the involvement in strategic decision making, which indicates that HR does not spend more time on strategic activities or has more strategic influence after the HR transformation than before (ibid). According to Rothwell et al. (2010), the HR function is still at the end of the business chain and HR practitioners are involved in implementing completed strategies instead of being involved in the strategic discussions from the start.

Many researcher agree that the strategic role of HR is unclear and contains various shortcomings (Boglind et al, 2011; Rothwell et al, 2010; Goodge 2010, Lawler III et al, 2003, etc.), with result that HRM does not provide the value that is expected from a business partner. Goodge (2010) explains that the reason why the HR-transformation has not succeeded in transforming HR into a strategic business partner is because the most important step, to deliver strategic interventions and commercial results, is something that only a few HR departments have managed. Goodge separates the "efficiency journey", which is the administrative transformation of the HR function, from the "next generation journey", which is HR thinking at a new strategic level with business focus. In other words, the majority of HR practitioners are not actually working strategically (yet) according to Goodge. Rothwell et al.

(2010) explain that there are five reasons why strategic HR is suffering from this reputation: lack of business- and strategic skills, lack of leadership ability, too much reactive work (instead of proactive), lack of change management skills, and too much best practice solutions (instead of considering suitable solutions for the unique organization). The fault is thereby said to be HR's own. Other studies conclude that the form of strategic input is often not defined, combined with an absence of top-management support, which makes it hard for leaders within HR to make a relevant contribution (Reilly, 2012; Vernon, 2004). These kinds of results suggest a more complex picture where the context matters more than the person involved in strategic activities.

## 2.1 SHRM within Sweden

By comparing HR strategizing in USA and Sweden, we can develop our understanding of SHRM as a global phenomenon that allows best practices to travel from one context to another. The large differences between the countries tradition of HRM, described next, is an interesting base for analysing how the global idea of SRHM has been translated among local HR practitioners.

In Sweden, the role of HR (or *personalarbete*) has always been connected to employment relations and “softer” issues within the organization (Berglund, 2002). The origin is from socio-political movements which aim was to decrease social injustice and increase employee democracy in the work place (ibid). It was not until the 80s as the concept of Human Resource Management was introduced from USA and a managerial perspective with strategic focus developed. During the 80s and 90s the popularity of Strategic HRM grew and practitioners started to use a more business oriented approach (ibid). Even so, HR practitioners are today still struggling to resign from pure administrative roles (ibid). Union related concerns are also still a very important task for personnel specialists in Sweden. As an example, since the co-determination act and employment protection act was founded in the 70s, personnel specialist are involved in regularly union negotiations and keeping an on-going conversation regarding organizational changes and employee related concerns such as salary and education (Adlercreutz & Mulder, 2007). High numbers of union members in combination with high state regulation, Swedish companies have a restricted autonomy and a narrower choice of HRM practices compared to USA (Kirkbride, 1994). Companies must for instance have an equal opportunities plan according to the law, and employee lay-offs are strictly handled according to a first in-last out system (Adlercreutz et al, 2007).

## **2.2 SHRM within USA**

In USA, a managerial perspective of HRM was taken from the starting point of the field (Berglund & Bergström, 2012). The term “Human Resource Management” was introduced in 1958 by Bakke who were asking for a more strategic view of HR, but it was not until the 70s that the term became more popular and during the 80s the strategic aspects of HR started to blossom (ibid.). High Commitment- and High Involvement work systems developed, but behaviouristic psychology with roots from scientific management was and is still important today in USA (Pieper, 1990). Labour laws in America are individualistic and reflect a capitalistic value system with no laws regarding codetermination or workers councils (ibid). American labour unions have accepted the rules of a free market economy, and have a long tradition of business unionism (ibid). Because of a weak governmental social security system, employers can offer paid leave, pension and insurance against illness as a benefit package in order to attract employees, but it is voluntary (ibid). Even though large differences from Swedish traditions of HRM, American HR-practitioners also struggle to gain status as a strategic business partner due to a long history of administrative work tasks and low influence regarding organizational management (Lawler et al, 2003).

## **3. Theoretical framework**

### **3.1 Strategy-as-Practice**

Based on the previous section of earlier research within SHRM, it is clear that a lot of focus is put on how to organize HR and who the right person to handle strategic HR questions is, but the actual activities involved in HR strategizing is getting little or no attention. Applying a practice oriented approach to SHRM allows us to open up for new insights about the situation in which HR strategies are developed, implemented and used, which can deepen our knowledge about the role of HR practitioners, their strategizing activities and the context in which they interact. The following section will review the Strategy-as-Practice framework and discuss how this might be used in order to analyse the field of SHRM.

A practice oriented approach towards strategy has been developed during the last ten years as a reaction to the rationalist and objective approach that has dominated within strategy research (e.g. Whittington 1996, Jarzabkowski & Spee 2009, Hendry 2000). Historically, frameworks and matrices have been used in order to describe the quality of strategies and thereby explaining the success or failure of strategic initiatives (ibid). Often, the focus within this tradition is on decisions made by top-management and the linear activities that are followed

from the top and down of the organization (Johnson, Melin & Whittington, 2003). These kinds of micro-economic traditions in combination with macro-level focus of firms have not given any room for human actions when discussing strategies (Jarzabkowski, Balogun & Seidl, 2007). Therefore, Strategy-as-Practice (SaP) theorists stress that strategy researchers should use sociological theories, instead of economic theories and clean models, in order to analyse the “messy” reality of strategy making (Jarzabkowski & Whittington, 2008).

SaP theorists consider strategies as something organizations do instead of something that they have. The focus is on the doing of strategy making; who is making strategy, what do they do, how do they do it and what tools do they use (Jarzabkowski & Spee, 2009). SaP research considers strategies as a consequence of human behaviour embedded within a web of social practices (Vaara & Whittington, 2012), and can therefore be considered as an effort to humanize management. Johnson et al. (2003) use the word *strategizing* when explaining the doing of strategies, and how human actions shape strategic activities and its outcomes. A recent study by Hendry, Kiel & Nicholson (2010) develops this concept further by addressing the behavioural dynamics of board members and discusses how *procedural strategizing* and *interactive strategizing* affect strategic decision making in different ways. While the first one is based on formal administrative activities and established hierarchies, the latter is based on face-to-face interactions and involvement outside the top management.

Whittington (2006) contributes with another important aspect of SaP; the integration of macro- and micro-level contexts. He argues that research within strategy needs to adapt an integrated view that combines both intra-organizational activity and extra-organizational influences when discussing the practice of strategy. As an example, he refers to a practice-oriented study that investigates how strategies as a social phenomenon change the actions, behaviours and self-understandings of managers. Jarzabkowski (2004) explains how management tools and strategic techniques arise from a mix of different discourses within industry, academia and the press. Applied to my research, the practice of HR-strategy can be understood as a result of what HR practitioners learn in University, what they read in HR-magazines and the routines that they are thought in the workplace. Some of these practices can become institutionalized through different social events and thereby win legitimacy as “the natural” way of doing strategy (Jarzabkowski, 2004). The Ulrich-model is an example of this kind of best practice.

Since practice theory is in between a micro and macro perspective, it allows the researcher to consider the greater society when studying individuals, but also consider individual actions when studying social fields (Whittington, 2006). Whittington explains this through the terms of *practice*, *praxis* and *practitioner*. He defines practice as a social field or a system that consists of shared understandings, cultural rules and procedures. More specifically, he argues that strategy practices is a mix between internal practices such as company culture, organizational structures and routines; and external practices such as norms, institutions and industries. Praxis is the actual description of how things are done within a practice, i.e. the activity that humans are involved in (e.g. Jarzabkowski et al., 2007; Whittington, 2006). Strategy praxis is the internal work required for making strategy and getting it implemented, e.g. power point presentations, annual reviews and strategic workshops (Jarzabkowski et al. 2007). Whittington (2006) describes the practitioner as the individual that is involved in this certain activity, and which results depends on the person's skills and motivation. Jarzabkowski et al. (2007) explains this further by stressing that individuals are active agents in the survival and development of certain practices; individual's experiences, cognitive skills and emotions in combination with a unique context will create a certain choice of action that will affect the activity of strategizing.

Whittington (2006) argues that it is impossible to separate the practice (the field), the praxis (the activity) and the practitioner (the person); instead these three concepts are connected in an interrelationship in which all three parameters affect each other in a dualistic way. For instance, external strategic trends influence internal strategy management; internal strategic procedures form the identity and role of the practitioner; new strategic trends evolve from influential practitioners, etc. The ideas developed by Whittington will guide my interpretation of how individual HR practitioners experience the praxis of strategizing, and connect their experiences to the broader phenomenon of strategy practices within the society and within the field of SHRM. As suggested by Whittington (2006), the practitioner will be seen as the critical connection between praxis and practice. By applying a SaP perspective on SHRM, I wish to challenge the expectations arrived from best practices such as the Ulrich-model and highlight the reality described by HR practitioners themselves.

### **3.2 Institutional theory**

In order to understand the context in which HR practitioners strategize, I would like to add yet another theoretical framework for this study. Institutional theory can help us understand organizations as institutions which are striving to gain legitimacy and social confirmation, and

in which actors are highly controlled by formal and informal rules and norms. This, I argue, will affect the practice, praxis and practitioners of HR strategizing. Institutions can also be included in the concept of extra-organizational influences described by Whittington (2006), which makes it highly relevant in relation to SaP.

According to institutional theorists, all organizations are embedded within social contexts and relational networks that include rules, norms and structures implying how to behave and not to behave (Oliver, 1997; Paauwe & Boselie, 2003). This can be directly connected to the concept of practice described by Whittington (2006). As a way to gain legitimacy and being seen as trustworthy, organizations tend to conform to norms and traditions of their surrounding environment, and organizational practices can therefore be seen as a direct response to institutional pressure and social expectations (Paauwe & Boselie, 2003). Institutional theory explains how different units within a population are trying to resemble one another, a process called *isomorphism* (DiMaggio & Powell, 1983), which results in the same type of organizational practices, structures and activities for firms operating within the same field. It is suggested that this type of conformity to social expectations actually increases an organizations chances of survival, since it leads to acceptance among actors operating within a field which is essential for competitive advantage (Oliver, 1997). However, the decisions made by responding to social pressure such as norms, laws, industry standards etc. might not be the most efficient. Oliver (1997) argues that managers often make *normatively rational choices* based on “social judgment, historical limitations and the inertial force of habit” (p.706), but these choices might not be the most efficient if you consider economic rationality. Altogether, normatively decision-making and isomorphism pressure affect firm heterogeneity and create organization that acts and reason in a similar way. This type of firm homogeneity can be helpful when understanding how HR practices are becoming more and more similar, and why ideas such as the Ulrich-model have been able to spread across borders.

New institutional theorists developed these thoughts further, and argue that isomorphism is more complex than earlier suggested. Even though organizations tend to act in a similar way due to social pressure, all ideas moving from one space or time to another always goes through a *translation process*. Czarniawska and Sevón (1996) explain how “myriads of ideas floating in the translocal organizational thought-world” (p.16) travels, translates and materializes from one actor to the next. This is a process of translation meaning that organizations do not just accept or reject an idea, but contextualize the idea through the hands of humans who can add, modify, interpret or betray the original idea (Czarniawska & Sevón,

1996). Through the hand of individual practitioners (connected to the ideas of Whittington), all ideas that travel from one context to another always change and result in different organizational activities. However, all new ideas demand a successful translation process, meaning that the actors perceive the new idea as taken-for-granted-knowledge, and it thereby becomes institutionalized within the new environment (ibid).

Another way to explain institutionalization of new ideas is made by Meyer and Rowan (1977), who use the concepts of “fashion” and “myth” as a synonym to new ideas or trends that emerges within field. Organizations build their formal structure based on institutional myths, which fashion is a part of, and these formal structures are only a way to identify social purposes and specify rules for organizational behavior. Formal structures, which include an organization’s department, programs, policies, goals and a rational theory about how these are linked together with activities, are always taken for granted for the involved actors (Meyer & Rowan, 1977). However, the actual work activities do not often fit with the formal structure. By *decoupling* formal structure and work activities, organizations can act according to institutional myths and thereby confirm to collective values which enhance legitimacy, and in the same time preserve their own unique activities that might vary due to practical reasons (ibid). Decoupling can be explained as way to neutralize complex strategies, e.g. only implement one part of a new strategy in order to make business run as usual, and Meyer and Rowan can thereby explain how organizations tend to be similar in their formal structures (which includes the use of certain trends, ideas and rhetoric) but may show much diversity in their actual activities.

### **3.2.1 Linking Institutional theory and SaP**

As implied in previous section, there are many connections between Institutional theory and SaP e.g. investigating how norms and structures affect human behavior and work activities. When organizations experience a difference between what is said about strategies (the practice) and what is done about strategies (the praxis), this is a clear example of decoupling. The process of translation is a strategizing activity which results in different ideas being perceived as legitimize, which affect the practice. Different practitioners have more or less impact on the translation process, and some are able to legitimize new ideas in a greater extent than others. Nevertheless, decoupling allows ideas (practices) to be translated without actually affecting the praxis. These links will be discussed further in the analysis.

## 4. Method

This section will present the methodological aspects of the study; its research design and empirical material, information about the interview, interviewees and related ethical considerations, and last description of the empirical analysis with its applied theoretical framework.

### 4.1 Research design

The purpose of the research is to investigate how HR practitioners within USA and Sweden are involved in strategic activities, with aim to understand different ways of strategizing within HR. Since I am interested in how, when and why HR practitioners do HR strategizing, an area which is relatively unexplored, a qualitative study with explorative focus is preferred which will allow me to get in-depth information and investigate the phenomenon with a free mind (Rosengren & Arvidsson, 2005). As explained by Whittington (2007), SaP theorists should use “a sociological eye” in order to study what it really means to work with strategies, and most therefore allow surprises or unexpected connections. The empirical material consists of in-depth interviews with 12 HR practitioners; six in Sweden and six in USA. Since practice theory is in between a micro and macro perspective (Whittington, 2006), it helped me to see the relationship between the person, the activities and the wider context as discussed by Whittington. Through the lens of SaP, I identified individual HR practitioner’s experiences regarding strategizing and connected their experiences to broader strategic phenomenon within the society and within the field of HR. A limitation of this method is that I do not have data on accounts of activities, i.e. no observations of activities were carried out, which is what most SaP researchers use for analysis. Instead the semi-structured interviews were aiming to bring more detailed results regarding how HR strategizing could look like through the stories of HR practitioners own examples and explanations. While SaP was used as base for the research design and the organization of results, institutional theory was added as analysing tool when understanding and interpreting the results.

### 4.2 Empirical data

The interviewees were chosen based on a convenience sample (Bryman & Bell, 2007). I used social networks, e.g. LinkedIn, Society of Human Resources in Sweden (*Sveriges HR Förening*) and Society for Human Resource Management in America, in order to contact practitioners within HR and ask for their interest to participate in the study. I choose persons who expressed working with HR strategic questions in their personal presentation, and were clear in my request that the questions would evolve around strategic aspects of HR so that the

person could turn down the invitation if this did not fit into their role profile. I did not chose interviewees based on size or type of organization, instead I sent requests to a broad spectrum of HR practitioners. I was looking for different types of participants with varying angels of SRHM which served my purpose of investigating SHRM as a general phenomenon. I also chose participants with longer experience within the area, since they assumable could provide personal thoughts about SHRM both before and after the “HR transformation”.

All interviews except two took place in a meeting room at the interviewee’s company, the two outstanding was held in a cafeteria due to convenience of the interviewee. All meetings averaged about one hour each and were recorded except two who did not approve for this; the recorded interviews were transcribed whereas the non-recorded interviews were made with detailed notes during and after the meeting. Semi-structured interviews were used based on an interview-guide including different topics (background, the role, strategic activities, the context, the future) and suggested questions. However, the interviewees decided the tempo and focus since it were their experiences of a theme that matters, i.e. qualitative interviewing technique (Bryman & Bell, 2007). The focus was regarding the praxis of strategy, i.e. streams of strategic activities; how, when and where HR practitioners express themselves as involved in the production of strategies (Jarzabkowski et al, 2009), and how they perceive their role and purpose of SHRM. During the interviews, I allowed the interviewees to talk freely about their daily activities in order to understand their personal opinion regarding what strategic HR involves for them.

Both the interviewees and the companies are completely confidential due to ethical reasons, since strategic activities and personal experiences are discussed during the interviews. The recordings were not made available for anyone except me, all transcriptions were made anonymous and no name could be read in the data. The results are written in a way that does not reveal who the quotations belong to. The table below summarize country, industry, role and gender of the 12 HR practitioners.

Country	Industry	Role	Gender	Nr
Sweden	Banking	Head of HR	Male	1
Sweden	Government	HR director	Female	2
Sweden	Housing agency	HR director	Female	3
Sweden	Manufacturing	HR Business Partner	Female	4
Sweden	Government	HR strategist	Female	5
Sweden	Banking	Head of HR	Female	6
USA	IT	V.P Human Resources	Male	7
USA	IT	V.P Human Resources	Female	8
USA	Biotech	Senior HR manager	Female	9
USA	Retail	Head of International HR	Male	10
USA	IT	Head of Platform	Male	11
USA	Government	Senior HR manager	Female	12

### 4.3 Empirical analysis and theoretical framework

The study was based on an inductive approach which implies that the purpose was not to confirm or reject a hypothesis based on theory, but to have an explorative approach that did not take guidance from theory when collecting the data (Bryman & Bell, 2007). However, since no researcher starts with a tabula rasa (especially me who explicitly wanted to organize the empirical data based on SaP), the study could be referred to as semi-inductive. Thematic analysis was applied as methodology for organizing the results; starting by generating initial codes of the transcribed material (e.g. “Important with business knowledge”), continuing with dividing the codes into categories in order to detect patterns (e.g. “New conditions for the profession”), and next relating categories with each other and reveal core themes (Braun & Clarke 2006). The data were compared in order to find similarities and differences among the HR practitioners’ stories, which resulted in two core themes: *The idea of Strategic HR* and

*The praxis of HR strategizing.* These results were then interpreted by using Whittington's SaP theoretical framework, and the core themes were described through the terms of practice, praxis and practitioner. Institutional theory was applied as theoretical framework in the analysis.

## 5. Results

The purpose of including HR practitioners from both USA and Sweden was to compare how the practice of HR strategizing is organized and perceived within the countries. However, no clear differences were found between the countries which made me consider SHRM as a global phenomenon. The research data indicates that a strongly developed global strategic HR practice exists within both countries, independent of traditional HR practices such as employee relations or compensation & benefits which have a very strong local establishment due to different laws and capitalistic systems. Nonetheless, the actual praxis of HR strategizing was not as coherent as the idea of HR strategizing among the interviewees. By using SaP as a way of organizing and interpreting my results, I can question the rhetoric of strategic HR used among both Swedish and American HR practitioners and getting closer to the actual praxis of HR strategizing. The following sections will explain the two core themes that emerged from the thematic analysis; *The idea of Strategic HR* versus *The praxis of HR strategizing*. The two themes reflect how the definition of strategic HR was quite similar among HR practitioners, but nonetheless the actual work involved in strategizing could look very different. Some were involved in pure HR related topics while other was more connected to the general business. This was not depending on how the HR practitioner defined strategic HR; rather the difference was if the person's actual activities were focused on managing HR strategies or managing business strategies.

### 5.1 The idea of strategic HR

Related to my research question regarding how HR practitioners define strategic work, I found that the definitions were quite similar. Definitions involved supporting the business: "*I think strategic HR is everything I do to support successful business growth or whatever the business is trying to do, cost optimization or something else*" (nr.8); running the business: "*The purpose of my role is to help the company run business, that's the overall goal*" (nr.7); and thinking proactively/foresighted: "*I think strategic HR is not being reacting, so you don't wait for things to be brought to you*" (nr.3). The shared perception among HR practitioners about what strategic HR is and should do, independent of the country context, is one main

finding in the data which I refer to as a strong global strategic HR practice. This contains common ideas and rhetoric about what HR strategizing involves and does not differ between interviewees from USA and Sweden. The same type of concepts, issues and references were brought up during the interviews, which often could be related to the HR transformation in one way or another. For instance, one Swedish HR Business Partner at a large manufacturing company describes how *“HR has really gotten higher on the management board’s agenda. [...] We have used the Ulrich-model when implementing the changes.”* (nr.4), and another Senior HR manager at a Biotech company in USA explains that *“HR was much more transactional back then. Today we have to be strategic to survive”* (nr.9). These two statements are examples of the expectation that HR has left administrative work tasks and transformed into a strategic business partner, which is included in the practice (the idea) of SHRM. The Ulrich-model is mentioned as a best practice to achieve this. In relation to the expected HR transformation, some raised concern regarding unwillingness among other HR practitioners to participate in strategic business discussions or the lack of skills among other HR practitioners. The head of HR at a Swedish bank describes: *“HR people love to be operational and do the crafting. If someone asks us if we want to be a part of making business plans, there are always those who say no”* (nr.1), and the V.P. Human Resources at an American IT company discuss the challenge of low business skills within HR: *“I think the challenge is that a lot of HR people are very good at HR, but they are not good at bringing HR answers to the business”* (nr.7). The idea of SHRM demands that HR practitioners leave their traditional, transactional areas in order to contribute with business value. As a result, those HR practitioners who do not appreciate the changes are seen as old fashioned or stubborn. The data indicates that even though the expectation of what strategic HR should do is homogeneous, there exist a number of HR practitioners who do not live up to these norms which is experienced as problematic.

The previous section was different examples of the global strategic HR discourse found within the data. Next, I will describe some problems related to legitimizing which is another important finding related to the idea of SHRM. Most of the HR practitioners experienced challenges of not being fully accepted by the business, which they talked about as a normal part of strategic HR. For instance, many interviewees felt that they were not really expected to have opinions about how to manage the business, or that they only were allowed to participate in business discussions if other allowed it. As the HR director of a Swedish housing agency states; *“Every time they discuss about downsizing the management team, you feel that okey,*

*now I'm gone. Since the others are economists it becomes a lot about just economic" (nr.3).* Another American V.P. Human resources at an IT company describes how she did not feel welcomed in business discussions at former employers; *"I have been in companies where the business doesn't accept that someone without an engineering background can have perspectives on how to run the business."*(nr.9). The HR practitioners did not like these types of situations, but still no one expressed opinions that this was wrong. A majority of the interviewees experienced or indicated that they needed to fight for legitimacy in order to get their voices heard in business settings; however, since no one questioned this I interpret the marginalization of HR practitioners within business settings as part of the SHRM practice. Since some of the interviewees' leaders or co-workers in management teams did not really expect HR to participate in business discussions on the same conditions as others, the mission for the HR practitioner was to sell, promote and lobby strategic HR related input. As the Head of HR at a Swedish bank states:

*"For me, working with HR is to sell new ideas or concepts because you can never just say, let's do this. You need to sell your ideas so that people realize that this is good, she wants to help us" (nr.1).*

The need to convince others about the value of SHRM could in other words also be included in the idea of SHRM. Related to this, the importance of being bold and brave when working with strategic HR was stressed throughout the interviews. In order to get the attention of decision makers, HR practitioners needed to be *"like a terrier that never gives up"* (nr.5), that was *"comfortable challenging the client group"* (nr.4) and as a person you should be *"brave enough to facilitate a management team and drive your own agenda"* (nr.10). Others described the importance of building relationships with others in order to get access to forums where business decisions were made. As the HR strategist at Swedish government stressed:

*"The right persons need to speak to the management team, so you need to lobby outside meetings. You are part of the formal meetings, but the fight for your cause is made outside so that you get the right persons on your side."* (nr.5)

Another senior HR manager at American government describes a similar situation;

*"I have a schedule with people I need to meet regularly, the key players within our division. And that's about selling your ideas to managers who don't really*

*agree. Because you don't have a mandate on your own, you need to sell your ideas.”(nr.12)*

This type of interactive strategizing, based on face-to-face interactions and involvement outside the top management, seemed to be more efficient for the practitioners rather than procedural strategizing, based on formal administrative activities and established hierarchies (Hendry et al, 2010). Lack of management support together with perceived low status of SHRM does not make room for strategic HR practitioners to fully take part in the formal business settings, which might be the reason why they choose to put effort in discussions outside of the board room. As a result, lack of support from management can affect the quality of strategic HR activities, which is stressed by the research of Reilly (2012) and Vernon (2004).

As showed in the sections above, no large differences could be found between the stories of American and Swedish HR practitioner. The situation expressed by them could be described as a power struggle where different actors are trying to assert one self and where HR practitioners easily end up in a lower position due to management preconceptions about HR not belonging to business. Paradoxically, most of the interviewees still claimed that HR was considered as top priority within the company: *“HR has a very prominent role within our company” (nr.7)*, and *“HR is on the top of the agenda” (nr.4)*. I interpret these statements as a result of the global SHRM practice; everyone within the company agreed about the importance of SHRM, but when describing the actual praxis of HR strategizing, the idea and reality did not match. This will be explained further in the next section.

## **5.2 The praxis of HR strategizing**

As explained in the last section, a contradiction found in the empirical material was the difference between how the interviewees defined strategic HR and what they actually were doing when they stated to be working with strategic HR questions. The definition of SHRM (included within the idea of SHRM) were quite similar, but when asked to go into more details about how they spent their day a majority stated explicitly or implicitly that only a minority of their work tasks were of a strategic character. One of the Swedish interviewee explains: *“Yes we are supposed to work with strategic HR but it is very easy to be drawn into daily operational issues” (nr.5)*. The challenge to find time for strategic work tasks seemed to be a problem for many of the interviewees, for instance as expressed by this American Senior HR manager: *“It is unfortunately the strategic parts that are the first thing to go when daily*

*activities like emails and meetings steal your attention” (nr.9).* These results are in line with the research by Lawler III et al. (2009), who found that no actual change in the amount of time spent on strategic activities could be seen when comparing the mid-90s to the mid-20s.

By using the framework of SaP when coding my empirical material, I found three different way of practicing HR strategizing; *Handling consequences of Business Strategies*, *Giving input on Business Strategies* and *Developing Business Strategies*. These three categories represent to which extent the HR practitioner is involved in the development and implementation of business strategies or business development initiatives. Because of the critique regarding low contribution from strategic HR towards business presented by earlier research (e.g. lack of business focus, lack of strategic skills, and low contribution to strategic initiatives (Boglund et al, 2011; Rothwell et al, 2010; Goodge 2010, Lawler III et al, 2003)), this is an important factor to investigate in order to gain understanding of how HR strategizing is done. Important to remember when discussing the levels of business involvement is that although some described their work as belonging to one single category of business involvement, others gave examples that indicated that their work shifted between all three levels. However, no connection between strategizing type and country could be found, indicating that the variety of HR strategizing exists within both Sweden and USA. Next, I will present the three strategizing types found in the data.

### **5.2.1 Handling consequences of Business Strategies**

One way to strategize, found in the empirical material, was to handle and implement fixed business strategies. The HR practitioner was neither involved in the discussions during development of strategies, nor came with input before the final strategy was set, but got the business strategy delivered and based on that started to develop their own HR strategy. Strategic HR is perceived as something that you add in the discussion after business strategies are already set. As the HR director within the Swedish banking industry argues:

*“We do not act based on being 100 persons, that is a consequence of our ambition to expand or downsize. When we develop business strategies, HR is the last point on the agenda. What are the people indications based on that strategy?” (nr.1)*

Most HR practitioners involved in this kind of strategizing were also allowed or expected to give input on business strategies, however, they saw HR as a consequence of business decisions. Even though HR practitioners still develop and run their own HR strategy, and are in that sense very much involved in a strategic activity, they are mainly handling the

consequences of a ready business strategy and can therefore be seen as a part of the last step within the general process of organizational strategizing.

### 5.2.2 Giving input on Business Strategies

The most common way of strategizing found within the data was to give input and support the business strategy. The HR practitioner was expected to advise the management team during the development of new business strategies, and bring a human perspective to their ideas. The V.P. Human Resources at an American IT company describes it like this:

*“I have a perspective on talent that I can bring to the company about what product that might be useful to people. But that is all it is. So while we have input, the decisions is really made by our executive staff and our job is to make sure that we do whatever we can to make support it.” (nr.7)*

The word *supporting* is crucial here, since it indicates that strategic HR is not expected to be the one actually running or developing the business but is there as a help to the persons who strategize “for real”. The extent to which the HR practitioner gave input on the strategy differed; some received a draft of the business strategy and gave feedback through email (“*You might want to consider this or that*”, nr.12) while others were part in the actual discussions and gave advice how to handle a business suggestion (“*We have to cut down 100 persons, how do we do that they ask me. And then I say this is realistic, but we can’t do it like this...*”, nr.2).

### 5.2.3 Developing Business Strategies

The third category of strategizing within HR was not mainly based on the actual description of activities that HR practitioners were involved in, but rather on the thoughts and ideas of future strategizing within HR that was presented. Only a few HR practitioners had or were involved in strategizing on this level, and described their job as focused on pure business development. They were not only asked for advice on how to handle human related issues within the business strategy, but were also a part of the team who developed new business plans regardless if it was related to human factors. The V.P Human Resources at a large American IT company explains: “*That’s the day you are starting to prove value, when people will clear their calendar to talk to you. Because they know that what you bring to them is that important.*”(nr.7). For another interviewee at a small American IT organization, the separation between people and business was unthinkable: “*When you are a small sized*

*company like this, one single person can dilute the whole company. So how are you supposed to run a company without knowing its people?” (nr.11).*

Most often, running the business was not the reality for the HR practitioners. Nevertheless, many of the interviewees saw this as a possible and desirable future. The Swedish Head of HR in a banking company argues:

*“By large, HR has not reached its potential. I think maybe 10% of the companies understand what strategic HR is, and the goal is to have a business that says, I can’t run my company without my finance person, and I can’t run my company without my HR person.”(nr.6)*

The example of having a HR practitioner as CEO came up several times. The head of HR at an American retail company states:

*“10 years from now we will have more HR leaders that become CEOs. It’s easy to say that the CFO should do it because it’s all about money, or the sales person should do it because it’s about revenue, but I don’t know... it would be a good model to see more people from the talent organization start to run companies.” (nr.10)*

Again, similar thoughts and situations are expressed by both American and Swedish HR practitioner. No one of the interviewees have had a CEO position, but two of them were or had been involved in activities very close to the role of a CEO. Compared to the other type of HR strategizing, I interpret this type of strategizing as closest to the original idea of SHRM; to develop business and put a human perspective on business strategies (e.g. Goodge 2010; Lawler III et al, 2003). The difference between the idea of HR strategizing and the activities involved in HR strategizing described in the results will be analyzed further in the next section, followed by providing explanatory theories and presenting possible conclusions based on this.

## 6. Analysis

By using SaP as a theoretical framework when designing the study and organizing the results, I found that the praxis (the activities) of HR strategizing is not coherent with the practice (the discourse or idea) of HR strategy. No clear differences between American and Swedish interviews could be found, suggesting that both practice and praxis related to SHRM could be discussed and analysed as a global phenomenon. Three types of strategizing within HR were found (*Handling consequences of Business Strategies*, *Giving input on Business Strategies* and *Developing Business Strategies*) where HR was more or less marginalized compared to the business side. The model presented below illustrates the three HR strategizing types.



My results show that the activities related to strategizing are so differenced that the meaning of “strategic work” easily gets lost. It is fashionable for organizations to agree that SHRM is important, even essential, for firms to gain competitive advantage, but the activities involved in strategizing are widely spread. How come it is possible for HR practitioners to strategize in such differenced ways and still claim they are part of the same practice?

In order to understand the strategizing scale, we first need to understand how the idea of HR strategizing has travelled across time and space and what consequences this might have on the praxis of HR strategizing. Applying institutional theory to my results, we can see how rational ideas about how to act in relations to SHRM have travelled from USA to Sweden (and assumable, to other countries as well). These ideas involve the best practice of Ulrich-model; the expectation for HR to leave administrative work tasks and transform into a strategic business partner; the norm to increase the status and influence of HR; and the challenge of not being accepted by the business and thereby the need for better skills and tougher personalities among HR practitioners. Normative decision-making among managers (i.e. making decisions

based on social pressure and habits) and isomorphic pressure (i.e. different actors operating within the same field are trying to resemble one another in order to gain legitimacy) make organizations react in a similar way to these ideas of strategic HR and respond to them as if they were a rational, taken-for-granted way of transforming HR within a modern organization. This is one explanation why a strong global strategic HR practice could be found among HR practitioners. The idea of strategic HR has spread and become institutionalized, and in order for organizations to be perceived as legitimate within an industry they are pressured to confirm to the idea. This results in people talking about strategic HRM in a similar way, using the same terminology and concepts, and perceiving their activities related to strategic HR as something rational and natural. However, organizations do not only choose to accept or reject the idea, they *transform* the idea when moving it from one context to another. Humans change the idea by adding own experiences, own interpretations and context specific properties which leads to differentiation of activities related to the idea. This could explain why I found many different HR strategizing praxis's (i.e. the strategizing scale); every organization has translated the idea of strategic HR and reshaped it to fit within its own organizational culture and conditions. For some, this means that HR strategies are separated from business strategies and HR practitioners are only expected to implement predefined business strategies, while others are involved in the design of business strategies since HR strategies are considered to be an essential part of this.

Interestingly, different HR strategizing activities are considered to have the same purpose and the same effects. The idea of strategic HR is the same but the activities differ, and no HR practitioner in the study is trying to link the rhetoric with the praxis since it is taken-for-granted that they are connected. This can be understood using Meyer and Rowan (1977) discussion about the gap between institutional myths and work activities. HR practitioners rely on the myth of strategic HR, but the myth is only related to the formal structure of strategic HR and not to the actual strategizing activities. By decoupling the formal structure of strategic HR (the outspoken goals, policies and departments related to SHRM) with actual HR strategizing (implementing, supporting or developing business strategies), organizations are able to act as legitimate and actors can unite in the idea while executing activities that might not be closely connected with the idea. Relating this analysis to the strategizing scale presented earlier in this chapter, how closely connected are the different strategizing types based on the idea of strategic HR? If we consider the purpose of strategic HR described in earlier research, it is explained as connecting business strategy and HR strategy (Rothwell et

al, 2010), contributing with strategic input on how to increase organizational success (Goodge 2010; Lawler III et al, 2003) and transforming HR from a support function to a business partner (Ulrich, 1997). These ideas are based on research which proves that finding, motivating and retaining talents is critical for the competitive advantage of a firm (e.g. Paauwe et al, 2003; Collins et al, 2006; Siew et al., 2010). If we accept these premises, we could argue that organizations in which HR practitioners are marginalized in business discussions, i.e. the strategizing type “Implementing business strategies” and to some extent also “Supporting business strategies”, are in high risk of decreasing their competitive advantage. HR strategizing activities which are not a part of business strategizing activities can in other words be understood as non-strategic activities. The strategizing type “Developing business strategies” might in this discussion be the only one in close connection with the idea of SHRM. However, no organization in which HR practitioners are marginalized would probably agree on this claim; the power of institutional myths and decoupling creates a situation where decision-makers may not even see the gap between the purposes of SHRM and the actual strategizing activities.

Organizations involved in, but unaware of, non-strategic HR strategizing activities are one of my main points in this analysis, and the second main point is closely related to this topic. Czarniawska and Sevón (1996) describe how a ruling paradigm within a field can kill ideas who challenge it. The traditional management of organization, based on a rationalistic and objective perspective criticized by research within SaP (e.g. Whittington 1996; Jarzabkowski & Spee 2009; Hendry 2000), can be understood as the current ruling paradigm within the field of management. Just as SaP theorists challenge traditional strategy research, SHRM challenge traditional management practices by claiming space in a field in which it did not belong to before. HR practitioners struggle to gain legitimacy within organizations and the marginalization of HR strategizing can be understood as a result of a current management paradigm trying to kill the challenging praxis of strategic HR. Due to isomorphism and social pressure, organizations have confirmed to the idea of strategic HR, but by decoupling ideas from activities they can keep activities related to traditional management practices while talking about it as if it was modernized with an integrated SHRM focus.

The concept of decoupling can also help us understand the critique raised by previous researchers regarding a lack of strategic contribution from HRM. Some have argued that the strategic role of HRM is unclear (e.g. Boglind et al, 2011; Rothwell et al, 2010; Goodge 2010, Lawler III et al, 2003) which might be a consequence of the gap between the idea of SRHM

and actual HR strategizing activities. Decoupling formal structure with work tasks might be a good solution to enhance legitimacy, but the feeling of having an unclear role might still be present for the practitioner and surrounding actors. As explained by Meyer et al. (1977) when discussing the logic behind of decoupling within institutions, *“Thus, some can say that the engineers will solve a specific problem or that the secretaries will perform certain tasks, without knowing who these engineers or secretaries will be or exactly what they will do.”* Translated to this study, there seems to exist a general agreement of who HR practitioners are and what they do, but in reality the “ideal” HR practitioner does not exist and the actual HR strategizing activities are widely spread. Therefore, decoupling can be said to create unclear roles and unclear work tasks related to HR strategizing. The critique of HR practitioners raised by Rothwell et al. (2010), involving lack of business- and strategic skills, lack of leadership ability and lack of change management skills, might also be seen as a consequence of decoupling. Since actual activities related to SRHM are not always consistent with the idea of SHRM, some HR practitioners might not even be involved in any activities that include business-, strategic or leadership related qualities even though this is considered the purpose of their role. The critique could therefore be justified, but should perhaps be directed towards stagnant management traditions which obstruct the contribution of HR strategizing.

## **7. Conclusions and implications**

This paper has been discussing the development of SHRM and the current challenges related to HR strategizing within USA and Sweden from a Strategy-as-Practice and institutional theoretical perspective. My results indicate that there exists an idea about strategic HR that is strongly internalized and institutionalized among the interviewed HR practitioners within Sweden and USA, and that HR practitioners define strategic HR in a coherent way connected to this, but that the actual praxis of HR strategizing is very differentiated depending on the local (organizational) context. Some HR practitioners are acting based on consequences from business decisions; some are acting as support to business decisions; while others are involved in the actual development of business decisions. These different types of HR strategizing (see strategizing scale on p.24) are dependent on the dualistic relation between practice (level of organizational acceptance regarding ideas and norms of SHRM), praxis (traditions and habits regarding actual strategizing activities) and practitioner (interpretation of ideas and choice of activities regarding SHRM). My analysis resulted in two main points related to this. First, the different way of doing HR strategizing can be understood as a result from isomorphism and

translation processes. Due to social pressure and a wish to be perceived as legitimate among similar actors (i.e. isomorphism), organizations act similarly and conform to the similar ideas (DiMaggio & Powell, 1983). Consequently, best practices such as the Ulrich-model have been able to travel from USA across borders and are internalized in other countries. Moreover, I could find the idea to be homogeneous among the interviewed HR practitioners within USA and Sweden. However, as stated by Czarniawska and Sevón (1996), when ideas travel from one context to another humans unconsciously add interpretations and modifications to the idea and thereby translate the idea in order to fit to the unique setting (i.e. translation process), which is the reason why activities related to HR strategizing differed among HR practitioners even though they stated to be part of same practice. I argue that some organizations are building their activities on the myth of HR strategizing, meaning that they assume that their activities are matching the “fashionable” idea of SHRM but in reality these activities might be of non-strategic character. Even though the idea of SHRM is to involve HR in business development in order to gain competitive advantage, my strategizing scale leads to the conclusion that HR practitioners are still more or less marginalized when business strategies are set which might affect the competitive advantage negatively. Second, the struggle for legitimacy can be seen as a consequence of old management traditions in which HR has not previously been a part of. As explained in the analysis, current management paradigms will try to oppress challenging ideas such as SHRM which could be a reason why HR practitioners are marginalized in business settings. In this situation decoupling can be used as a tool to handle power struggles between HR practitioners and decision-makers. By disconnecting the idea of SHRM and the activities performed, organizations can keep old traditions of strategizing and still confirm to new trends such as having HR business partners. Except the evident conclusion that some organizations are not having efficient HR strategizing activities due to this, this may also result in negative consequences such as unclear purpose of SHRM, unclear roles for HR practitioners and perception of low business- and strategic skills among HR practitioners.

What are the practical implications based on this study? Oliver (1997) argues that organizations must look at their “institutional capital” as sources of competitive advantage, which I suggest as a useful perspective related to the challenges of HR strategizing. Since the tension between practice and praxis, as well as the differences among HR strategizing activities, can be understood as a consequence of old management traditions and institutional norms trying to oppress challenging ideas, organizations could use their institutional capital as

a tool to overcome stagnant cultures and open up for SHRM. Relating Oliver's argument to my research, a key success factor for firms would be to create the right contextual factors that enhance optimal use of SHRM, and to manage their HR strategizing context effectively. By creating the right climate for maximal HR involvement in business settings, for instance by assigning a "SHRM positive" CEO (Siew et al, 2010), organizations would gain competitive advantage and optimize their management of humans. I argue that HR practitioners have to play a key role by questioning what is taken-for-granted about formal SHRM structures versus actual work activities, and thereby start a discussion if their HR strategizing activities are enhancing business performance in best possible way. The HR strategizing scale might be of good use in order to evaluate the focus of activities and location of HR practitioners in the chain of business decisions. However, the forum of this discussion cannot only be limited to HR practitioners since the changes affect the whole organization and its management practices in its fundamentals.

Regarding theoretical implications, my study supports the translation-model suggested by Czarniawska and Sevón (1996) which states that even though isomorphism creates homogeny organizations, translations will always affect the way an idea is carried out within an organization. This means that even though an idea, a concept or a practice is taken for granted within an area, the way people execute daily work tasks related to this idea may differ and thereby results in different consequences. Because of the gap between practice and praxis of HR strategizing found in this study, I suggest continuous use of SaP and institutional theory within the field of SHRM which can help us gain deeper understanding of how the myth of HR strategizing is carried out, the consequences this might have for organizations, and how to create the right contextual factors to enhance optimal use of SHRM.

### **7.1 Research limitations**

Due to time restrictions only 12 HR practitioners were included in the study which could be a source of critique. I would therefore like to see a similar study with more countries and participants involved which would lead to a more comprehensive analysis of the relationship between the global idea of SHRM versus local praxis. However, this study does not attempt to provide "the one true story" about HR strategizing but should be understood as one researcher's attempt to understand a complex phenomenon and hopefully generate some new thoughts within the SHRM community.

## 8. References

- Adlercreutz, A. & Mulder, B. J. (2007). *Svensk arbetsrätt*. Visby, SE: Nordstedts Juridik AB
- Berglund, J. (2002). De otillräckliga/The insufficient, Handelshögskolan Stockholm. Retrieved from [hhs.diva-portal.org/smash/get/diva2:221414/FULLTEXT01](https://hhs.diva-portal.org/smash/get/diva2:221414/FULLTEXT01)
- Berglund, J. & Bergström, O. (forthcoming). Human Resource Management. In: Styhre & Strannegård (Ed.) *Management*, Lund: Liber
- Boglund, A., Hällsten, F. & Thilander, P. (2011). HR Transformation and shared services: Adoptions and adaptations in Swedish organizations, *Personnel Review*, Vol. 40, No. 5, pp.570-588
- Boxall, P. & Purcell, J. (2011). *Strategy and Human Resource Management*, Palgrave Macmillan
- Braun, V. & Clarke, V. (2006). Using thematic analysis in psychology, *Qualitative Research in Psychology*, Vol.3, No.2, pp.77-101
- Brewster, C., Sparrow, P. & Harris, H. (2005). Towards a New Model of Globalizing Human Resource Management, *International Journal of Human Resource Management*, Vol.16, pp. 949–70
- Bryman, A. & Bell, E. (2007). *Business Research Methods* (2<sup>nd</sup> ed.), New York, USA: Oxford University Press.
- Cieri, H., Fenwick, M. & Hutchings, K. (2005). The challenge of international human resource management: balancing the duality of strategy and practice, *International Journal Of Human Resource Management*, Vol.16, No.4, pp. 584-598.
- Clark, K. & Lengnick-Hall, M. (2012). MNC practice transfer: institutional theory, strategic opportunities and subsidiary HR configuration, *The International Journal of Human Resource Management*, Vol.23, No.18, pp. 3813-3837
- Collins, C. & Smith, K. (2006). Knowledge exchange and combination: the role of human resource practices in the performance of high-technology firms, *Academy Of Management Journal*, Vol.49, No.3, pp. 544-560

Czarniawska, B. & Sevón, G. (1996). *Translating organizational change*. Berlin, Germany: de Gruyter

DiMaggio, P. & Powell, W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields, *American Sociological Review*, Vol.48, No. 2 , pp.147-160

Friedman, B. (2007). Globalization Implications for Human Resource Management Roles, *Employee Responsibilities and Rights Journal*, Vo.19, No. 3, pp. 157-171,

Goodge, P. (2010). Transform HR, *Strategic HR Review*, Vol.10, No.2, p.40

Hendry, K., Kiel, G. & Nicholson, G. (2010). How boards strategise: a strategy as practice view, *Long Range Planning*, Vol.43, pp.33-56

Jarzabkowski, P. (2004). Strategy as Practice: recursiveness, adaptation, and Practices-in-Use, *Organizational Studies*, Vol.25, No.4, pp.529-560

Jarzabkowski, P., Balogun, J. & Seidl, D. (2006). Strategizing: the challenges of a practice perspective, *Human Relations*, Vol.60, No.1, pp.5-27

Jarzabkowski, P. & Paul Spee, A. (2009). Strategy-as-practice: A review and future directions for the field, *International Journal Of Management Reviews*, Vol.11, No.1, pp.69-95.

Jarzabkowski, P. & Whittington, R. (2008). A strategy-as-practice approach to strategy research and education, *Journal of Management Inquiry*, Vol.17, No.4, pp.282-286

Johnson, G., Melin, L., & Whittington, R. (2003). Micro Strategy and Strategizing: Towards an Activity-Based View, *Journal Of Management Studies*, Vol.40, No.1, pp.3-22.

Kirkbride, P. (ed) (1994). *Human Resource Management in Europe: Perspectives for the 1990s*. London, UK: Routledge

Kostova, T. & Roth, K. (2002). Adoption of an Organizational Practice by Subsidiaries of Multinational Corporations: Institutional and Relational Effects, *The Academy of Management Journal*, Vol.45, No.1, pp. 215-233

Lawler III, E. E. & Boudreau, J. W. (2009). What makes HR a strategic partner? *People and Strategy*, Vol.32, No.1, p.14

- Lawler III, E. E., Mohrman, S. A. (2003). HR as a Strategic Partner: What Does It Take to Make It Happen? *Center for Effective Organizations, Marshall School of Business, University of Southern California*
- Meyer, J. & Rowan, B. (1977). Institutionalized Organizations: Formal Structure as Myth and Ceremony, *American Journal of Sociology*, Vol.83, No.2, pp. 340-363
- Morley, M. & Collings, D. (2004). Contemporary debates and new directions in HRM in MNCs: introduction, *International Journal of Manpower*, Vol.25, No.6, pp.487 – 499
- Oliver, C. (1997). Sustainable competitive advantage: combining institutional and resource-based views, *Strategic Management Journal*, Vol.18, No.9, pp. 697–713.
- Paauwe, J. & Boselie, P. (2003). Challenging ‘strategic HRM’ and the relevance of the institutional setting, *Human Resource Management Journal*, Vol.13, No.3, pp. 56-70
- Pfeffer, J. & Veiga, J. (1999). Putting people first for organizational success, *Academy Of Management Executive*, Vol.13, No.2, pp. 37-48
- Pieper, R. (ed) (1990). *Human Resource Management: An international comparison*. Berlin, Germany: Walter de Gruyter
- Reilly, P. (2012). The practice of strategy, *Strategic HR Review*, Vol.11, No.3, p.129
- Rosengren, K-E. & Arvidsson, P. (2002). *Sociologisk metodik*. Malmö, SE: Liber AB
- Rothwell, W. J., Prescott, R. K. & Taylor, M. W. (2010). *Human resource Transformation: Demonstrating strategic leadership in the face of future trends*. Mountain View, CA: Davies-Black Publishing
- Siew, S., Halim, C. & Keng-Howe, I. (2010). The impact of globalisation on strategic human resources management: the mediating role of CEO in HR, *International Journal Of Business Studies*, Vol.18, No.1, pp. 101-124
- Thompson, P. (2011). The trouble with Human Resource Management, *Human Resource Management Journal*, Vol.21, pp.355–367
- Ulrich, D. (1997). *Human Resource champions: the next agenda for adding value and delivering results*, Boston, MA: Harvard Business School press

- Vaara, E. & Whittington, R. (2012). Strategy-as-Practice: Taking Social Practices Seriously, *The Academy of Management Annals*, Vol.6, No.1, pp.285-336
- Vernon, P. (2004). Delivering on the promise of HR Transformation, *Strategic HR Review*, Vol.3, No.6
- Whittington, R. (1996). Strategy as practice, *Long Range Planning*, Vol.29, No.5, pp. 731–735
- Whittington, R. (2006). Completing the practice turn in strategy research, *Organization Studies*, Vol.27, Nr.5, pp.613-634
- Whittington, R. (2007). Strategy practice and Strategy Process: Family differences and the sociological eye, *Organization Studies*, Vol.28, No.10, pp.1575-1586
- Wright, P. & McMahan, G. (1992). Theoretical perspectives for Strategic Human Resource Management, *Journal of Management*, Vol.18, No.2, pp.295-320