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Summary:

This paper critically examines the extent to which the generic Anglo-Saxon model of HRM has penetrated the realm of Australian management practice. It suggests that the state in Australia has played a principal role in promoting the HRM paradigm. The prevailing 'programmatic' approach is illustrated through three key areas: the rise of the HRM function per se and its role within the enterprise, high-performance management and the individualisation of the employment relationship. The paper indicates that the HRM model has been only partially implemented in Australia. Using a political economy approach helps to develop an understanding of such an outcome as a result of the national *modélisation* of HRM in Australia.

Résumé:

Cet article examine dans quelle mesure le modèle anglo-saxon de gestion des ressources humaines (GRH) a réussi à faire ses marques dans le système australien de relations professionnelles. L'analyse observe que l'État australien a joué un rôle majeur en ce qui a trait à la définition du champ d'intervention de la GRH. L'approche 'programmatique' qui caractérise l'inscription de la GRH dans le contexte australien est illustrée au moyen de trois exemples clés: l'institutionnalisation de la fonction elle-même, la gestion de la performance et l'individualisation de la relation d'emploi. Cet article conclut que la GRH en Australie n'en est qu'à un stade provisoire et incomplet. Mais les bases légales et idéologiques pour son essor sont désormais en place. Ainsi est-il défendu que le recours à une économie politique est une approche analytique pertinente pour expliquer les fortunes de la GRH en Australie, à savoir comment le contexte sociétal représente un facteur particulièrement déterminant dans la *modélisation* du modèle générique de la GRH.

Key words: HRM, Australia, Model, Industrial Relations, high-performance management, individualisation.

Mots clés: GRH, Australie, modèle, relations industrielles, individualisation, management de la performance.

TEACHING THE COCKATOO TO TALK? A POLITICAL ECONOMY OF HRM IN AUSTRALIA

INTRODUCTION

For most of the twentieth century, industrial relations in Australia were known internationally for their unique and durable system of compulsory state arbitration (Métin 1902; Davis and Lansbury 1998). The arbitration system shaped the development of the institutional parties to industrial relations, especially trade union and employer organisation, and heavily influenced the form of regulation, including the structure, operation and outcomes of the bargaining system and employment relations generally. The result has traditionally been seen as a national system that was highly collectivised and that prescribed centrally-determined rules upon managers and workers within enterprises and workplaces.

This system has endured dramatic changes since the 1980s (Hampson and Morgan 1998; Le Queux and Green 2000a). In response to domestic and international economic imperatives, Australian governments have introduced considerable legal and institutional reform which has sought to reduce state intervention and open the economy and the labour market to stronger market forces (Bray and Walsh 1998; Bennett 1999). More particularly, there has been a substantial weakening of compulsory arbitration, significant declines in the membership and role of both trade unions and employer associations along with a decentralisation of bargaining and a narrowing of bargaining agendas.

An implicit (and sometimes explicit) objective in the reform of the national model was the encouragement of an 'Human Resource Management (HRM) model' for the management of labour within the enterprise. The main features of this HRM model were similar to those identified in other Anglo-Saxon countries. It advocated, for example, a transferal of responsibility for HR decisions from specialists to line managers, the professionalisation of specialist managers within the enterprise and a greater role for these professionals in (and a greater integration of HR policies and practices with) the larger business strategies of the enterprise. It also carried 'neo-liberal' assumptions about the nature of the employment relationship, including unitarist beliefs about the shared interests of employers and employees, a preference for individualised relations between employers and employees, and an emphasis on individual employee performance in the context of high-involvement high-commitment employer strategies.

The main aim of this paper is to explore the extent to which the HRM model, embodied as it is in the government's wider reform agenda, has been achieved in practice. The empirical data available are limited, so the paper draws mainly on existing studies in three areas that typify the move towards the reformed means of managing employee relations in the 1990s: the rise of the HRM function per se and its role within the enterprise, high-performance management and the individualisation of the employment relationship. Before turning to these three areas, however, the paper will first provide a background to the industrial relations system in Australia and the changes that have taken place since the 1980s.

The conclusion, which is summarised in the final section of the paper, suggests that the HRM model has at best been only partially achieved. An adequate explanation of these findings is difficult given the limited data and the demands for brevity. However, we speculate that the peculiarly Australian version of HRM that emerges is the result less of a paradigmatic shift towards the generic 'HRM model' than of a process of institutionalised conversion. In other words, the inscription of HRM in the Australian context does not correspond to a mere 'antipodean conformism' to the overarching Anglo-Saxon US/UK HRM model. The Australian HRM *model*, if such a beast exists, may embrace the same universal principles as its Anglo-Saxon cousins, but it has been significantly *modelised* by the Australian political economy.

THE NEW 'NATIONAL MODEL' IN AUSTRALIA

During the 1980s and 1990s, the Australian economy experienced a number of economic crises. A deep recession in the early 1980s and brought severe inflation, high levels of unemployment and significant social dislocation. As the worst effects of the recession were easing in the mid-1980s, savage declines in the value of the Australian dollar heralded a major problem with the nation's balance of payments which continued into the 1990s. Then another major recession – this time without the spectre of accompanying inflation – brought a return of even higher levels of unemployment in the early 1990s (see Bell 1997; Bennett 1999).

The responses of Australian governments to these economic crises challenged the public policy regime that had dominated the nation since World War II. At first, under the Hawke Labor government after 1983, this challenge came in the form a corporatist agreement between the government and the union movement, usually referred to as 'The Accord' (Stilwell 1986; Bray 1994). In exchange for policy concessions and increased input into national policy-making, the unions negotiated with the government, and then delivered, a remarkably effective incomes policy which restrained wage increases and brought considerable industrial peace to a system which had long been marked by conflict.

Changing economic imperatives and growing opposition from conservative political parties and sections of employers, however, gradually undermined this approach. From the late 1980s until its defeat in 1996, the Labor government (later led by Keating) moved towards an uneasy combination of corporatism and neo-liberalism. This contradiction was then resolved by the election of the Liberal-National Coalition government (led by Howard), which unambiguously championed neo-liberal solutions to the nation's economic and social problems (Bray and Ostfeld 1999).

The first – corporatist – stage of policy revision in the 1980s mostly served to reinforce the traditional national model of industrial relations. The Labor government supported trade unions and the arbitration tribunals enjoyed a central role in administering the incomes policies under the Accord until the end of the decade. Indeed, wage regulation in Australia reached its most centralised and prescriptive during the period of 'wage indexation' in the years from 1983 to 1986 (Bray 1994). Also important in this period was new legislation on equal employment opportunities, affirmative action and unfair dismissals and court decisions which reduced managerial prerogatives on a range of issues like the requirement on employers to consult and compensate employees when introducing technological change (Creighton and Stewart 1990: 79-83, 279-81).

In the face of the increasing balance of payments problems, however, the Labor government moved away from its largely macro-economic focus and instead began to seek improvements in national economic performance by focusing attention on productivity at the enterprise level. For example, in the period between 1987 and 1991, the national wage system administered by the arbitration tribunals sought to restrict wage increases to those which corresponded with improvements in productivity within the enterprise – the 'award restructuring' system was notable here (see Bray 1994). As well, the government embraced 'micro-economic reform' and encouraged productivity coalitions between employers and employees (still, it must be said, represented by unions) at the enterprise level – illustrated by 'best practice' programs discussed below.

This initial approach, which could still be seen to be within the corporatist mould and which still relied on the traditional national system, was increasingly undermined by declining union membership from the mid-1980s onwards, by the challenge mounted by significant groups of employers associated with the 'New Right' to both unionism and the collective regulation delivered by the arbitration system, and by the growing support from within the ranks for conservative political parties for this more militant employer position (see Dabscheck 1995).

In response to such pressures, the Labor government began to more seriously reform industrial relations along neo-liberal lines. In 1991, a system of 'enterprise bargaining' was the start of a steady decentralisation of the bargaining system; ironically, this was initially supported by the unions (Briggs 1999). New federal legislation in 1993 gave enterprises increasing opportunities to negotiate collective agreements outside the centralised regulation of the arbitration system, while non-union bargaining was legally sanctioned for the first time since the introduction of compulsory arbitration in 1904 (Bray and Waring 1998).

In many ways, the reforms introduced by the new Howard government in 1996 represented a natural extension of – rather than a radical break from – those advanced by Labor, although the relatively moderate initiatives of the new government were the result of political impediments rather than their preferred policy position. The new legislation in 1996 placed considerable constraints on the activities of trade unions; it further emphasised the enterprise as the focal point of bargaining, with a corresponding weakening of the role of the arbitration tribunals; and it introduced for the first time the opportunity for employers to negotiate individual contracts with employees which contradicted the provisions of awards and collective agreements (see Lee and Peetz 1998; Bray and Waring 1998).

In summary, the Australian national model of industrial relations at the end of the century was a remarkably different one to that of even ten years earlier. While the new model has not adopted as completely the ideals and structures of neo-liberalism as some of its neighbours, like New Zealand (Bray

and Walsh 1998), it had ventured well down this track. In the process, the old compulsory arbitration system, its emphasis on collectivism and prescription, and its centralisation were deeply weakened.

More importantly for the purposes of this paper, underlying the neo-liberal legal and institutional reforms during the 1990s was a strong desire to promote new relationships between employers and employees at the enterprise level that closely correspond with the 'HRM model'. The Howard government in particular was strongly critical of the barriers created by the old national system to co-operation between employers and employees – they argued that the elimination of 'third parties' in the employment relationship (like unions and arbitration tribunals) could allow co-operation in the workplace to flourish. For example, in 1996, the Treasurer, Peter Costello, claimed in parliament that:

'We say to them that there is the opportunity for cooperation and consensus in the workplace and, if it does not suit the union fiefdoms or those who need the trade union movement to organise their preselection to this place, that is not a reason for holding back the opportunity. We also say to those in the work force that there is an opportunity to build that consensus and come to that agreement with a new system of industrial relations which can become the model for cooperation and which can allow the opportunity, free of third-party intervention, for employers and employees to agree. It will be a better system of industrial relations.' (cited in Bray and Waring 1998: 67)

It is widely acknowledged that the key private interest group behind the reforms of the later Labor governments and those of the more recent conservative government was the Business Council of Australia (BCA), an organisation formed in 1983 to represent Australia's largest companies (Matthews 1994; Sheldon and Thornethwaite 1999). The Business Council pursued a consistent and highly sophisticated campaign from the late 1980s onwards to promote the decentralisation of the national bargaining system in Australia in order to allow the development of 'employee relations' within the enterprise in a way which closely matches the 'HRM model'. The problem was that the traditional national system presented significant disincentives for employees and management to behave productively (see especially, BCA 1993: 93-102). A reformed national system would reverse this situation and provide proper incentives which would, in turn, allow managers and employees to contribute more effectively to the success of their enterprises and the national economy. In particular, as early as 1989 the Business Council identified five kinds of improved management practices that could be improved if the national systems were properly redesigned (BCA 1989: 11-12):

- (1) The assignment of greater responsibility for employee relations to line management;
- (2) The flattening of organisational structures;
- (3) An increase in employee access to information and involvement decision-making;
- (4) The encouragement of greater employee training and skill development; and
- (5) The development of better processes by which employees are evaluated and promoted.

The centrality of this HRM model to the government's reform agenda and the capacity of the government to oversee the implementation of this new model in Australian enterprises, however, must be questioned. First, the HRM model may have been more of a rhetorical flourish than a real policy objective. The largely positive features of the model – including the better treatment of employees through greater responsibility, more training, higher skills levels and greater involvement in organisational decision-making – may have been useful slogans to 'sell' the reform agenda to the Australian electorate rather than a serious expectation on the part of policy-makers. Second, there was a fundamental contradiction between government advocacy of a particular model for managing employees within the enterprise and a bargaining structure that gave more freedom to employers (and, to a lesser extent, their employees) to choose the HR practices that best suited their organisation. In other words, the growing fragmentation and decentralisation inherent in enterprise bargaining (and the corresponding lack of centralisation and prescription) may well have made it easier for employers and employees to avoid the government's preferred HRM model.

THE HRM FUNCTION IN AUSTRALIA

In recent years it has become commonplace to comment on the 'arrival' of HRM as a major function of management, as opposed to personnel management and industrial relations (Boxall and Dowling 1990; Alexander and Lewer 1998). In Australia, as in the international context, the boundaries between industrial relations and HRM are becoming increasingly intricate (EPAC 1995). The rise of HRM as the transmutation or rejuvenation of the old-fashioned personnel management into a strategic, individualised, involvement and commitment-based expression is a recent phenomenon. This has not occurred without

skepticism though as the HRM assault arguably muddled the rules of the game. However, as shown by recent surveys, the HRM paradigm is gradually consolidating in Australian organisations as well as taking root in academic curricula.

The most popular job title for the specialists was 'personnel manager' (although its dominance had waned since 1990) and 'human resource manager' which had almost quadrupled in its usage from 5 per cent in 1990 to 19 per cent in 1995 (Morehead et al. 1997:83). This result is consistent with survey data profiling the Australian 'HR professional' which found a shift in the name of organisational units from 'personnel' to 'human resources' (Dowling and Fisher 1997). Plainly, there is considerable debate whether the change in job titles represents mere rebadging or whether it does describe a 'paradigm' shift in the adoption of new models or approaches to managing the employment relationship in Australia.

There has been significant resistance in Australia, at least to the adoption of HRM as the dominant nomenclature. This resistance has centered on the view that HRM reflects an inappropriate set of beliefs, assumptions and values. In 1991, the New South Wales Labor Council (the 'peak' state level trade union representative body), adopted a resolution instructing affiliated unions not to deal with employer representatives with HRM in their title. This was on the grounds that HRM was 'an offensive, inhuman term that suggests that real live human beings are mere commodities'. The Executive of the Australian Council of Trade Unions (ACTU) subsequently adopted the same objection. Changing job titles to HRM was seen to represent a 'campaign' to 'reduce the workforce to an impersonal and subordinate position' (Macken 1992).

Regardless of the resistance, there is growing evidence of an increasing presence in Australian workplaces of specialist 'employee relations' practitioners. The large-scale Australian Workplace Industrial Relations Survey (AWIRS), which reported on many aspects of IR/HRM in over 2000 Australian workplaces (employing at least twenty workers) in the two years prior to 1995, found that there has been a significant rise in the incidence of specialist employee relations managers. This increase was from 34 per cent of all workplaces in 1990 to 46 per cent in 1995 (see Table 1).

TABLE 1: Workplaces where a specialist employee relations manager was present, by employment size

SPECIALIST MANAGER PRESENT				
	1990	1995	1990	1995
Employment size	% workplaces	% workplaces	% employees	% employees
All workplaces	34	46	60	69
20-49	22	32	23	33
50-99	32	48	32	49
100-199	46	64	48	64
200-499	72	83	74	85
500 or more	87	94	92	97

Population: All workplaces with 20 or more employees. Figures are weighed and based on responses from 1990 workplaces in 1990 and 1964 workplaces in 1995.

Source: Morehead et al. (1997)

The likelihood of a specialist manager was related to employment size, but the researchers found that only unionism in the white-collar work force spurred management to instigate commitment-based HRM responses (Morehead et al. 1997:82). The specialist managers are mostly responsible for tasks such as negotiating with trade unions (73 per cent of respondents), recruitment and selection (83 per cent), occupational health and safety (72 per cent), workplace training programs (74 per cent) and setting/negotiating wage levels (51 per cent) (Morehead et al. 1997:84). This indicates that HR practitioners still are mostly engaged in traditional personnel management and industrial relations matters. This observation is reinforced when consideration is given to the autonomy of HR management in undertaking these functions.

Strategic input is a defining element of modern human resource management. The AWIRS data considered the strategic involvement of the employee relations function in organisational decision-making. Respondents were required to indicate the extent of their role if a new product or service, involving a change in work, was to be introduced into the workplace. The results are detailed in Table 2.

TABLE 2: Role of the employee relations area in changes to the way work is organised

	1990	1995
Role of employee relations area	% workplaces where specialist manager present	
Not normally involved unless a problem	16	14
Consulted at implementation stage	32	32
Consulted prior to decision being made	50	51
Other	2	2

Population: All workplaces with 20 or more employees. Figures are weighed and based on responses from 899 workplaces in 1990 and 1016 workplaces in 1995.

Source: Morehead et al. (1997)

The responses are affected by the extent of workplace autonomy, that is the capacity of 'local' managers to make their own decisions within larger organisations. Within this caveat, the data showed little change from 1990 with the most frequent response being that the employee relations specialist would be consulted prior to the decision being made (51 per cent in 1995). Similarly, the data reported little change in 'empowering' first line supervisors to make employee relations decisions between 1990 and 1995. Moreover, Australian workers tend to have much less control over management and decision making than they do over the conduct of their own work (Harley 2000).

As to managerial attitudes to employee relations, only 8 per cent of respondents to AWIRS 1995 disagreed or strongly disagreed with the statement: 'The organisation devotes considerable resources to having corporate culture at this workplace'. Equally, most managers (88 per cent) agreed with the statement that they would prefer to deal directly with the employees rather than through a trade union. This would lead us to think overall that while Australian managers are embracing the revamped unitarist HRM discourse, this does not really translate into practice.

The rise of HRM in Australia can be clearly seen to have taken place in the period of the 1990s. To a great extent this can be seen as a 'rebadging' of existing personnel and industrial relations functions. The administration of the employment relationship, at least in the important areas of remuneration and conditions of employment, continues to be undertaken in a centralised way within companies. It is only where white-collar unionism is perceived to be a threat that sophisticated human resource management systems are put in place in an attempt to garner organisational commitment.

Rebadging, combined with this continuing centralised administration and the emergence of commitment models in resistance to white-collar unionisation reflect the breakdown of a common ideology in industrial relations in the 1980s which Wright (1995) calls a period of 'conflict and cooperation'. In that period, some firms adopted constitutional/consultative arrangements with workers under the aegis of industry plans in steel and car manufacturing, whilst other firms (such as at CRA, Robe River, Mudginberry, Dollar Sweets), working with employer associations, were employing union busting techniques. In the 1990s this evolved into attempts to incorporate, in particular, administrative and clerical workers into the corporate fold.

HIGH-PERFORMANCE MANAGEMENT

The period of cooperation and conflict of the 1980s meant that pressures were building in the IR system. Radical change came in the 1990s with the introduction of enterprise level bargaining and agreement making with individual workers. Enterprise bargaining was aimed at productivity improvement (BCA 1989) which was an imperative for Australian firms as tariff barriers were torn down, the Australian dollar was floated, and the nation lurched into the global internationally competitive economy.

Australia has adopted a one-sided approach to economic development manifesting in economic rationalism. Due to the government driven ideological push for Australia to become more internationally competitive a number of government driven programs and reports have been initiated over the past decade. The most significant were the best practice demonstration program introduced in 1991; the introduction of a pilot program for national key competencies (see Mayer 1992); and, the Karpin report on leadership and management (1995). These represent steps in a progressive campaign towards high-performance management which is at the very core of the new national economic program.

The Best Practice Demonstration Program was introduced by the federal Labor Government in 1991. The program objectives were threefold – to stimulate Australian enterprises to adopt international best practice; to identify methods and approaches for the implementation of international best practice in Australian enterprises; and to promote a wider understanding of international best practice and the merits of its adoption. Government sponsored programs within 42 firms were intended to help achieve international best practice standards and then to demonstrate what could be achieved to other Australian firms. The best practice program was due to end in June 1997 but the Conservative Coalition Government, elected in March, 1996, brought this date forward by one year.

Best practice was a multi-faceted program. Components included: improving cost, quality and delivery times; closer links with customers and suppliers; more effective use of technology; flatter and more responsive organisational structures; and, human resource policies to promote cooperation, skill, flexibility and employee involvement. One of the key drivers of the program was people management. Rimmer et al (1996) maintain that every company in the best practice program recognised that people management was an essential source of competitive advantage. There was a recognition that people management had been a weakness in most of these firms causing resistance to change as well as ineffective resourcing of employees. There was, in addition, a recognised need for an active human resources policy to improve skills, flexibility and employee involvement. Notwithstanding these perceived needs within the best practice program firms, it was only through the Government program that people management policies in these companies were initiated. Amongst the different levers for the success of high-performance management, the observation is made, however, that employee involvement in workplace change on either a formal or informal representative basis continued to be resisted within these best practice program firms. Management only went so far. The adoption of new practices in these firms seems contingent upon the extent to which employee involvement is welcomed. The parallel unsettling of the traditional roles and powerbase of the parties at stake in the IR system made it difficult to encourage such involvement (Le Queux and Green 2000b).

It was recognised that Australian management lacked soft skills in relation to consultation and employee involvement (Connell and Burgess 1998). The majority of training in Australia was traditionally directed towards hard skill development (Field 1990). Soft skills (also frequently referred to as generic skills) were the focus of the Australian National Key Competencies Pilot Program which ran between 1992 and 1996. The Committee's proposals were designed to cover competencies common to vocational training within Colleges, industry training and work in general.

In Australia it has been the Government that has taken the initiative in relation to improving the standard of management competencies. By the mid-1990s there was a recognition that: 'managers – whose skills are a key component of enterprise and economic performance – have received scant attention from analysts and policy makers' (Karpin 1995:62-63). In addition, initial resistance from the organised working class was emerging in relation to IR system changes that focused on employee flexibilities as the panacea to Australia's international uncompetitiveness. The union movement started to call for a focus on management competencies and company investment in infrastructure. The publication of the report entitled *Enterprising Nation: Renewing Australia's Managers to meet the challenges of the Asia Pacific century* in 1995 did turn the spotlight on Australian managers and leaders. It provided a number of benchmarks for Australian managers against five other 'competitor' countries. The report concluded that Australian managers have a short-term view, are inflexible, poor at teamwork and empowerment, and possess poor people skills. Also of major concern was that Australian managers are relatively poorly qualified when compared with their main international rivals (Karpin 1995).

As a result of the Karpin report, a management development program was designed to address the weaknesses identified in Australian managers and leaders, *The Frontline Management Initiative Program*. As the Karpin report identified 58% of Australia's 900,000 managers (as of 1995) work for very small enterprises that are unlikely to be involved in any systematic management training and development, therefore, another problem was how to encourage managers to undertake the program.

In the stream of the Best practices program and the 1995 Karpin report *Enterprising Nation*, policy making in Australia has now turned to the broader notion of 'national innovation system', a critical component of which is the promotion of so-called high performance work systems. Accordingly, the latest framework paper released by the Department of Industry, Science and Resources (*Shaping Australia's Future* 1999) clearly advocates the need for innovative policies including regional industrial clustering that would enhance a high value industrial base integrated into the emerging knowledge-based economy.

Old wine, new bottle? This new-fashioned policy framework remains quite consistent with the same economic rationalism that – from the micro-corporatist 'productivity coalitions' of the early 1980s to the 1998 government 'Productivity Commission' for micro-economic reforms (Morris 1999) – has characterised the top-down management of Australian competitiveness. Indeed, considering both the hazards of reformed employment relations and Australian managers' profile, there is little doubt that the policy-led HRM paradigm has still some yards to run in Australia. On the one hand, the Australian case demonstrates that workplace reform has become equated with a 'one-sided' rationalisation of work at the discretion of employers. As a result, restructuring effects at large principally include increased work intensity, a broadening of jobs, greater job insecurity and high stress levels (Allan et al. 1999). On the other hand, although empowering practices such as TQM and teamwork are present in Australian workplaces (AWIRS 1995), there is no clear sign that widespread organisational transformation is taking place, a great deal of managerial innovative practices standing still at the managerial level itself (Harley 2000).

INDIVIDUALISM

It has been argued throughout this paper that government impetus has had an overarching influence on the development of the antipodean practice of HRM. The election of the Howard conservative government in 1996 redirected this influence in encouraging and facilitating the emergence of individualism in Australian HRM. The enactment of the Howard Government's *Workplace Relations Act 1996 (cth)* encouraged management attempts to individualise relations with their employees by facilitating individual contracts and emphasising the right of employees to disassociate from trade unions. Moreover, the Howard Government further legitimised the choice of individualisation through the extensive use of individual contracts within the public service (Macdonald 1998). A result of these efforts has been a significant increase in the number of individual contracts used in Australian workplaces – since 1996, 98,708 AWAs (individual contracts) have been registered (OEA 2000).

As noted by Waring (1999) though, contractual individualism is only one dimension of individualisation. A second dimension of individualism, 'process individualism', incorporates HR management practices which have the effect of individualising relations between employees and management. This section of the paper considers the role in 'process individualisation' of HRM practices such as performance appraisal systems, participative schemes and individual reward systems.

Kitay and Lansbury (1997) report some movement towards individualised human resource management systems in their review of six case studies of Australian industries. Their review indicates growth in direct communication schemes and in individualised pay arrangements. According to Kitay and Lansbury (1997), performance appraisal systems have become more popular and are often linked to individual employee's remuneration. However, despite this growth, Kitay and Lansbury (1997:234) argue that individualised payment systems are but one of a variety of payment systems that have emerged in the last decade.

Deery and Walsh (1998) reveal some interesting insights based on secondary analysis of AWIRS 1995 data. They examine the characteristics of workplaces that had a majority of their workforce on individual employment contracts and compared them with 'collectivised' workplaces, that is, those workplaces with no non-managerial employees on individual contracts (Deery and Walsh 1998:6). They found that whilst individualisers were more likely to use performance-related pay and systems for monitoring performance, they were less likely than collectivists to use high trust HRM techniques, such as elaborate participative schemes.

This research then, indicates that management at firms where the majority of the workforce are on individual contracts are also approaching the labour problem using individualistic HRM techniques. In other words there is a degree of process individualisation in firms with a high degree of contractual individualisation. Yet the research also reveals that the high trust/cultural change rationale behind the use of individual contracts does not appear to be supported by actual management practices.

More recently, there have been two surveys that point to increasing use of individualistic management techniques. The first of these, reported by Kramar (1999), was conducted in 1996 and included 331 Australian organisations with 100 or more employees, 40 per cent in the public sector and 60 per cent in the private sector. The survey was designed to discover 'the principal ways in which human resource policies have changed during the 1990s' (Kramar 1999:24). The survey found evidence of the widespread use of performance appraisal, with 90 per cent of organisations using appraisals for staff employees and 50 per cent for manual employees. Unfortunately though, the survey does not reveal the characteristics of the method of appraisal used. The survey also found that 'pay for performance' arrangements and direct communication schemes had become more common in the period between 1993 and 1996.

The second survey, conducted by Fisher and Dowling (1999) in conjunction with the Australian Human Resources Institute, included 322 Australian respondents described as senior HR managers with a base salary of at least AUD \$70,000. The survey showed that '...in the last five years, performance appraisal, recruitment and selection, and training and development were identified by senior HR managers as the important new HR policies, programs and initiatives' (Fisher and Dowling 1999:12).

Whilst the evidence in both surveys does not conclusively support the thesis that the use of individualistic management practices is widespread, it does suggest that HR practices that focus on the individual appear to be growing in popularity. However, case study evidence (eg. Kitay and Lansbury 1997) suggests that these practices appear to have been introduced in a fairly ad hoc and piecemeal fashion, reflecting a pragmatism and a lack of strong commitment to individualist philosophies by Australian employers.

This pragmatism and lack of strong commitment is reflected in the take up of the individually based Australian Workplace Agreements introduced federally by the conservative government in the Workplace Relations Act, 1996. As at the end of April 1999, the total number of Federal AWAs approved was 55548 covering 1436 employers and 0.6% of Australians in paid employment. The federal government has adopted a highly interventionalist role in encouraging the use of these individual contracts. In October 1997, for example, it was reported that federal cabinet had agreed to force port services contractors to the Navy to engage their employees only under AWAs. A similar approach has been adopted in the Australian Public Service with federal departments directed to offer public servants (mostly senior public servants) AWAs (Waring 1999:306-7).

DISCUSSION

This paper has shown that the HRM model has been at best only partially implemented in Australia, despite the strong advocacy of that model by national governments and major employer groups. The (admittedly limited) empirical evidence surveyed suggest, for example, that there has been a growth in the professionalisation of specialist HR managers and that they are increasingly adopting the 'Human Resources' label. Managers increasingly recognise the importance of employees to the success of the enterprise and there is some evidence of a rise in the use of management practices associated with the HRM model, like performance management systems and performance-based payment schemes. Individualisation of the employment relationship is increasingly popular. And yet despite these findings, their spread is uneven, reflecting far from uniform adoption. HR managers do not appear to play a strongly strategic role within most enterprises. High performance enterprises appear to be the exception rather than the rule.

In many ways, this conclusion should come as no great surprise. Whilst recent Australian governments have advocated the HRM model, the strong commitment to enterprise autonomy embodied in the increasingly decentralised bargaining system in Australia means that the adoption of the HRM model is purely voluntary. By 'freeing' employers (and employees) from the restrictions of the old prescriptive national model in Australia and thereby increasing the choices available to them, governments may be hoping that more will adopt the HRM model, but there are no guarantees. Indeed, the pattern of HR practices within enterprises is likely to be diverse, reflecting a range of factors (like organisational size, management philosophies, product markets, technologies etc) rather than standardised as a result of compliance with a national model.

This glib reliance on the absence of prescription in Australia's new national model to explain the limited impact of the HRM model, however, must not be accepted too hastily. There may be many other explanatory factors at work and speculation about these raises some intriguing possibilities for further research both in Australia and comparatively. Perhaps, for example, the fate of the HRM model in Australia

can be explained by the peculiar balance of power between the parties. The deep economic crises confronting the nation during the last two decades have swung significant resources into the hands of employers (Bennett 1999), who used this new found power to mould a national system in their own image. Such a development is hardly unique to Australia, but the peculiar structure of capital in Australia and its relationship with the state may offer the seeds of a more fruitful explanation. In this way, the odyssey of HRM in Australia ostensibly lays bare the concentration of power in the hand of the state and a handful of resource-exporting corporate conglomerates (around 500 companies are responsible for most of the GDP) perpetuating in some way the legacy of a colonialist/imperialist mode of governance. This could also be true for other ex-British colonies in the region such as Malaysia and Indonesia. This type of analysis may thus shed some light on the limits of transferability of the generic HRM model that is so often propagated without respect for national idiosyncrasies.

Second, the structure and shifting balance of power in Australia needs to be properly contextualised, especially historically, if its impact on the formation of HR practices is to be clearly understood. This is not really to say that what makes Australia a peculiar case is the history of potent intervention by the state in the field of industrial relations. The same could be said for other countries, including France. Rather, the capacity of the social actors in the Australian situation to implement new models of HRM may well have been restricted by the historical legacy of its earlier national system. More generally, the argument is that the social actors carrying the change, as well as the channel through which the change will be carried, depend on contextualised conditions reflecting the pre-existing agency of power relations.

This also has serious implications in terms of comparative analysis. What may be more important than the penetration of a generic HRM model in various countries is the way it has been modeled according to differing national contexts. Future research to further explore such a question may give particular attention to the notion of social 'coherence' (Maurice 1989) at both the societal level, as theorised by Maurice et al. (1982), and at the level of workplace social regulation (Bélanger et al. 1996). There is a question of congruence between HRM principles and the embedded systems of social interactions, including the objectives as well as the values of the social actors involved in the system. These together constitute a moral economy with which HRM can clash (Locke and Thelen 1995). HRM does not intervene in *terra nullus*. Theoretically speaking, whilst the unitarist nature of HRM has been well identified (Giles and Murray 1996), a political economy approach has the advantage of enabling an understanding of HRM as an active program of social change. The hegemony of HRM is parallel to and embodies neo-liberal ideology, which in turn can vary from country to country as a result of different political opportunities and choices by the actors. This understanding of the connection between ideology and practice needs to be incorporated into any analysis of HRM.

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