# A Tale of Two Disciplines: Perspectives on HRM vs. Industrial Relations in Europe and in Turkey

#### Serkan BAYRAKTAROGLU

Sakarya University, Department of Management, TURKEY

#### **Cemal IYEM**

Sakarya University, Department of Labour Economics and Industrial Relations, TURKEY

### Yasemin ÖZDEMİR

Sakarya University, Department of Management, TURKEY

**Abstract:** In 1960's there are many problems about HRM like stagnation because of many different factors. During 1950's HRM is seen as a part of industrial relations. After 1960's in time HRM and industrial relations tended to develop as two different areas: industrial relations is narrowly focused on unions and labour-management relations and HRM is focused on the functional parts of employment management. IR and HRM differentiation is parallel to work economist and scientists from management and behaviour sciences (Kaufman 2007: 33). In this paper, the comparison of perspectives of IR and HRM disciplines within the framework of the text books will be made.

# **Industrial Relations Background**

Post-industrial transformation process and that with the change in labour force quality, as well as the importance of human resource management field to gain reduces the effectiveness of industrial relations. In fact, the importance of industrial relations the most important reason for the reduction of a serious decline of unionism and workers' organizations can be shown to be. However, Yildirim's (1997:13), as expressed to decline to check this in the future of industrial relations or the form of industrial relations in the union will wrap, or vanished, and the human resources management will be left to claim is incorrect. Therefore, a dynamic sub-system of society as "Industrial Relations" at the past, today and future to analyze the "Human Resources" and "Strategic Human Resources" approach" in the role of Industrial Relations will allow us to understand better.

In particular, In the 1970s, World War II until the end of the ongoing period of high employment, growth, industry relations, as well as reconciliation and the trade union organizations and collective bargaining it is possible to see the development of. However, these positive statements in the first quarter of the 1970s economic crisis occurring in the unstable structure was replaced. Especially with the increase in the unemployment rate and employment to the unemployed masses "Atypical working" formats emerged. Moreover, the advanced technology brought a change in the workforce profile. Employers and trade unions in the 1980s is coming to the economic and social life and the effects vary with the location, it is possible to see the trade unions started to weaken (Uckan and Kağnıcıoğlu 2004:75). In particular, the process of restructuring in the economy and technological progress by now lost the importance of relationships corporatist individual interests to the fore an understanding that reveals the judges. This change in the structure of collective bargaining itself is felt. National-level collective bargaining in the sense of place to a configuration requires a more micro level, was replaced by the establishment. Once upon a time, massive blue collar and more humane work / life conditions to ensure that come together as created and then this combination political field into the other developments with the welfare state the path to the layer of trade unions to the state when look at it; unions now and against capital as well as the political scene when considered What is the power! is seen as one raised for organizations that are afraid of fashion (Man and Iyem 2008). This component consists of the industrial relations system, developed in parallel with the very nature of the matter is lost. Areas where the collective consciousness of individuals focused on the future of industrial relations in many different scenarios were produced. At present, industrial relations and are opposed to each other HRM's and HRM's development of industrial relations will disappear with you in the direction of HRM and Industrial Relations that the competitors to each other, complement each other in the direction where there are different opinions (Tokol 2001:210).

In fact Tokol (2001: 211) expressed as a paradox is in the process, business or business to the worker's trade union decision-making power is the closest. The same paradoxical problem, create a theoretical dimension to the educational process is also possible to downmix. Thus from Personnel Management to Human Resources together with the transition to the Industrial Relations The importance of teaching reading based resources are the basis of how the changes brought?, Western literature with the source in Turkey between sources of Industrial Relations The importance of what similarities or differences are there?

## **HRM Perspective**

The 1980s saw the emergence of the concept of strategic HRM (for example Schuler 1989; Boxall 1992; Bratton and Gold 1999). Increased competition in both national and global arenas has forced managers to reconsider the management of all resources within the organisation, paying specific attention to the effective management of the human resource, leading to declarations such as "people are our most valuable asset". This reappraisal of the techniques used to manage employees within an organisation has led to the development of various approaches towards human resource management: for example the instrumental approach which focuses on the so-called hard HR areas such as HR planning where human resources are viewed as "rationally" as any other economic factor; and the humanistic approach emphasising the so-called softer aspects of HRM such as organisational culture and employee commitment (Goss 1994).

The shift from traditional personnel management towards a more sophisticated human resource management has been reported extensively in recent years (Storey 1989; Legge 1989; Sisson 1989; Guest 1989; Beer *et al.* 1985). Guest (1993) identifies the central levers for HRM as selection, training and rewards. It is widely accepted, however, that the main features of a human resource management network include additional features such as welfare, trade unions, assessment, employee involvement and equal opportunities. In the Europe and USA the transformation required a process based in the improvements within HRM practices but in Turkey the transformation remained superficial limited to the name change from personnel management to HRM. Furthermore the transformation to strategic HRM has been seen as luxury for the Turkish companies (Bayraktaroglu 2006).

Literally strategic HRM includes four dimensions (Bratton and Gold 1999): reengineering, leadership, workplace learning and labour unions. It can be claimed that these dimensions will let us improve HRM strategically and hence overcome so-called shortfalls of HRM.

There may be different mechanisms to provide the balance of achieving the desired results: HRM view and IR view mainly structured around the idea of labour unions. Creation of "us" and "them" as competing parties this process may become more unproductive in terms of performance standards.

## Aim of the Research

In this research, the understanding of HRM within the theoretical framework will be analysed to explore the present HRM understanding of academics in comparison with industrial relations view.

#### Method of the Research

This research will employ qualitative methods namely content analysis (Holsti 1969; Luborsky 1994) and Turkish HRM textbooks will be used in comparison with British and American HRM text books. In this way, it is hoped that the transformation of strategic HRM in Turkey will be explored and this will help to understand the degree of convergence of the HRM discipline with industrial relations. We propose to use a provisional, working list of main types of industrial relations. We used basic industrial textbooks when working list of main types of industrial relations. These books are very important and basic text books in industrial relations literature (Purcell 1981; Salamon 1987; Ferner and Hyman 1992; Salamon 2000; Edwards 2003).

# **Findings**

In this section the findings of our research will be indicated in two parts: the findings about European and Turkish HRM books.

We used seven British and American HRM text books in this study; also we did content analysis (used main types of industrial relations) on seven British and American HRM text books.

Above table shows the text books that have been published between 1974 and 2007 years. The number one shows the oldest published (1974) text book while the number seven shows the newest (2007) published text book. The subjects in industry relations have been changed as the time passes.

The first three books emphasize the importance of collective bargaining, wages and employee/employer associations because most of the companies were unionised. However, we don't see these subjects/chapters in more recently published text books because weakened labour union bargaining power and chancing collective bargaining strategies have contributed to this result.

On the other hand, we started seeing that recently published books have started giving place to non-unionization. Some of the union efforts there such as wages, employee labour associations, pay and productivity and disputes.

	Books								
Concepts/ Issues	1	2	3	4	5	6	7	8	9
Labour Relations		+	+ (employe e- employer relations)	+ (emplo yee- employ er relation s)					
Industrial Relations	++			,			+		++++
Industrial Action									
Collective Agreement	++++++ ++++++		+	++	+		+		
Collective Bargaining	+++		++++	+++++	+		+++		
Disputes	+++++			++++	+ (collec tive work dispute s)		+ (collective work disputes)		
Grievances				++					
Negotiation	+						++ and + (collective negotiation)		
Conflict							,		
Pay and Productivity				+ (produc tivity)					
Wages	76 (wage) and 2 (determinig wages)	++++ ++++ + and + (wage manag ement) , 1 (deter	31 (wage) and 1 (determinnig wages)	25 (wage)	8 (wage) , 1 (deter minnig wages) and 1 (wage manag	3 (wag e man age ment )	5 (wage), 1 (wage managemen t), 2 (determinni g wages) and 5 (wage system)	4 (wage )and 2 (deter minni g wage s )	(dete rmin nig wage s)

		minni			amont)				
					ement)				
		g wages							
		)							
Manpower	+++++	,	++++	+++++		++	+++		
Unemployment				'					
Conciliation and	++		+	1			1 (peaceful)		
Arbitration	3			(concili			and 1		
	(conciliat			ation)			(computing		
	ion) and			and			solutions)		
	4			1(arbitr					
	(arbitrati			ation)					
D 1 1	on)								
Redundancy		+	+++	++		++		+	
Join Consultation									
Union			+						
Recognition Strike									
Strike	+++++		+	++	+				
	++++++								
Lockout	++		+	+	+				
Trade Union	+++++	+	+++++	+++++	1		++++		++
	+++++			+++++	(relatio				
	++			++++	ns with				
					trade				
					unions				
					)				
Labour Union			1 (work				1 (work		
			place				place) and 1		
			union), 1				(occupation		
			(sectoral				al unions)		
			union) and 1						
			(occupati						
			onal						
			union)						
Unionism			,				++		
Labour			+				+		
Federation							and		
							1(confedera		
							tion)		
Employee-			+						
Employer									
Associations.									
Works Council Shop Stewards	1.1			1					
shop stewards	++			+			+		
Is there a special	As legal	_	+	+	+	_		_	_
part in the book	dimensio			'	'				
about these	ns of								
subjects?	HRM								
·			1						
			(Labour						
1			Law)		I	1	Ì	]	]

**Table 2:** The findings about Turkish HRM books (8<sup>th</sup> and 9<sup>th</sup> ones are SHRM books) are summarized below;

As it is seen from the table only 3 HRM books have a special part named industrial relations and all the HRM and SHRM books mention at least 2 concepts about IR. The most mentioned concept is about wages and the second one is about trade unions. It can be said that although IR is an important area in the development of HRM, the concepts/issues about IR do not have an important place HRM books so in HRM literature.

#### **Conclusion**

Generally the idea of HRM model in Turkey is the opposition of classical industrial relations and collective bargaining agreement and it is argued that HRM methods and policies are developed prove the interest of personnel's good and higher life standards by the management. However, there seems to be a dilemma between the HRM and IR understandings for the organisations. This feature of HRM has had some big effects from the views of political and legal developments, decrease of the membership of labour unions and the governments in USA and the UK. The labour unions' success can only be possible if they can achieve to adopt the developments in innovative management techniques. Now employees and employers have to face the difficulties of business world together. Instead of wage trade unions the view which supports company's success, competition and employing possibilities is getting stronger. These unions have to look over their roles in business world and adaptive themselves to new developments to survive in today's world. As a result, this process is representing an important stage for developing strategically HRM in Turkey.

Our research findings indicate that the dilemma between HRM and IR disciplines are to be faded away as the objectives of both sides are harmonised as the current conditions forced them to cooperate.

#### References

Barutcugil, I. (2004) Stratejik İnsan Kaynakları Yönetimi, Kariyer Yayıncılık, İstanbul.

Bayraktaroğlu, S.(2002) Stratejik Olan ve Olmayan İnsan Kaynakları Yonetimi, Beta Yayınları, İstanbul.

Bayraktaroglu, S. (2006) Human Resources Management. Sakarya, Adapazari.

Beardwell, Ian and Len Holden (1994) Human Resource Management (A Contemporary Perspective), Pitman Publishing, London.

Beer, M., Spector, B., Lawrence, P., Mills, D. and Walton, R., (1985) HRM: A General Manager's Perspective, Free Press, New York, NY.

Bingol, D. (2006) İnsan Kaynakları Yönetimi, Arıkan Yayınları, 6. Baskı, İstanbul.

Boxall, P. and J. Purcell (2003) Strategy and Human Resource Management.

Boxall, P. (1992) Strategic human resource management: beginnings of a new theoretical sophistication? Human Resource Management Journal 2(3): 60-79.

Bratton, J. and Gold, J. (1999) Human Resources Management, London: MacMillan Press.

Edwards Paul (Edited) (2003) Industrial Relations Theory and Practice, Blackwell Publishing.

Ferner Anthony, Richard Hyman (1992) Industrial Relations in the New Europe, Oxford, UK

Fındıkçı, İlhami (2001) İnsan Kaynakları Yönetimi, Alfa Yayınları, 3. Baskı, İstanbul.

Graham, H.T. (1974) Human Resource Management, London

Graham, H.T. and R. Bennett (1992) Human Resource Management, London.

Guest, D. (1993) "Current perspectives on human resource management in the United Kingdom", in Hegewisch, A. and Brewster, C. (Eds), European Developments in Human Resource Management, Kogan Page, London.

Guest, D. (1989) "HRM: implications for industrial relations", in Storey, J. (Ed.), New Perspectives on HRM, Routledge, London.

Gunnigle, P., N. Heraty and M. Morley (1997) Personnel & Human Resource Management: Theory and Practice in Ireland, Dublin.

Goss, D. (1994), Principles of Human Resource Management, Routledge, London.

Kaufman, B. E. (2007) "The Development of HRM in Historical and International Perspective", in The Oxford Handbook of Human Resource Management, edit: Boxall, Peter, John Purcell ve Patrick Wright, Oxford University Press, New York, pp. 19-47

Kaynak, T., Z. Adal et al. (2000) Insan Kaynakları Yonetimi, Istanbul Universitesi Isletme Fakültesi Isletme Iktisadı Enstitusu Araştırma ve Yardım Vakfı Yayını, No: 7, Istanbul.

Legge, K., (1989) "Human resource management: a critical analysis", in Storey, J. (Ed.), New Perspectives on Human Resource Management, Routledge, London.

Luborsky, M.R. (1994) Qualitative Methods in Ageing Research, Thousand Oaks, C. A: Sage.

Mabey, C. and Salaman, G. (1998) Human resource management: a strategic introduction, 2nd Edition, Blackwell Business.

Man, F. and C. İyem (2008) "Türkiye'de Sendikalar Siyaseti Etkileyebilir mi?", 10. Sosyal Bilimler Kongresi, ODTÜ, Ankara.

Purcell, J. (1981) Good Industrial Relations Theory and Practice, MacMillan.

Rigg, C., J. Stewart and K. Trehan (Edit.) (2007) Critical Human Resource Development, UK.

Sabuncuoglu, Z. (2008) Insan Kaynakları Yonetimi Uygulamaları, Alfa Aktuel Basım, 3. Baskı, Bursa.

Salamon, W. M. (1987 first edition), Industrial Relations: Theory and Practice, UK.

Salamon, W. M.l (2000 fourth edition), Industrial Relations: Theory and Practice, UK

Schuler, R. S. (1989) Strategic human resource management and industrial relations. Human Relations. 42(2): 157-84.

Sisson, K. (1989), Personnel Management in Britain, Basil Blackwell, Oxford.

Storey, J. (1989) New Perspectives on Human Resource Management, London: Routledge.

Tokol, A. (2001); Endüstri İlişkileri ve Yeni Gelişmeler, Vipaş, Bursa.

Uckan, B. and Kagnıcıoglu, D. (2004) Endüstri İlişkileri, Anadolu Üniversitesi, Eskişehir.

Uyargil, C., Adal, Z., Ataayi I., Acar, A., Özçelik, O., Sadullah, Ö., G. Dündar and L. Tüzüner (2008), İnsan Kaynakları Yönetimi, Beta Yayınları, 3. Baskı, Istanbul.

Yıldırım, E. (1997) Endüstri İlişkileri Teorileri (Sosyolojik Bir Değerlendirme), Değişim Yayınları, Sakarya.

Yüksel, O. (2007) İnsan Kaynakları Yönetimi, Gazi Kitabevi, 6. Baskı, Ankara.