

Cultural Value Orientations and Employee Preference for HRM Practices in Northern European Countries: A Research Agenda on the Swedish Perspective

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Introduction

Globalization accelerates the transfer not only of products and services among nations but also management know-how and practice. Running parallel with this increasing globalization has brought a heightened sense of awareness about the importance of cultural values as a part of company's personnel mission and an understanding of an impact of these values has become an operational necessity (David, 1989; Starkey, 1998). At the organisational level research highlights that employees working for similar firms regardless of their national origin are likely to culturally converge (Trompenaars, 1994). However, there is less empirical evidence to support this convergence debate, especially in the context of highly developed countries, like Sweden. Indeed, there is a need for understanding the behaviour of employees in developed countries by conducting empirical studies to highlight the cultural orientations associated with human resource management practices in organisations existing within a national context (Kluckhohn and Strodtbeck, 1961). The intention of this abstract paper is to propose a future research agenda that examines the impact that individual national cultural value orientations have on the preference for HR policies and practices in Swedish organisations. Underlying patterns of Swedish value orientations will be thoroughly examined as well as the extent to which they explain employee work preference.

Background

As businesses have become increasingly global, the transferability of management theories and practices across national borders and different cultures has become an increasingly debated topic (Bigoness and Blakely, 1996). The transfer of HRM occurs mostly from developed nations to the developing ones; however multinational corporations (MNC's) and local organisations face a serious challenge in implementing the western-based practices of human resource (Jaeger and Kanungo, 1990) and there are growing concerns about the extent to which these theoretical models and specific practices are capable of being transferred from one country to another. Discourses regarding the culture of business entities and how culture influences the behaviour of these entities can often be complex and contentious (Sukumaran

and Bhaskaran, 2007). For instance, the argument that exposure to Western ways of engaging in business will result in adoption of Western values suggests that demands and opportunities of a technologically advancing society will likely shape value systems that responds to industrialisation rather than to indigenous cultural forces (Ralston et al, 1993). On the contrary, there is the argument that culture in itself is sufficiently powerful enough to ensure that managerial values will continue to remain different for businesses from different countries despite the impact of western-style industrialisation (Ralston et al, 1993). Hence managerial attitudes, values, behaviours and efficacy differ across nations and differences in national culture call for differences in management practices (Newman and Nollen, 1996). These challenges have led to vast differences over the past few decades in the field of human resource management research (Schuler and Jackson, 1999).

The transferability of managerial values across national borders has become an increasingly important research topic, a through literature review did not uncover any exclusive typologies that compare value orientations in developed market economies to those in developing or transition economies and vice versa (Danis, 2003). Although majority of research has concentrated on differences across developed countries or between newly industrialised economies (NIEs) (Nyambegera, Sparrow and Daniels, 2000) not all studies have supported significant national differences in attitudes, work goals, or values (Bigoness and Blakey, 1996). Especially in the context of the developed countries in Northern Europe, development of appropriate value orientations is thought to be a critical element in the socio-economic change process and foreign partners are often seen as a vital source of knowledge (Danis, 2003). Interestingly, several studies have looked at the impact of cultural factors on individual work behaviours (see. Woldu, Budhwar and Parkes, 2006; Budhwar, Woldu and Ogbonna, 2008; Budhwar, 2000) they have usually focused on examining the cultural value orientations of individuals and its influence on HR practices in the cross-national context (see, Papalexandris and Panayotopoulou, 2004). For instance, most of the studies that do examine cultural value orientations and its influence on human resource practices at the employee level have mainly concentrated on comparison in central and eastern parts of Europe (see. Danis, 2003) and other Scandinavian countries (see. Svallfors, Halvorsen and Andersen, 2001) leaving room for only a handful of studies on Northern European countries like, Sweden (Muller, 1999). This has created a gap in the literature that needs to be filled as not only various contextual factors have contributed to a distinctive form of HRM in Europe but national culture is believed to be largely responsible for differential HRM clustering of

European countries as compared to the rest of the world (Apospori et al, 2008). This means that more cultural-bound studies are required in order to understand how HRM practices are shaped in different parts of Europe and European organisations. As such, the aim of this research is two-fold:

1. Which cultural value orientations are held by employees in Swedish organisations?
2. Which cultural value orientations influence individual employee preference for HR policies and practices among employees in Swedish organisations?

The Swedish Perspective

Sweden is located on the Scandinavian Peninsula between Norway and Finland with its border stretching into the Baltic Sea with the gulfs of Skagerrak and Kattegat along the south-west and the Gulf of Bothnia lying along the nation's north-eastern coast (Boraas, 2003). Sweden has developed a successful economy and one of the highest standards of living in the world; its natural resource have helped it become a leading industrial nation and the combination of private enterprise and government social policy has helped Sweden achieve high standards of living (Boraas, 2003). Sweden is one of the least hierarchical countries in the world and has a highly collectivist culture and is relatively egalitarian in many respects. For instance, it is characterised by relative social and economic equality created by redistributive social welfare policies; for example, Sweden features a high proportion of women in labour force and one of the highest proportions in Europe of women in top political positions (Bihagen and Katz-Gerro, 2000) i.e. they place a high value on the quality of life and caring for others and more importance is given to interpersonal relationships (Schuler and Rogovsky, 1998).

Hofstede (1991) value orientation model ranks Sweden low on uncertainty avoidance but high on collectivism and femininity and power distance (Marinas and Condruz-Bacescu, 2009). However, a study conducted by Trompenaars (1993) suggests that Sweden's business culture is much closer to that of United States than those of Austria and Germany (Muller, 2000). Furthermore, Hofstede's data shows that Sweden, Germany and particularly Austria are much less individualized than the United States, which could hinder a shift from collectivist to individualist approaches in the employee relations (Muller, 2000). Though, from the managerial point of view Sweden predominates the orientation for conflict resolution through negotiation, the preoccupation for working conditions quality and social climate where the motivating factors for employees is represented by their availability to take

part at unfamiliar risks (Marinas and Condruz-Bacescu, 2009). Sweden has a long-standing, institutionalised commitment to work in the form of 'active' labour market policies, which form a strong safety net but also place strong demands on the flexibility and the willingness to work among the unemployed (Svallfors, Halvorsen and Andersen, 2001). Marinas and Condruz-Bacescu (2009) note Northern European countries like Sweden, present a series of particularities specific to the American model of human resource management, being different, from this point, of other European countries. This makes it important to test the value orientations of Swedish employees and their impact on HR practices to support significant national differences in attitude, work goals and values which can result in better understanding of the HRM models in Northern parts of Europe. This study will propose to employ the cultural value orientations proposed by Kluckhohn and Strodtbeck (1961) to investigate cultural orientations found in Sweden and how they impact HRM practices.

Conclusion

This abstract whilst highlighting research gaps and conducting a brief review of the literature on Sweden and its culture proposed the use of Kluckhohn and Strodtbeck model to set a future research agenda by examining the cultural value orientations and preference for HRM practices of employees in Swedish organisations. This research will find out whether, cultural value orientations impact on individual employee HRM practices, and if so, then to what extent? The argument is that cultural value orientations are deep pre-existing structures developed in early socialisation, whereas the preferences for specific human resource practices are developed at a later stage (Nyambegera et al, 2000). Hence, in this context it is reasonable to infer that value predicts human resource preferences. This study raises a number of issues for future research where better understanding of human resource practice preferences can be gained by examining employees belonging to the national sub-culture within a particular country. Comparisons can be made on socio-philosophical grounds in the Swedish context to gain an understanding of other Northern European and Scandinavian comparative human resource management practices.

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