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Global Hospitality Managers: Myth or Reality?

Charalampos Giousmpasoglou (ASTER, MSc, MA, PgD, PhD candidate)
Strathclyde Business School – Department of HRM

Postal Address: [Redacted], Athens
Tel: [Redacted]
charalambos.giousbasoglou@strath.ac.uk
babisyious@googlemail.com

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ABSTRACT
Over the past forty years, the international management studies have expressed considerable interest in what has come to be known as ‘best-practices’ (Boxall and Purcell, 2000, 2003). The concept of best-practices suggests standardisation and homogenisation of the organisation's human resources through the employment of universally applicable managerial practices. This idea has been extremely appealing for MNCs during the 1980s and 1990s especially in industries like hospitality and tourism where pressures for standardisation due to the rapid global expansion were enormous. There are arguments however that it is difficult to imagine, that a single practice or set of practices would emerge as ‘best' in any sense of the word, particularly in globalised organisations (Thomas, 2008). Moreover, a growing number of IHRM studies argue that ‘a best practice is not best unless it incorporates contextual elements in its application' (Von Glinow et al., 2005, p.398). Thus, the dynamic and complex nature of the management function in global business today and the realisation that what works effectively in one country may not be as efficient in another, has led management scholars and practicing managers in continuous efforts to enhance their understanding of this context and its effects on international (hotel) managers. This is sought through the systematic study and exploration of management across cultures (cross cultural management), and international human resource management.

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Introduction

“Until recently the dominance of American management theory led to the belief that ‘one size fits all’, that a good manager in the US will also be a good manager in other countries and that effective U.S. management practices will be effective anywhere. This view is now being supplanted with the knowledge that managerial attitudes, values, behaviours, and efficacy differ across national cultures. There is no one best way to manage a business. Differences in national cultures call for differences in management practices.” (Newman and Nollen, 1996, p.753)

The rise of globalization has triggered a considerable interest in what has come to be known as ‘best-practices’ (Boxall and Purcell, 2000, 2003) from an international management studies perspective. The concept of best-practices suggests standardisation and homogenisation of the organisation’s human resources through the employment of universally applicable managerial practices; this idea has been extremely appealing for hospitality multinational companies (MNCs) during the 1980s and 1990s. The high expatriate failure rates and the scarcity of managerial resources, alongside with the rise of awareness of the local context effects in managerial work, has resulted to a new direction in international managerial work research, largely affected by the ‘global-local’ question. This paper explores the wider implications of globalisation in hospitality managerial work and the level of convergence in managerial work practices that has been achieved so far.

The international hospitality manager

Hospitality as a modern phenomenon was shaped after World War Two and is closely linked with the development of mass tourism and the rapid growth of the airline industry. The hospitality and tourism industries together are the
largest and fastest growing industry in the world (Clarke and Chen, 2007). The World Travel and Tourism Council (WTTC, 2009) estimated that hospitality and tourism as a global economy are directly and indirectly responsible for 11% of gross domestic product, 200 million jobs, 8% of total employment and 5.5 million new jobs per year until 2010.

The early adoption of internationalisation in the hotel industry came initially from U.S. hotel companies, who took the lead and moved across borders for supply and demand reasons; that was to satisfy the needs of American travellers as other trades internationalised (Nickson, 1998; Thompson et al., 1998). Since the early 1980s a growing number of these original American operators were acquired by U.K. based companies, and simultaneously other European and Asian companies began to compete on more broadly international scales (Thompson et al., 1998; Segal-Horn, 2000). The transformation of the sector in a truly globalised industry occurred after a prolonged period of mergers and acquisitions during the 1990s. This brought changes in the adopted growth strategies of many hotel companies who were now competing on a global basis (Price, 1993). While the hotel industry was traditionally dominated by individually and/or family owned properties it can be argued that it is heavily influenced by international/multinational hotel companies defined by Peng and Litteljohn (1997) as:

“multi-unit service organizations in which units operate under a system of decision-making permitting coherent policies and a common strategy through one or more decision-making centres, and where hotel units and corporate functions are linked to add value to each other by ownership or contractual relationships.” (cited in Litteljohn, 2003, p.15)
In this globalised environment, the development of international hospitality managers is seen as being of critical importance for hospitality MNCs. Thus, since the early 1990s, the rapid growth of international hotel chains and its effects on managerial work, have drawn the attention of researchers (i.e. Gilatis and Guerrier, 1994; Nebel et al., 1995; Gilbert and Guerrier, 1997; Ladkin and Juwaheer, 2000). The personality characteristics required of the international hotel managers include people and interpersonal skills, adaptability, flexibility and tolerance, cultural sensitivity and intercultural competence followed by emotional maturity, industry experience, and self-confidence (Gilatis and Guerrier, 1994; Shay and Tracey, 1997; Feng and Pearson, 1999; Kriegl, 2000). International etiquette, demonstrating an understanding of international business matters, the ability to work with limited resources and effectively manage stress were judged to be relatively important, while functional and technical skills were rated as the lowest priority for managers. Research also indicates that in an international hospitality organisation building managers’ cross cultural skills may be far harder but more important than developing their functional and technical skills (Gilatis and Guerrier, 1994; Shay and Tracey, 1997; Kriegl, 2000). This is because of the high level of interpersonal and relational skills required where the host country culture and the needs of a diverse customer base must be understood and catered for. The knowledge and competences of GMs are wide-ranging and include not only the enabling capabilities (Leonard-Barton, 1995) essential for survival within the international hotel industry but also the supplemental and core capabilities specific to companies’ market positions and strategies, and competitive advantage. International hospitality managers
are seen as change agents who help corporations to cope with the fast changing environment. In addition, international hotel chains such as Starwood, Hilton, Intercontinental and Accor invest in the development of a cohort of international managers by using staff from both the host and parent countries they operate (Nickson, 1998; Jones et al., 1998). The recruitment and selection of this management ‘cadre’ is conducted in assessment centres and requires a variety of aspects such as a mix of competencies, technical skills, strong personality, cultural sensitivity and adaptability (D'Annunzio-Green, 1997). Teare (1995) provides a wide – ranging set of issues that arise from the internationalisation of the industry; the education training and development of managers, is one of the main six issues reviewed. In addition, Kriegl (2000, p.64) suggests that international hospitality operations’ success ‘depends largely on the availability of qualified managers who are able to export, translate and maintain their companies’ operational standards and service consistency overseas’.

Despite the economic significance and global spread of the international hospitality industry, the majority of hospitality management literature reflects what has happened in the US and the UK since the early 1980s. Only recently have studies focused on what is happening in the rest of the Europe or the world. This was made possible through the contribution of a steadily growing number of overseas students in the U.S. and U.K. business schools who deliver hospitality programs. The most popular forms of research used to study the hospitality industry outside the Anglo-American context, is the use of country case studies (i.e. Kim, 1994; Christou, 1999; Agut et al, 2003) and
studies within the context of the international hospitality business (D’Annunzio-Green, 1997). Despite the relatively slow progress, hospitality research persistently reflects the Anglo-American universalist approach to management. Thus, it can be argued that the changes currently taking place in international hospitality management can be better understood under a cross-cultural management perspective.

2. Managing in different Cultural contexts

The extremely high failure of U.S. expatriate managers in non-western countries assignment has driven the creation of research focused on national cultures and its effects in organisational context (i.e. Hofstede, 1980, 1991; Tayeb, 1988, 1994; Trompenaars, 1993). Several attempts have been made to conceptualise and measure differences in cultures among nations, and to relate cultural differences to differences in management practices. This is sought through the systematic study and exploration of management across cultures (cross cultural management); although cross-cultural management is often regarded as a discipline of international management, is not a clearly demarcated discipline of management (Soderberg and Holden, 2002). Yet for many management scholars the term is meaningful because it implies (a) procedures and policies relating to the management of workforces with different cultural backgrounds, and (b) moderating the impact of cultural differences in the execution of management tasks (ibid, p.103). Adler (1991) argues that cross cultural management studies the behaviour of people and organisations in different countries and cultures around the world; he also
suggests that “cross cultural management expands the scope of domestic management and encompass the international and multicultural spheres” (ibid., p.11). The most well known examples include the international survey results reported in Hofstede (1980, 1991), Laurent (1983) and Trompenaars (1993). This body of research clearly indicates that the national culture interpretation and adaptation are a prerequisite to the comparative understanding of national management practice. Triandis (1982) observed that specific management actions could be facilitated or inhibited by culturally determined orientations. He made a distinction between Dionysian cultures, where subordinates are motivated through close interpersonal affiliation and Apollonian cultures, where the relationship between manager and subordinate is characterised by tasks and formality. For Newman and Nollen (1996) national culture is seen as a central organising principle of employees’ understanding of work, their approach to it, and the way in which they expect to be treated. National culture implies that one way of acting or one set of outcomes is preferable to another. Thus, when management practices are inconsistent with these deeply held values, employees are likely to feel dissatisfied, distracted uncomfortable and uncommitted. As a result, they may be less able or willing to perform well. House et al. (2002), in their GLOBE study, separated aspects of culture into its ‘etic’ and ‘emic’ qualities. The former are common for all cultures and the latter are culture-specific. The authors believe that these qualities can be used to explain similarities and differences in organisational practices and leadership behaviours. In particular, culture has been shown to shape the individual’s perceptions and behaviours towards job design, supervision and rewards (Aycan et al., 2000;
Smith et al., 2001). Furthermore, national cultures differ in the degree to which they enable managers to adopt non-homegrown practices (Tayeb, 1995), although recent research suggests that some contingency-type theories may be applicable (Ralston et al., 1999). Empirical evidence indicates that a variety of management practices differ by national culture, including decision making (Schneider and De Meyer, 1991), strategy (Ayoun and Moreo, 2008), leadership style (Dorfman and Howell, 1988; Puffer, 1993), and human resources management (Luthans et al., 1993).

The main obstacle in the effort to understand these management differences across different countries and cultural settings is that researchers and practitioners must often rely on theory originally developed in the United States. This has resulted to the fact that management theory development has been synonymous largely with what happens in this country and its MNCs operating around the globe are responsible for the dissemination of this US-centric management knowledge. Arguably the most vocal proponent of this position, Guest has suggested that HRM is ‘American, optimistic, apparently humanistic and also superficially simple’ (Guest, 1990, p.379), and has argued that HRM can be seen as a contemporary manifestation of the American dream owing to its emphases on the potential for human growth, the desire to improve opportunities for people at work, and the role of strong leadership reinforced by strong organisational culture (Guest 1990). In that respect, many management scholars argue that international and cross-cultural management studies originate in the individualistic achievement-oriented management culture of the United States (i.e. Doktor et al, 1991;
Jackson, 2002; Tayeb, 2005; Thomas, 2008). This body of US-centric literature also suggests (Ruigrok and van Tulder, 1995; Marschan, 1996; Mayrhofer and Brewster, 1996; Ralston et al., 1997; Ferner and Quintanilla, 1998) that where a nation has a strong and distinctive culture this carries over into the nation’s organisations, the most cited examples being Japanese, German and United States’ organisations. Although MNCs operating independent of national borders continue to have their assets, sales, workforce, ownership and control highly concentrated in the country where their corporate headquarters are located (Ferner and Quintanilla, 1998). Thus, universality in international (hospitality) management theory, research and practice is accepted without question (Kiessling and Harvey, 2005). It can be argued however that attempts to establish a common corporate culture in an international or multi-national firm can be undermined by the strength of national cultures, and research points to the fact that the cultures of individual countries are both more stable and more powerful than those of individual organisations (Newman and Nollen, 1996; Hirst and Thompson, 1996; Pauly and Reich, 1997). Furthermore, the concept that human beings are a resource to further the executive ends of an organisation is a concept that is contrary to the values of many non-Western cultures (Thomas, 2008). Perhaps in its most instrumental conceptualisation, this may also be contrary to the values of many ‘Western’ cultures. Little thought is given to the implications of the underlying concepts in people management theory, nor to its manifestations in the policies and practices that multinational corporations employ across different countries (Ferner and Quintanilla, 1998). Boyacigiller and Alder (1991) argue that this bias in theory development is the result not of
an inherent belief in the superiority of U.S. management but of parochialism – a lack of awareness of alternative contexts, models, research and values. As a result culture is often ignored in management research and universality is assumed (Thomas, 2008). Recently, a number of scholars have challenged the assumption that management theories formulated in one country are applicable universally, and have demonstrated in their research that management theories applicable in one country cannot be generalised directly to other countries (i.e. House et al., 2004; Javidan et al., 2005). Yet, progress in developing new context relevant theory in international management has been slow (Peterson, 2004; Tsui, 2004).

**ISHRM and the global-local question in managerial work**

The identification of the complexities associated with managing people from different cultural contexts when a company pursues business across national borders, has been a major aspect of IHRM research (Cullen, 1999; Evans et al, 2002; Schneider and Barsoux, 2003; Dowling and Welch, 2004). IHRM is an area of research and practice that is embedded in international management, which is in turn embedded in the broad field of international business (De Cieri et al., 2007). Peltonen (2006, p.523) defines IHRM as ‘a branch of management studies that investigates the design and effects of organizational human resource practices in cross-cultural contexts’, and Welch (1994, p.162) advocates that ‘IHRM involves moving people around the globe’. The core difference between HRM and IHRM is premised in the fact that HRM is relevant within a single country, while IHRM seeks to explore
added complexity due to a diversity of national contexts of operation and to the inclusion of different national categories of workers (Dowling, 1999; Evans et al., 2002; Schuler et al., 2002).

Increasing attention has focused on the strategic nature of IHRM and the implications of strategy for organisational performance (De Cieri and Dowling, 2006). Schuler et al., (1993, p.422) define strategic IHRM as ‘human resource management issues, functions, and policies and practices that result from the strategic activities of multinational enterprises and that impact the international concerns and goals of those enterprises’. The present level in the evolutionary process of human resource management, which complicates the human resource functions and systems that much more, is strategic global human resource management (SGHRM). Viewing the human resource functions in an SGHRM context exacerbates the international human resource issues due to the co-ordination efforts required to implement the strategy of the corporation (Kiessling and Harvey, 2005). Thus, from a SGHRM perspective, in today’s global business environment, global organisations must utilise all possible sources of competitive advantage, and human assets are one of these sources (Barney, 1991; Schuler and Rogovsky, 1998). Many of the debates on the strategic nature of international and global HRM have covered similar territory to those in domestic SHRM that is whether organisations should primarily build upon their internal assets or upon assessments of the external environment to develop competitive advantage (Bartlett and Ghoshal, 1989; Prahalad and Hamel, 1990). MNCs typically face the conundrum of ‘the dual imperatives of local responsiveness and global
integration’ (Taylor et al., 1996, p.962). While the former strategy allows firms to customise goods and services to better suit local laws, customs and consumer tastes the latter achieves cost reductions through economies of scale and scope (Hill, 2006, pp.395-400). Such policies are tempered by the characteristics of the industrial sector within which the MNC operates and/or the type of product or service that it produces. Similarly, the implementation of new technologies and production practices within international subsidiaries often requires the export of new management and work practices from the parent firm to the host country subsidiary. Managing people consistently within and between subsidiaries across the world suggests that companies will evaluate whether to adopt local practices and simultaneously adopt global practices (Brewster, 2001, 2006; Edwards and Kuruvilla, 2005).

The above management dilemmas and challenges have not been new; since the early 1980s a critical question has been, whether differences among management practices and national cultures matter to managerial performance. The ‘global-local’ question originates from the wider cultural ‘convergence-divergence’ debate, which is premised on the assumption that in given enough time, cultures will converge to the point that no difference in values, attitudes, beliefs and behaviour exist (Kerr et al, 1960; Perlmutter, 1969; Eisenhardt, 1973; Dunphy, 1987; Inglehart and Beker, 2000). As a result, societies and organisations will become similar due to the universal application of management practices (Dowling et al, 1999; Schneider and Barsoux, 1997, 2003; Brewster, 2006). On the other hand, divergent theorists argue that in today’s complex globalised business environment, international
companies must manage, on a day-to-day basis, the national institutional and cultural differences presented in various localities, and this highlights another form of balance for enterprises where they have to achieve a judicious and effective equilibrium between some local HRM practices and elements of consistency across their subsidiaries (Brewster, 2006). While the adoption of global, ‘culture-free’ (convergence) or local ‘culture-specific’ (divergence) managerial practices may represent polar extremes, a third approach appears as a unifying model. In this respect, there are writers who argue that corporate culture can influence, but not eliminate, national culture values (Ricks et al., 1990; Adler, 1997), or who argue for ‘crossvergence’, which is defined as a combination of organisational culture and national culture values (Ralston et al., 1993). Basically, crossvergence theorists argue that as the global economy grows, countries will influence one another economically as well as culturally; in that respect crossvergence means that different management approaches are expected to converge in the middle (Vance and Paik, 2006).

Regardless of whether management is converging, diverging or crossverging, culture can be seen as having an important influence on performance (Fisher and Hartel, 2003).

**One problem, three different approaches**

The solutions to the culture problem identified in international management literature are respectively to reflect, eliminate or adapt. In that respect, top management is a key factor in determining the overall international strategy and its implementation approach (Hax, 1989; Roth, 1995). Their belief in the generalisability or specificity of policies and practices is a driving force of
MNC’s choices (Heenan and Perlmutter, 1979; Hedlund, 1986). There are three distinctive practices within SIHRM in relation to this decision: the ‘best-practice’ approach; the ‘best-fit’ approach; and the ‘resource-based view’ (RBV).

The ‘best-practice’ argues for a universal paradigm, which promotes the idea of convergence across countries, and sees the main aim of SIHRM to improve organisational performance (Delaney and Huselid, 1996). Taylor et al. (1996) have labelled this as ‘exportive’ SIHRM orientation where the parent firms HRM system is being transferred to its different affiliates. Its arguments are based primarily on surveys of ‘leading edge’ companies. It appears as the dominant managerial practice within the United States of America but is also widely used in the UK, Ireland, Australia, New Zealand and Northern Europe (Brewster, 2001, 2006). The existing definitions extend from arguments that best practice approaches should ensure that minimum legislative requirements are met (Price, 1994) to those that proffer utopian views of people management approaches achieving increased levels of productivity, performance and profits (Pfeffer, 1998; Huselid, 1995). Boxall and Purcell (2003) argue that there is little overall agreement amongst the proponents of a single best practice vision; instead a range of practices are noted by researchers including participation, empowerment, job rotation, training and skill development, and teams (Osterman, 1994; Pfeffer, 1994). Furthermore, when trying to establish models of best practices it is increasingly difficult to find agreement amongst authors on which practices to deploy (Purcell, 1999; Marchington and Grugulis, 2000). The variety of models has often been
classified together as ‘bundles’ of HR practices known as ‘High Performance Work Practices’ (HPWPs), which are particularly popular in the US literature (Harris et al., 2003). They are based upon the idea that to outperform their competitors firms must follow a high commitment management (HCM) ‘recipe’ for people management. The various ‘best-practice’ models have faced forceful critique by many authors on the grounds of the empirical research approach and techniques applied, the absence of consistency on what constitutes ‘best-practice(s)’ and the limits of diffusion of these supposed panaceas (Marchington and Grugulis, 2000; Purcell, 2001). Additional criticism is based on the proposition that there are widespread benefits from the adoption best practice; in reality not everyone gains from this universal approach (Marchington and Grugulis, 2000; Purcell, 2001). The claims made in the name of best practice tend to belie in the U.S. (Boxall and Purcell, 2000), when they take place at the same time as growing income inequalities and further efforts to weaken labour markets through the use of outsourcing, temps and sub-contracting. Where some of the working population no doubt benefit from these best practices, the rest (a majority) are exposed to some of the harsher realities of modern day capitalism (Marchington and Grugulis, 2000). Boxall and Purcell (2000) argue that there is overwhelming evidence against a set of universal HR practices, based on the existence of contextual factors such as national and international variations in culture, market regulation and traditions of management. Thus, it can be argued that the ignorance of the managerial work context poses as one of the main weakness in the adoption of best practices in different cultural contexts.
On the other hand, Morden (1995) argues that international managers and multinational companies may need to take a ‘best-fit’ or ‘contingency’ approach to any issues related with the management function; he also suggests (ibid.) that the style of management must be appropriate to the prevailing local contingencies. Taylor et al. (1996) have labelled this as an *adaptive* orientation, in which each subsidiary or affiliate firm develops its own HRM system, reflecting the local environment. In short, this approach suggests that firms should be able to take advantage of cultural diversity to help them differentiate their products and services and satisfy customers and workforces, whilst at the same time minimising the effects of cultural diversity where standardisation is prioritised. In terms of the development of key human resources this balance is seen in the use of career structures for talented managers regardless of nationality and the use of host and third country managers in senior positions (Adler and Ghadar, 1990; Paauwe and Dewe, 1995; Scullion and Paauwe, 2004). It can be argued that the notion of ‘fit’ is fundamental to all contingent SHRM models, as Beer et al. (1984 p.13 in Bratton and Gold, 1999, p.48) suggest “there must be a ‘fit’ between competitive strategy and internal HRM strategy and a fit among the elements of the HRM strategy”. Typically these are identified as ‘external fit’ between the organisation’s competitive strategy or stage of development, and its HRM approaches, and ‘internal fit’ between the individual HRM practices and policies adopted (Schuler and Jackson, 1987; Baird and Meshoulam, 1988; Sanz-Valle et al., 1999). The idea that HR practices should be driven by the organisation’s competitive strategy has raised major criticisms (Boxall and Purcell, 2000). Firstly, such a model fails to recognise the need to align
employee interests with the organisation or comply with prevailing social norms and legal requirements in the course of this process (i.e. Boxall, 1996; Lees, 1997; Schein, 1997). Despite the employers’ definite superior bargaining power, the managers’ role in firms (among others) is to meet the baseline needs of employees whose skills are crucial for the organisation’s survival (Coff, 1997; Boxall, 1998). This is especially so in highly competitive labour markets such as in hotels and retail, that are based on the economies of replication or ‘known organisational routines’ (Purcell, 1995). Secondly there is an absence of an effective SHRM fit theory due to the tendency of authors to base their SHRM arguments on implicit assumptions. Wright and Sherman (1999) identify these implicit assumptions as the belief that a particular business strategy requires a particular set of responses from employees and that a specific set of HRM practices produces a specific set of responses from employees. Thirdly, there is the problem of an inconsistent use of ‘fit’ models (Wright and Sherman, 1999; Boxall and Purcell, 2000). Fourthly, Wright and Sherman (1999) refer to problems associated with inconsistent constructs of HRM that is HRM practices, HR skills and HR behaviours, when describing types of ‘fit’. Finally it is apparent that there are methodological and empirical issues associated with investigating ‘fit’. Research by Miller (1992) for example, suggests that competitive strategy is often multi-dimensional and subject to important variations across industries. It is suggested that these ‘research driven’ problems need to be addressed to aid theoretical development of SHRM (Wright and Sherman, 1999). In summary, best-fit or contingency models argue that HR strategy becomes more effective, when it is designed to fit certain critical contingencies in the
organisation’s specific context. While many criticisms have been levelled at the ‘best-fit’ SHRM approach it is not completely impotent (Boxall and Purcell, 2000). Instead it is more useful to suggest that the ‘best-fit’ approach require further embellishments, including the wider consideration of the internal factors and mechanisms, which influence strategy and HRM practices over time.

Finally, the ‘resource-based view’ (RBV) or ‘integrative’ SIHRM orientation, attempts to take the ‘the best’ HRM approaches and use them throughout the organisation in the creation of a worldwide system (Taylor et al., 1996). This suggests that certain groups of human resources (i.e. managers) achieve a privileged status within organisations due to their capacity to transfer tacit knowledge to new markets and provide sustainable competitive advantage (Prahalad and Hamel, 1990; Scullion and Starkey, 2000; Jacob, 2003). Thus, organisations must develop a cadre of managers who have a global mindset as a way of thinking within the global marketplace (Kedia and Mukherji, 1999; Paul, 2000; Begley and Boyd, 2003). These managers must develop a pluralistic management perspective that encourages and maintains multiple perspectives in order to solve complex global problems (Aguirre, 1997; Reynolds, 1997; Harvey et al., 1999). Torrington et al. (2005) argue that this model sits very well with the increasing attention being given to the notion of ‘human capital’ (i.e. Boxall, 1996; Edvinsson and Malone, 1997) where it is the collective nature and quality of the people in the organisation, which provide the potential for future competitive advantage. The majority of RBV models suggest that a firm’s resources should be ‘valuable, rare, inimitable
and non-substitutable’ (VRIN) to achieve a competitive leading edge (Barney, 1991; Chadwick and Cappelli, 1999; Boxall and Purcell, 2003; Morris et al., 2006). In the first instance value is where a resource allows a firm to improve its market position relative to its rivals so human resources can be valuable due to the range of competencies and skills individuals possess (Wright et al., 1994). The capacity of a resource to be rare is associated with the limited availability of a resource relative to demand (Barney, 1991; Hoopes et al., 2003). Consequently the scarcity of people with the requisite skills and behavioural capacities in the labour market, despite wider levels of unemployment, suggest that human resources potentially fulfill the criteria of being rare resources (Marchington and Wilkinson, 2002). The third principle of inimitability is particularly important to the RBV and emerges where resources are difficult or costly to reproduce so competitors will not be able to mimic the company’s advantage (Barney, 1991; Boxall and Purcell, 2003; Hoopes, et al., 2003). The potential barriers to imitation are conceived via the combination of ‘social complexity, causal ambiguity and unique historical circumstances’ (Boxall and Purcell, 2000, p.194). Social complexity may exist where human resources are involved in interdependent relationships, inside and outside the organisation (Boxall and Purcell, 2003). Causal ambiguity is argued to occur because it is often impossible to establish how successful a firm is and what has led to its success (Barney, 1991). The final inimitability barrier – ‘unique historical circumstances’ – is concerned with the difficulties of learning for new entrants and rivals in the market (Prahalad and Hamel, 1990; Wright et al., 1994; Boxall and Purcell, 2003). The fourth characteristic of non-substitutability identifies a resource cannot be obsolete or traded for
another factor (Barney, 1991; Wright et al., 1994; Boxall and Purcell, 2000; Marchington and Wilkinson, 2002). Human resources satisfy this condition, as they cannot become outmoded, and are transferable across a range of markets, products and technologies. A fifth characteristic has also been identified for resources capable of achieving sustained competitive advantage (Grant, 1991; Kamoche, 1996) through the use of the economic term ‘rent’ (an above average rate of return in competitive markets), where resources and capabilities should also retain the value they have fashioned for their own ongoing advantage. The capacity of human resources to do this is easily seen in the importance many organisations attach to retaining particular groups of staff and the opportunities to create additional benefits for human resources where a firm has outperformed its rivals.

Despite the fact that the RBV is much less developed in the literature on SHRM compared with the debate between ‘best-practice’ and ‘best-fit’ (Torrington et al., 2005), its attractiveness to the SHRM literature has been widely discussed (Barney et al., 2001; Marchington and Wilkinson, 2002; Morris et al., 2006). For a theory which emphasises the value of people to the strategic success of the organisation it seems unlikely to claim many opponents from the SHRM discipline. However, there are arguments regarding the limitations of RBV, focused on this approach’s overemphasis on organisational differentiation and competitive advantage (Oliver, 1997; Kamoche, 2001; Marchington and Wilkinson, 2002; Boxall and Purcell, 2003). Furthermore, Oliver (1997) argues that while forces for differentiation exist, the forces for similarity should not be discounted. Such forces include external
coercion from legislation, normative traditions in reaching customers and dealing with suppliers and routes to achieving efficiencies. Probably most prominent are the arguments of the institutional perspective, which identify examples of isomorphism as part of the forces of similarity (Boxall and Purcell, 2003; Bjorkman, 2006; Rosenzweig, 2006). Isomorphism is a process, which constrains one actor (company) in a constituency to resemble the other actors when all are facing the same environmental circumstances (DiMaggio and Powell, 1983; Paauwe and Boselie, 2003). Isomorphism concepts suggest common factors for institutional assimilation should be recognised where the RBV and 'best fit' SHRM approaches (through the strategic models) promote companies’ unlimited opportunities to distinguish themselves competitively. According to Warner and Joynt (2002), convergence of management structures and practices in organisations across cultures is likely to be driven by factors such as:

- The fast diffusion of management practices, for example, through international management education and activities by MNCs (Parker, 1998) which could be described with normative and mimetic isomorphism (Di Maggio and Powell, 1983).
- The ‘universal language’ of technology which determines organisational structures and work processes (Hickson and Pugh, 1995).
Discussion

From the above discussion on the ‘global-local’ question and the different SIHRM orientations (‘best-fit’, ‘best-practice’, RBV), it can be argued that the existing models do not fully answer some of the criticisms that have been levelled against the fields of international (hospitality) management and SIHRM (Brewster et al., 2005, De Cieri et al., 2007). It can be argued that hospitality organisations operating in local, national or international level are too complex to be able to establish exactly that one aspect of resource management, however, valuable, rare, inimitable and non-substitutable it might be, provides the definitive route to better financial performance. It is more valuable, from researchers’ and practitioners’ perspective, to understand how, why and under which conditions organisations develop what they perceive to be ‘strategic managerial resources’.

It is also important to acknowledge that management is socially constructed and cannot be separated from context (Dierdorff et al., 2009). Of the various criticisms levelled at studies of managerial work (Mintzberg, 1973; Willmott, 1984; Martinko and Gardner, 1985; Hales and Nightingale, 1986; Stewart, 1989; Hales, 1999), one of the most insistent has been the reluctance to situate either models of managerial work or empirical evidence on managerial activity within a broader contextual (i.e. institutional and/or cultural) framework (Hofstede, 1980; Boyacigiller and Adler, 1991; Doktor et al., 1991; Hales and Tamangani, 1996; Lewis, 2000; Hofstede, 2001). Armstrong's (1986, p.19) observation that 'the orthodox management literature is neutered by its own
studied ignorance of the context and purpose of management activity’, is also echoed by other writers (i.e. Marples, 1967; Burgoyne and Hodgson, 1984; Hales, 1986; Willmott, 1987; Stewart, 1989; Tsoukas, 1994). Consequently, in much of the SIHRM literature, the political, social, economic, cultural and institutional contexts are treated as simple contingency factors - this despite the fact that it is known that at firm level globalisation is a country specific phenomenon (Ferner and Quintanilla, 1998). Thus, SIHRM appears to be reproducing the flawed universalist assumptions of the broader fields of international management and international business (Westwood, 2006). The narrow focus of studies in this field is best expressed through the persistence of researchers to study expatriates; this fact leads to the question of ‘who or what has remained ignored?’ (De Cieri et al., 2007). To this extend, there are still more questions to be answered such as ‘are expatriates performing better than local managers within the same sector/organisation?’ or ‘how similar or different managerial work is when comparing expatriates with local managers?’

Moreover, SIHRM models tend to confuse cross-national with cross-cultural differences, which risks confusing what will remain stable and is hard for firms to influence with what terms might be able to standardise with judicious management (Brewster et al., 2005). The issue of cultural relativity has tempted researchers and practitioners to focus on the ‘hard’ or ‘core’ HR functional processes (Easterby-Smith et al., 1995). The field tends to ignore the subtle ways in which cultural/national differences influence the experienced reality of HRM (Earley and Singh, 2000). In addition, the
inadequate conceptualisation of national effects, results in culture being used as an unsatisfactory ‘catch-all’ for national differences (Edwards and Kuruvilla, 2005). The wider convergence-divergence debate also tends to assume that the HRM system as a whole has to converge or remain divergent, rather than considering whether some parts of the overall HR system might be converging, in some regions or geographies, while other parts might be diverging (Brewster et al., 2005). Moreover, even within a single HR function there might be convergence at one level but divergence at another. An HR function operates at multiple levels, including philosophy, policy, programme, practice and process (Schuler, 1992). However, by contrast, an over-emphasis on comparative factors risks freezing the discourse in terms of national differences. Any analysis of IHRM must consider the range of distinctive national and local solutions to HRM issues with which the firm has to deal, the strategic pressures that make these national models more receptive to change and development, and the firm-level processes through which such change and development in actual HRM practice is delivered (Sparrow and Hiltrop, 1997).

Finally, Kiessling and Harvey (2005) argue that research into IHRM is increasingly difficult to pursue, and complicated, as culture and its alignment with strategy may be very difficult to research through strictly quantitative methods. Quantitative methods sometimes do not work well in the study of international management due to the complexity and unstructuredness of the problems, with multiple important interactive relationships that cannot be studied in a quick or easy fashion (Wright, 1996). Thus a growing number of
researchers (i.e. Boyacigiller and Adler, 1991; Daniels, 1991; Brewer, 1992; Parkhe, 1993; Kiessling and Harvey, 2005) argue that a combination of both quantitative and qualitative research approaches is needed in order to advance the field, and direct such study towards reconstructing the ‘how’ of IHRM (Pieper, 1990). Moreover, the growing influence of the interpretivist’s approach to management studies have led a growing number of scholars to challenge the assumption that management theories formulated in one country are applicable universally, and have demonstrated in their research that management theories applicable in one country cannot be generalised directly to other countries (i.e. House et al., 2004; Javidan et al., 2005). Based on this argument, researchers indicate that managers working in a global context might experience disconnection between international management theory prescriptions and the imperatives of the local context unless international management theory is grounded in the realities of the local context (i.e. Horwitz et al., 2002; Ngambi, 2004). Qualitative methodologies provide researchers with a valuable tool in this regard because they assume a value-laden approach in terms of data that are collected and interpreted within the context in which it is generated (Kriek et al., 2009). Dennis and Garfield (2003, p.297) assert ‘quantitative research is theory in search of data while qualitative research is data in search of theory’. Qualitative field studies provide rich data and a strong base on which to build theory; this view is supported by a number of authors (i.e. Eisenhardt, 1989; Strauss and Corbin, 1990; Mendenhall et al., 1993; Miles and Huberman, 1994; Cassel, et al., 2006) who have written extensively on the use of qualitative research methods in building theory. Others assert qualitative research precedes
theoretical and empirical research in driving a field to maturity (Weick, 1989; Van de Ven, 1989). The use of qualitative methods, such as case studies (Eisenhardt, 1989), has long been noted to be especially important in the progression of theoretical knowledge in organisational behaviour studies (Gummesson, 2000; Denzin and Lincoln, 2003; Yin, 2003). Werner (2002) found that case studies and other qualitative methodologies have still limited application in international (hospitality) management studies. It is not clear though, whether this is because of the inherent difficulties of qualitative research (Wright et al., 1988), because of the dominant philosophical position of the quantitative method superiority, or because of some other reason (Werner, 2002).

**Conclusion**

In summary, the above discussion has indicated a clear need for a change in the direction of international hospitality research on managerial work and the HRM interventions used for its managerial resources. Although the question ‘is it possible to create a truly global hospitality management cadre?’ seems to remain unanswered, there are signs both for convergence and divergence in international hospitality management practices. What needs to be done, is to see more national and cross national ‘U.S. and U.K. independent’ research that will help us develop a deeper understanding of the interaction between management and the local context. Moreover, integration between cross-cultural management, SIHRM and other international management sub-fields
is also needed in order to create a common research language in international management studies.

References


