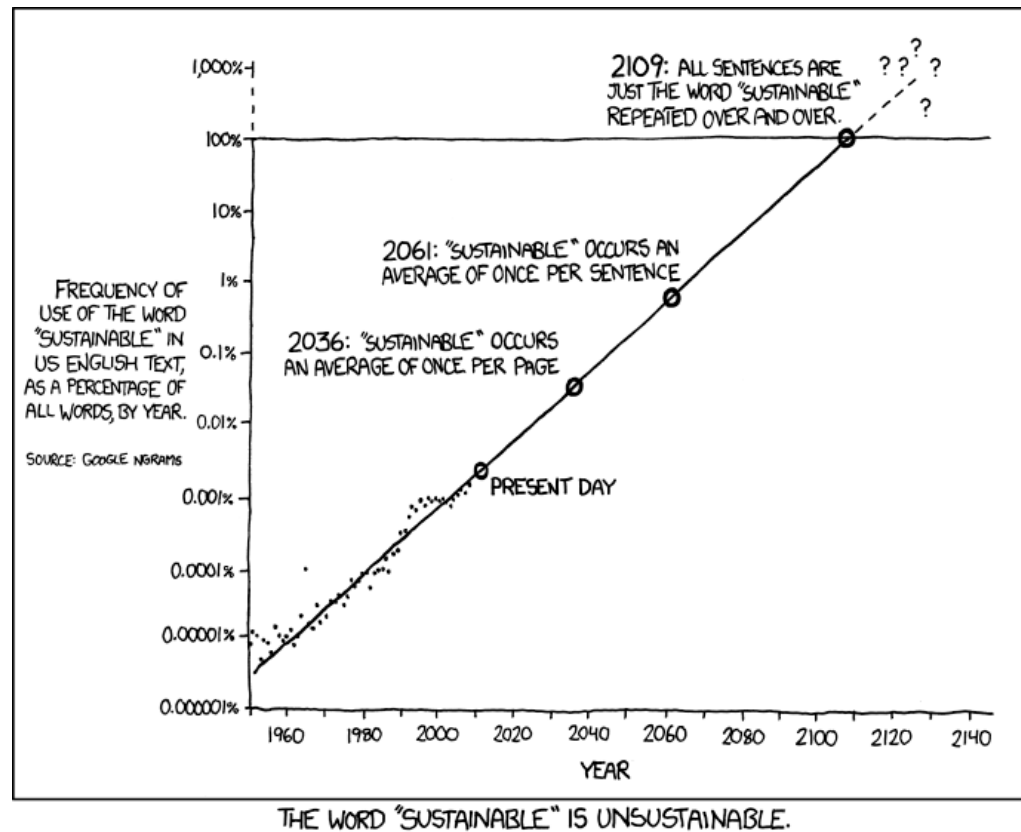# INTERNATIONAL HUMAN RESOURCE MANAGEMENT

Exploring aspects of part 4 in the coursebook

Jakob Westergren

24 March 2023

HR inputs   **HR outcomes**   **Organizational outcomes**

Socially responsible HR practices
- Ethical labour standard/decent work
- Equal opportunity
- Diversity management

- Employee well-being
- Talent attraction and retention
- Motivation
- Satisfaction
- Commitment
- Engagement

Sustainability
- Higher productivity
- Higher customer satisfaction/support
- Local acceptance
- Enhanced reputation
- Higher profit/share price

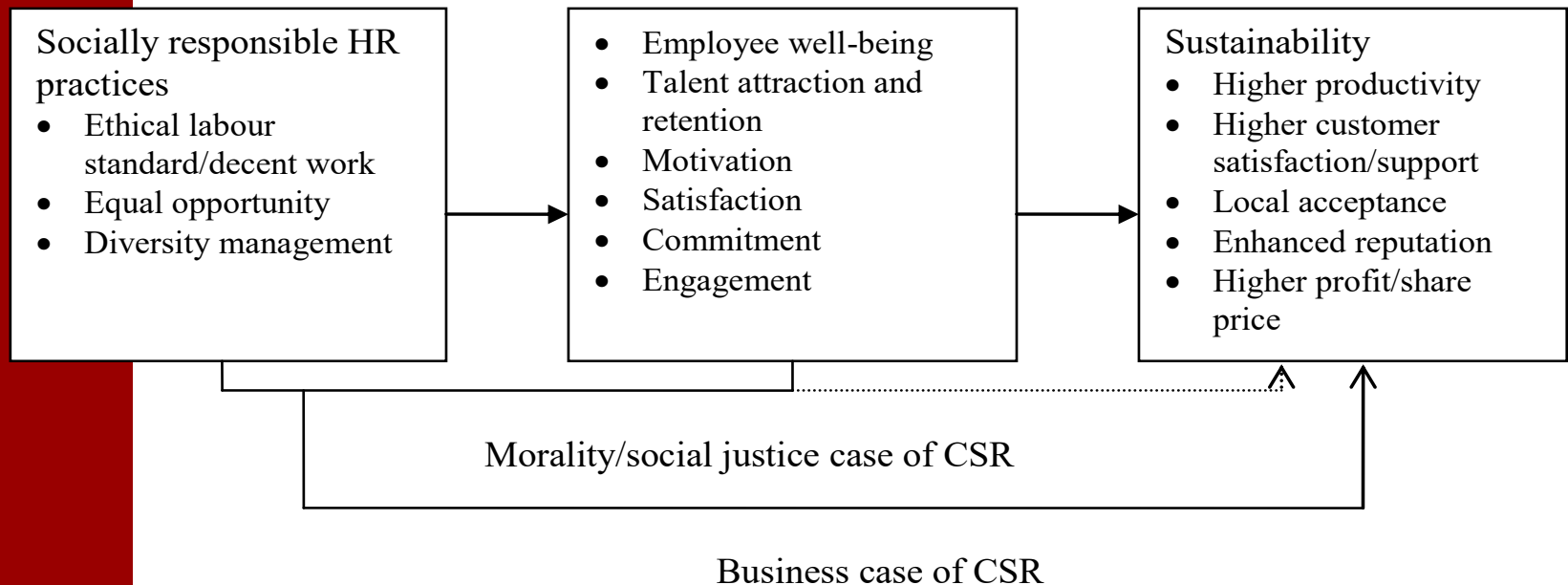Morality/social justice case of CSR

Business case of CSR

Figure 15.2 Socially responsible HR practices and business sustainability

History and roots of Diversity, Equity, and Inclusion (Hellerstedt, Uman, & Wennberg, 2023)

- Diversity, Equity, and Inclusion initiatives can more broadly be traced back to social movements such as women's suffragette movement, the civil rights movement, and the anti-slavery movement in the 19th century
  - Increase representation of women and minority groups in organizations and in society more broadly

Equal opportunities

- The term 'equal opportunities' is associated with legislation or policy related to discrimination arising from characteristics such as

  - gender, age, ethnicity, religion, physical or mental ability and sexual orientation

- The elimination of inequality may be achieved through different means
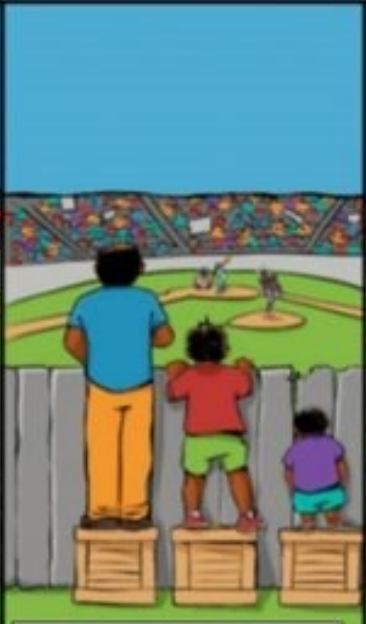
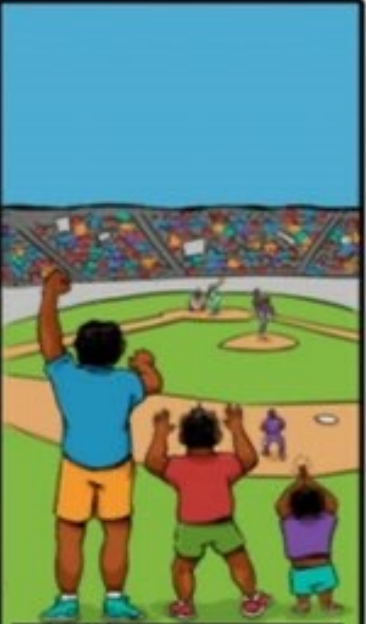- 'Let us give everyone a fair chance to play'

Diversity management

- The concept of managing diversity has its origin in the US and emerged as an HR intervention to promote inclusion… once again based on age, gender, ethnicity, immigration status, religion, and sexual orientation
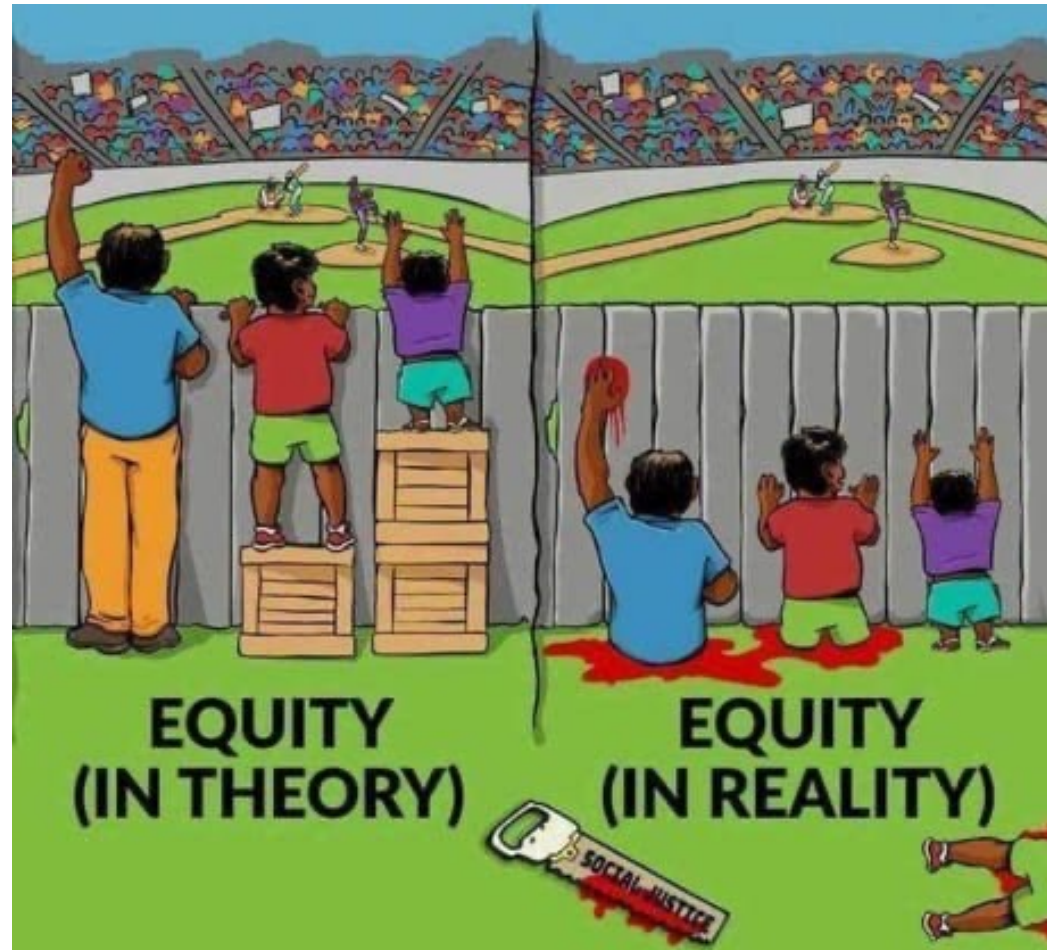
Reasons:

- Effective people management may increase performance
- A diverse workforce may help to understand customer needs, etc.
- Increase the company's reputation (is diversity instrumental?)

The moral justice logic

- "Inequalities in society could be overcome by disregarding differences and instead focusing on the humanistic values that unite individuals"
  - Deontological ethics

- Assumes EO/Diversity can be achieved through litigation (legal frameworks)
  - Legal changes forces organizations to change

- Relies on institutional change
  - Organization is not the focal actor
  - Inclusion as a primary goal

Home > Press > Press releases

Council of the EU   Press release   17 October 2022   10:23

Council approves EU law to improve gender balance on company boards

The Council today gave its final go-ahead to EU rules to promote more balanced gender representation on the boards of listed companies.

The new rules will help to remove the obstacles women often face in their careers. I also believe that companies would greatly benefit from women realising their potential in decision-making positions. The positive impact of the measures will surely trickle down to all levels of national economies.

— Marian Jurečka, Deputy Prime Minister and Minister of Labour and Social Affairs of Czechia

The business case logic

- Assumes EO/diversity can be achieved by appealing to manager's self-interest and the recognition that diversity might might be beneficial for business
  - Diversity seen as a potential competitive advantage
  - Utilitarian ethics

- Relies on behavioral change/theories
  - Organization/manager is the focal actor
  - "Value-in-diversity" as a primary goal

The power activism logic

- Rejects institutional and behavioral arguments for positive change – rejects reform in the hope of revolution

- Relies on coercing organizations into change
  - Organization is the focal actor
  - Exerting external power through boycotts, public protests, or buycotts
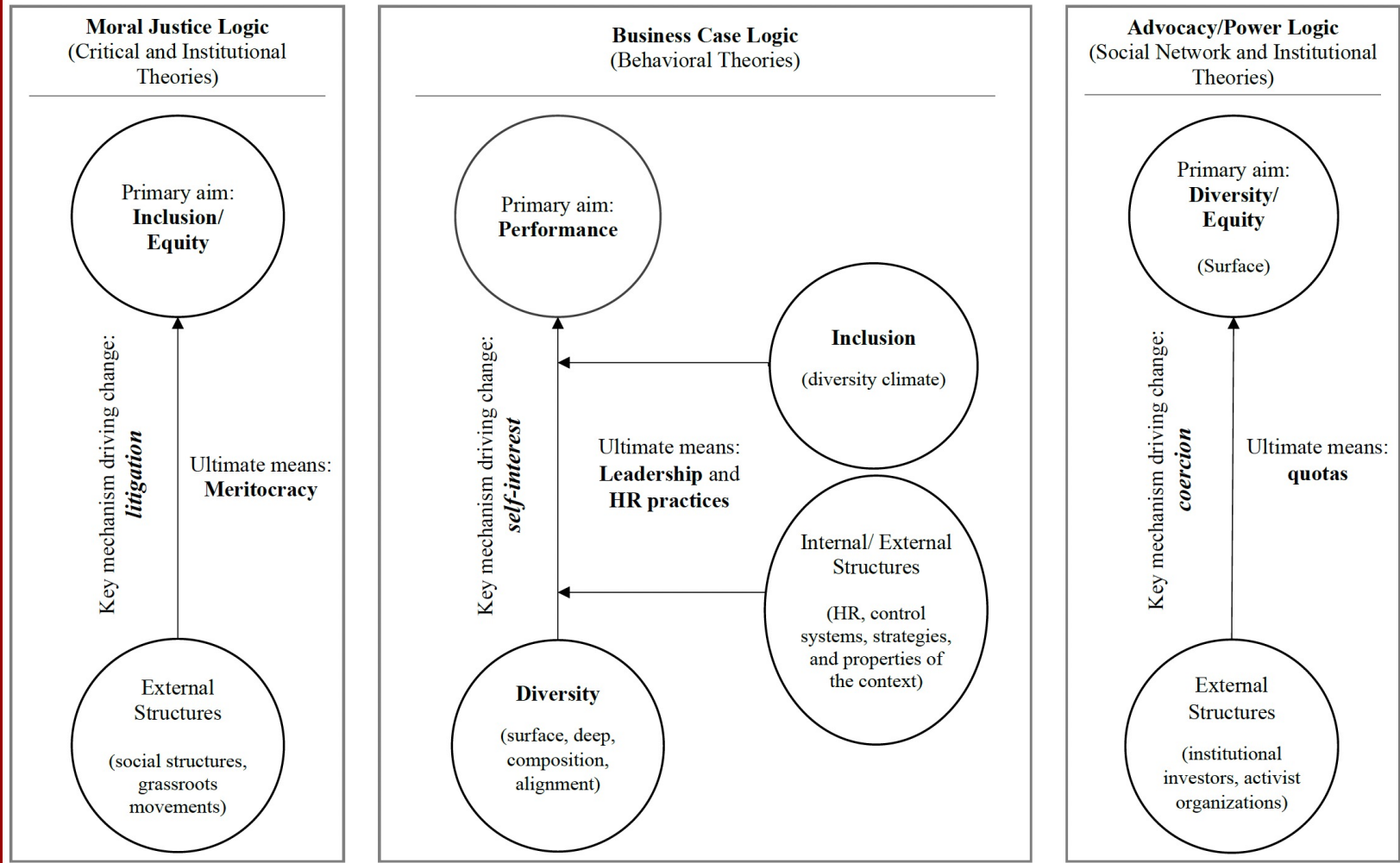 - Exerting internal power through key employees, or employee groups

New York (CNN) – Calls to boycott Hershey are spreading on Twitter in response to the chocolate company's International Women's Day Canadian campaign, which includes a trans woman.

It's the latest example of a brand generating a strong but mixed reaction to a promotional campaign that touches on cultural or societal issues.

Summary (Hellerstedt, Uman, & Wennberg, 2023)

Figure 1: Three logics (i.e., moral justice, business case, and power activism) for DEI

Moral Justice Logic
(Critical and Institutional Theories)

Primary aim:
Inclusion/ Equity

Key mechanism driving change: *litigation*

Ultimate means:
Meritocracy

External Structures

(social structures, grassroots movements)

Business Case Logic
(Behavioral Theories)

Primary aim:
Performance

Key mechanism driving change: *self-interest*

Ultimate means:
Leadership and **HR practices**

Inclusion

(diversity climate)

Internal/ External Structures

(HR, control systems, strategies, and properties of the context)

Diversity

(surface, deep, composition, alignment)

Advocacy/Power Logic
(Social Network and Institutional Theories)

Primary aim:
Diversity/ Equity

(Surface)

Key mechanism driving change: *coercion*

Ultimate means:
quotas

External Structures

(institutional investors, activist organizations)

Problems…

- Tokenism/pigeonholing → Benevolent discrimination (Romani, Holck, & Risberg, 2019)

- Unconcious biases and homosociality (Holgersson, 2013)

- Symbolic action and 'unexpected' identity enactments (Alvesson, 1998; Alvesson & Billing, 2009)

- Rhetoric hiding inaction (Alvesson, Blom, & Jansson, 2021)

- Rejection/distancing (well…)

"Manager's risks associated with disrupting power hierarchies or cultural norms at work appear to be insurmountable hurdles. In other words, managers find it difficult, if not impossible, to escape from existing organizational and societal structures and become an outsider able to question organizational practices. This difficulty is founded on ideology, that is, the dominant ideas in organizations that represent and preserve order. These dominant ideas are not only imposed but produced in interaction" (Morillas & Romani, 2022)

Equal opportunities

- Adresses opportunities through rights

- Neutralizes ind. differences

- Treats people the same

- A narrow view of differences

- Focus on HR processes

- Promote assimilation

- Emphasis on procedures and regulation

Managing diversity

- Promotes diversity for org. benefits

- Recognizes ind. differences

- Treats people differently

- An inclusive view

- Concerns all functions of the org

- Promote variety

- Emphasis on org. objectives

MNC a site where 'us' vs. 'them' can be studied	MNC as actors in identity building	MNC as a mediator in relations between nations and nationalities	MNC as agent of change: promoting neocolonialism or positive change?
Political arena	Political arena	MNC becomes a vehicle of ideology	Agent of change
Involves individual/group constructions of culture, nationality, gender, race, and ethnicity	Powerful actors in MNCs co-create and legitimate particular versions of organizational reality/certain identities	MNCs construct national differences and identities in various political arenas – struggle between globalization and national interests	MNCs act as influential agents in relation to broader issues of societal and global significance
Actors employ discursive resources to construct national identities which are 'superior' and 'distinct' – which impacts gender-, and ethnic identity	MNCs engage in M&As, investments with controversial environmental effects, or restructuring/layoffs to legitimate interest-driven constructions of national identity and difference	MNC representatives involved in various arenas to discuss how national identites and interests are framed, promoted, or resisted	MNCs use their political power and influence to surpass regulative influence of individual nation states – sometimes with the help of e.g. NGOs
Identity work of top managers often stereotype-based (Koveshnikov, 2016)	MNCs construct themselves as proponents of ideology. Conrad Hilton of Hilton Hotels employed an ideology of anti-communism and world peace to internationalize a "good American company" (Maclean et al., 2018)	Varying legitimating discursive strategies used in media to legitimate a pulp mill project of a Finnish MNC in Uruguay: societal, national-political, and global-capitalist. National identity also mobilized here to (de)legitimate (Joutsenvirta and Vaara, 2015)	The British and Dutch East India Companies, arguably the first MNCs, could be analyzed as cases of exporting institutionalized nationalism (e.g. Clegg, 2017); MNCs have generelly been more welcoming of employees with immigrant backgrounds (Newbury et al., 2006; 2014)

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Vaara, Tienari, & Koveshnikov, 2021

Work–life balance

- Since the mid-1990s, work–life conflict (WLC) has become a major issue as a result of demographic changes and work intensification due to globalized competitive pressure
- MNCs have introduced a range of HR practices, such as flexible work arrangements
- Fundamental differences exist

Alternative work arrangements and IHRM

Three types of alternative arrangements

a. Flexibility in the employment relationship

b. Flexibility in the scheduling of work

c. Flexibility in where work is accomplished

Two different worlds of work:

→ 'High-skill' workers who choose alternative arrangements

→ 'Low-skill' workers who are at the mercy of the needs of the organization

What's missing in IHRM research?

- The rise of diversity and the demise of class (Romani, Zanoni, & Holck 2021)

- Intersectionality (Lücke, Engstrand, & Zander, 2018)

- Refugees/migration/colonial-, post-colonial, or de-colonial perspectives are generally scarce and only found outside of the 'pure' IB journals

- Self-initiated expatriates… diasporas…

- Human rights…

- Flexible forms of employment (Jackowska & Lauring, 2021)

- Quite a bit of research in IHRM (but also management more broadly) takes a top-management perspective (recall the unitarist perspective)

Corporate Social Responsibility (CSR)

- Emerged in the 1950s with a focus on philantrophy

- Many different meanings (a hegomonic concept to say the least)!

- Legal responsibilities? Charity? Legitimacy? Ethical?

- Carroll 1991: Economic, legal, ethical and philantrophic responsibilities

- "an eclectic field with loose boundaries, multiple memberships and different training/perspectives" (Carroll, 1994)

Theories on CSR (Garriga & Melé,2004)

- ## Instrumental theories
  - CSR as a means to reach profits

- ## Political theories
  - Firms social power emphasized

- ## Integrative theories
  - Firms should integrate social demands since business depends on society

- ## Ethical theories
  - Ethical obligation

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Pyramid of CSR

PHILANTHROPIC
Responsibilities
Be a good corporate citizen.
Contribute resources
to the community;
improve quality of life.

ETHICAL
Responsibilities
Be ethical.
Obligation to do what is right,
just,
and fair. Avoid harm.

LEGAL
Responsibilities
Obey the law.
Law is society's codification of right and
wrong.
Play by the rules of the game.

ECONOMIC
Responsibilities
Be profitable.
The foundation upon which all others rest.

Carroll:
A multi-dimensional construct embracing four sets of responsibilities: economic, legal, ethical, and philanthropic. Carroll proposed that each of these responsibilities should be fulfilled together and in parallel rather than within a sequence.

Source: Carroll (1991: 42)

Examples of issues covered by CSR

- Environmental
- Fair trade
- Organic produce
- Not tested on animals
- Community involvement
- Cause related marketing
- Charitable giving
- Religious foundation
- Support for social cause

- Concern for human rights
- Philanthropic history
- Co-operative principles
- Support for education
- Participates in local business initiatives
- Supports national business initiatives
- Commitment to reporting
- Employee schemes
- Refusal to trade in certain markets

Source: Howard and Willmott (2001), cited in Sachdev (2006: 264).

Ethical issues/moral obligations in international business

- Employment practices
  - What standard of work conditions?
- Human rights
  - How to act when basic human rights are not respected?
- Environmental issues
  - Pollution in countries with less strict environmental regulations?
- Corruption
  - Differences in what is accepted practice
  - "Facilitating payments"/"speed money"
  - Corruption corrupts both bribe giver and taker

A thought experiment…

"The last man (or person) surviving the collapse of the world system lays about him, eliminating, as far as he can, every living thing, animal or plant (but painlessly if you like, as at the best abattoirs)" (Routley, 1973: 207)

Or alternatively…

"The last man is an industrialist; he runs a giant complex of automated factories and farms which he proceeds to extend. He produces automobiles among other things, from renewable and recyclable resources of course, only he dumps and recycles these shortly after manufacture and sale to a dummy buyer instead of putting them on the road for a short time as we do. Of course he has the best of reasons for his activity, e.g. he is increasing gross world product, or he is improving output to fulfil some plan, and he will be increasing his own and general welfare since he much prefers increased output and productivity. The entrepreneur's behavior is on the Western ethic quite permissible; indeed his conduct is commonly thought to be quite fine and may even meet Pareto optimality requirements given prevailing notions of being "better off""
(Routley, 1973: 208)

Should we abandon the CSR/sustainability bandwagon?

Abused concept:

- The "idea of sustainable development has the potential to do much good in guiding business practice, [but] this potential is being undermined by the systematic misuse, misunderstanding, and flawed application of the concept in many business settings." (DesJardins, 2016)

Appropriated concept:

- Capitalism has a tendency to appropriate and commodify any imagined alternatives to the current system (Beckert, 2016)

- Is corporate social responsibility a new spirit of capitalism? That is, business as usual but with engagement in society (Kazmi et al., 2016)

Arla slutar klimatkompensera – när det inte får användas i reklamen

So you mean that one must be able to communicate about an action in order to motivate it?

"Yes, I believe that one must be able to communicate one's sustainability work. Obviously you don't need to communicate every aspect, because we do a lot of things that never reach the eyes and ears of the consumer. But, in the event that we have an initiative which is supposed to be an 'added-value', which we know our customers are interested in, then we need to also be able to communicate this, yes. If it becomes too troublesome to communicate about sustainability at all, then I believe that this will lead to companies decreasing their, or withdrawing from, environmental commitments and agendas"

Victoria Olsson, Senior Sustainability Manager at Arla (interview in Dagens Industri, 21 November 2022, my translation)

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Ny norsk lag mot retuscherade bilder i sociala medier

UPPDATERAD 12 JULI 2021   PUBLICERAD 12 JULI 2021

Den nya lagen ska tvinga norska influencers att märka bilder som har retuscherats. Syftet: att minska spridningen av skeva kroppsideal. – Det borde vara en självklarhet att reklam blir framställd på ett korrekt sätt, säger den norska influencern Martine Halvorsen.

Lagändringarna, som röstades igenom i norska stortinget för ett par veckor sedan, handlar om att retuscherade kroppsbilder som används i reklam måste innehålla en särskild markering. Det gäller även influencers som publicerar sponsrade inlägg.

SVERIGES RIKSDAG

| Start | Ledamöter & partier | Utskotten & EU-nämnden | Debatter & beslut |

Start / Dokument & lagar / Lag om att retuscherade bilder ska markeras

Lag om att retuscherade bilder ska markeras

Motion 2021/22:933 av Eva Lindh och Åsa Eriksson (båda S)

av Eva Lindh och Åsa Eriksson (båda S)

KICKS
16 190 följare
1 mån

KICKS can proudly announce that we no longer retouch imagery used in our advertising, including content produced in collaboration with influencers. This decision is totally in line with KICKS values as well as our brand platform More of You, our promise that we should be inclusive and that beauty is for everyone. We also hope to inspire other actors to do the same.

https://lnkd.in/emJxgmrP

KICKS slutar med retuschering
mynewsdesk.com

2 654 · 50 kommentarer

Gilla   Kommentera   Dela

Substance vs image

Salesforce CEO Marc Benioff together with Greta Thunberg in Davos 2019

Annie Lööf together with Greta Thunberg outside the Swedish parliament

"Pseudo-events, pseudo-action and pseudo-structures, i.e. phenomena which have the purpose of producing effects on people's impressions and definitions of reality, are important features of modern management and organization" (Alvesson, 1990)

Ethics!

The Friedman Doctrine

"Increase profit, stay within the law"

vs

The Freeman approach

- Considers the interest/welfare of different stakeholders

Utalitarian ethics

– Hume, Bentham and Mill

– Maximization of good and minimization of harm – "the greatest good for the greatest number of people"

– But how measure benefits, costs and risks?

– Unjustified treatment of the minority

Kantian ethics/Deontology

– People should be respected and treated with dignity

– Rule-based

Levinasian ethics, Virtue ethics, Eastern theories of ethics, Feminist/care ethics, Indigenous ethics/worldviews
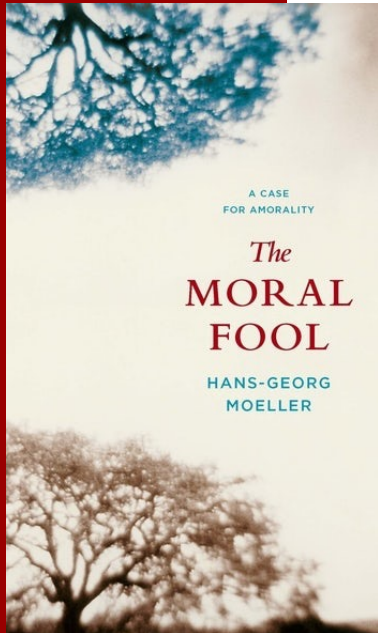
The trolley problem – applied…

Why do ethical issues/dilemmas occur?

- Differences in culture, politics, legal systems, economic development, etc

- What is normal in one country may be considered unethical in another.

- However, be aware of *moral relativism*

- EXAMPLES

death penalty, "gift giving", child labor

Why do ethical issues occur? Cont.

"Hardly any political purge, religious war, or ethnic cleansing was not justified, embellished, or inspired by great moral values: justice, righteousness, freedom, liberty, equality, human rights – you name it. Robespierre, Hitler, and Pol Pot all acted in the name of virtue. When people kill each other, especially on a massive scale and in organized fashion, ethics are usually held in high esteem. It is much easier to murder a man if you believe that he is evil – and that you are good". Moeller, H.G. (2009). *The Moral Fool*. Columbia University Press.

Voltaire supposedly also said "it is forbidden to kill; therefore all murderers are punished unless they kill in large numbers and to the sound of trumpets"

Tensions and dilemmas

- Should companies hire cheap labour, including children, in order to reduce employment costs?

- Should companies hire the best and most able candidates to maximize productivity at the risk of excluding socially disadvantaged groups?

- Should companies increase their organizational flexibility to gain competitive advantage by requesting their employees to work flexibly including working unsocial hours and overtime at short notice to the detriment of their work–life balance?

CSR and business benefits

Opinions on the perceived benefits of CSR activities differ widely. Some argue that there is a strong business case for CSR and that adopting a proactive CSR approach can help companies to:

- avoid business risks such as corruption scandals or environmental accidents

- have greater access to capital through distinctive ethical values that appeal to particular types of investors

- attract and retain customers through enhanced brand image and corporate reputation

CSR and business benefits (cont.)

- legitimize business and profit levels and avoid government intervention or public criticism

- manage human resources more effectively through attraction and retention of talent and enhanced motivation and commitment of the workforce

- gain acceptance of the local community and support from host country government, including favourable policy treatment

Sustainability through the integration of CSR and HR policy

- How CSR and HRM can be integrated:
  - HR initiatives, such as employee involvement, may facilitate firms' fulfilment of their CSR tasks
  - Firms may adopt ethical or socially responsible HR practices as part of their CSR governance

- The integration of HR policy with CSR policy will contribute to the sustainability of businesses and the social and economic development of nations, particularly the less developed countries

  - Relate this line of reasoning to yesterday's discussion about control!

Spotify CFO Paul Vogel On The "Real Positive" Of The Company's Recent Layoffs And Reorg, Its Current Podcast View, Rivalry With Apple And Outlook For A "Choppy" Economy

By Dade Hayes
March 8, 2023 2:57pm

WORLD

Google messes up layoffs, fails to honour medical leaves and insurance of fired employees

Google is still working on the layoffs it announced in January of this year. However,

I'VE BEEN SAYING FOR YEARS THAT "EMPLOYEES ARE OUR MOST VALUABLE ASSET."

IT TURNS OUT THAT I WAS WRONG. MONEY IS OUR MOST VALUABLE ASSET. EMPLOYEES ARE NINTH.

I'M AFRAID TO ASK WHAT CAME IN EIGHTH.

CARBON PAPER.

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Articles   Headlines

GM fires 500 employees, cites performance evaluations

Although the company said it was "not planning layoffs" in January, it seems the negative performance evaluations may have changed its mind

TECH · TWITTER

Elon Musk lays off more Twitter employees, including hardcore loyalists: 'Looks like I'm let go'

BY STEVE MOLLMAN
February 26, 2023 at 8:29 PM GMT+1

TECH

Amazon to lay off 9,000 more workers in addition to earlier cuts

PUBLISHED MON, MAR 20 2023·10:36 AM EDT | UPDATED MON, MAR 20 2023·4:02 PM EDT

Annie Palmer
@ANNIERPALMER

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World at Work

McDonald's CEO says layoffs are coming

By Nathaniel Meyersohn, CNN
Updated 9:36 AM EST, Sat January 7, 2023

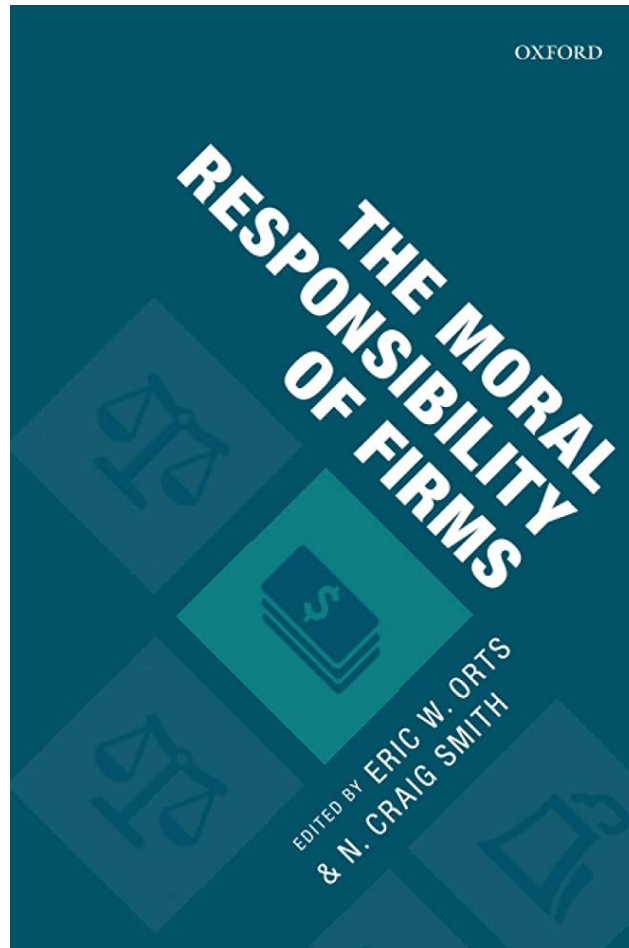2 minute read · February 24, 2023 6:03 PM GMT+1 · Last Updated 25 days ago

Ericsson to lay off 8,500 employees -memo

By Supantha Mukherjee

Recommended reading (and watching) for the curious student

Orts, E.W., & Smith, N.C. (2017). *The Moral Responsibility of Firms*. Oxford University Press

[Jonas Čeika - CCK Philosophy]. (2018, July 13). *Why equality is unhelpful as a political goal* [Video]. YouTube. https://www.youtube.com/watch?v=pzQZ_NDEzVo

[Jonas Čeika - CCK Philosophy]. (2019, October 28). *The Problem With Human Rights* [Video]. YouTube. https://www.youtube.com/watch?v=AhRBsJYWR8Q

Stanford Encyclopedia of Philosophy: https://plato.stanford.edu/