

Practitioner Perspective

Chris Brewster: How does, or can, human resource management contribute to business, ethics and society?

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Abstract

Dr Chris Brewster is Professor of International Human Resource Management at Henley Business School in the UK. He is a prolific and highly cited author, with over 30 books, and 250 research articles. He was a practitioner for the first half of his working life and has been a scholar studying international and comparative human resource management for the second half. On the basis of that experience, he has increasingly argued for a more ethical, less elitist and more encompassing approach to human resource management. He recognizes that the economy is changing continuously with technological developments and argues that, although there are no easy answers, our thinking needs to encompass the long-term effects of technological change on human work.

Most of the United Nations Sustainable Development Goals (the SDGs), which arguably should direct us to what is important in our societies, are interconnected with HRM. How will HRM practices and strategies help us to achieve the SDGs?

This is a crucial question and one that breaks down into three separate but tightly connected elements. First, there are the Sustainable Development Goals: it is fair to say that they have achieved considerable prominence and visibility. They are, almost by definition, highly ambitious and it is obvious that we are not going to achieve them. None of the substantive Goals (and probably few of the associated 169 Targets) will be met by the target date of 2030. There is no chance that by then we will, for example, have ended poverty, have zero hunger, have achieved gender equality and justice for all and inclusive institutions in all societies. There is more chance that we will have achieved some of the more cautiously phrased Goals (we could, for example, reduce inequality within and among nations) but even there the record so far is not encouraging. The COVID-19 pandemic set things back considerably, in the sense that we moved even further away from many of the Goals then, but the trends were not encouraging even before

that. The SDGs do however direct us to what is important in our societies and we need to pay more attention to them.

The second element is human resource management. HRM concerns the way that people in organisations are managed (often, of course, in organisations that do not have specialist departments to do that). So far, it is true to say that most of the research, much of the consultancy advice and the majority of the attention of businesses has been focused on the elite workforce. These are elite people in the sense that they are based in the rich developed countries – a small minority of countries around the world. They are elite in the sense that even within that group these are the richer and more successful people; another minority - and one that the growth of ‘talent management’ programmes focused on the 3 or 5% of the workforce who supposedly ‘make the difference’ has made even more limited. They are also elite in that they are employed; they have a job: vast numbers of workers around the world do not, either because they work in the informal sector or in the growing technology (platform) enabled workspace.

The third issue is whether we can combine these two elements: can we direct our HRM interventions towards doing what is important and what it is agreed are good things for our societies to be trying to do? I believe that there are important steps being taken in the right direction, but that we are still a long way from where we need to be.

Which common HRM practices reproduce class-based inequality, and how? As you say, most of the HRM research is not focused on lower class workers but on people in high positions who usually come from societies’ elites. Does overlooking class-based inequality in HRM negatively affect the organization's development and sustainability and might raise ethical concerns?

I think that’s right. The early work on human resource management in organisations was done in the USA and so was already based in a rich country, but it was inclusive. It discussed all kinds of contexts, all kinds of workers and noted that HRM has many stakeholders (business owners, employees, local communities and governments, for example). But that quickly became narrowed down so that HRM – often dubbed ‘strategic’ HRM - became a system for, and measured by its impact on, profit and share price. In other words, it came to be seen as another measure for privileging the interests of the owners of businesses. The more recent partial

replacement of human resource management by talent management has just made things worse: not only are scholars and consultants now focused on the interests of the owners of the businesses but they believe they can do that by paying attention mainly to the elite members of the workforce. We seem not to have learnt from the pandemic, when our societies were kept going by the non-elite production workers, drivers, nurses and others – there were few calls then for special arrangements to be made to enable hedge fund managers or business strategists to continue working.

The gig economy is growing and most of the related working conditions, such as taxation, ethics, welfare protection and performance control are not yet regulated and are less investigated areas, so how can it be managed by HRM specialists?

Gig work is where you get paid for each task that you do and not for the time you spend working for someone else. The gig economy is already much bigger than many people realise. There is the kind of work that has always been done that way; artists, actors, musicians and many people in the professions, in law and in accountancy, have always worked that way. In much of the world that is how most people earn a living – across Africa, Asia and Latin America many people work and get paid (usually not much) without having ‘employment’. What has changed is that the development of technology and of digital platforms hugely increases the kinds of tasks that can be performed that way, especially in the developed economies. This hugely increases the numbers of people who work but are not employed. They can log onto a website that will direct them to some work they can do on their computer at home, or they can be sent to do a task or a specific job outside the home.

Thoughtful HRM specialists, scholars and practitioners are struggling to find ways to cope with these new technology enabled ways of working. Up until recently, they have been focused on employment rather than work; the people who had contracts of employment with their organisation. But as these become a declining proportion of the workforce, the HRM specialists are having to decide whether to keep that focus and risk gradually dealing with an ever-smaller proportion of the amount of work being done or to expand their focus to work generally and so encompass greater numbers of workers. Amongst HRM scholars at least a focus on work rather than employment is still a minority interest but there is now a recognition that not only would

this keep the discipline relevant in the larger companies in the more developed countries that have always been its focus, but it would allow it to develop a narrative about how it can operate amongst small and medium sized enterprises, amongst informal economies and beyond.

Similar strictures, incidentally, can be applied to governments. They too are obsessed with employment rather than work (note the way that governments continually issue ‘employment and ‘unemployment’ figures; and note the way that much work – especially work at home by women – is simply not counted as worthy of notice). Despite some efforts by, as one instance, the European Union, and others, our regulators have simply failed to cope with the challenges of digital work or work enabled by digital platforms. We need them to focus on and design systems of regulation that are themselves digitally based: trying to cram digital workers back into the existing patterns of employment or employee relations just will not work.

How does digitalisation and technology influence the nature of work in an organisation and how is this likely to play out over the current strategic planning cycle?

I guess that at this point we don’t really know what the effect of new technology will be. There are the optimists who predict that it will enhance our capabilities and lead to new and more exciting ways of working; and there are the pessimists who predict that new technology will gradually reduce the needs for certain kinds of work and, unlike previous industrial revolutions, any new kinds of work that are created will be done by robots or by artificial intelligence – in other words, not by people. This raises all kinds of issues for how governments will be funded (gig workers tend to pay little or no tax), for transport systems in our cities once increasing numbers of people work at or from home, and for the way our society operates.

Within organisations, specifically, digitalisation is likely to lead to some jobs being improved, some reduced to very basic ‘feed the computer’ type tasks and some jobs disappearing altogether: think about the way check-in staff in supermarkets have been replaced by customer doing their own scanning and bagging. It will be a case-by-case process and we will have to see how it develops. Basically, the more digital working and gig working that there is, the smaller the role for HRM specialists focused on employment, but the greater the need for people who can understand and co-ordinate the many different ways of getting work done. I think it is fair to note

that at this point we have very limited understanding of how this will actually work out in practice. My fear is that the new technology will be developed alongside old thinking about getting work done in the cheapest ways possible and with little care for the dignity and wellbeing of workers and their families.

How do intersectionality, gendered and racialized inequalities intersect with and affect individual experiences in this new world?

There is a good argument to be made that diversity will be enhanced by the gig economy. If you don't need to be employed, then you cannot be discriminated against at the point of application for a job. The algorithms do not care who is doing the work – they just measure whether it has been done to the right standard. So, working at home and working from home allow people of any gender, any skin colour and most degrees of disability to have work without having to pass many of the barriers that they do now in the attempt to 'get a job'.

The counter-argument is that as working at home or working from home is really only possible if you have certain kinds of 'home' – if you are homeless, or living in shared accommodation or poor quality accommodation, or if your family is squashed into a small living area, the chances of getting this kind of work are severely reduced. Furthermore, as such work increases, there is a real likelihood that these workers will become 'ghettoised', increasingly stuck at home away from any social interaction with colleagues. One of the reasons that there was such limited use of communications technology before the pandemic, and one of the reasons that many people prefer to, at least partially, go back to work after the pandemic was that work is primarily a social activity – people meet their friends there, there have a chance to interact and to enjoy each other's company. (The other main reason, of course, is that many managers are uncomfortable allowing people to manage themselves). But if people are working for an algorithm or are doing work that does not involve employment, they may go many days without seeing other people – even through the medium of internet meetings – who would they meet with? There is a serious role here for human resource management specialists to ensure that the gains that are made from the positive side of intersectionality are made real, whilst putting in place systems to ensure that the more negative sides are alleviated.

So which HRM practices/interventions will be most effective in preventing bias and encouraging diversity in the gig economy?

Well, fulfilling this role would demand a major rethinking of HRM. The HRM specialists within organisations would have to be given, and accept, responsibility for some liaison with the gig workers who are otherwise seen as outside the organisation. At present these gig workers tend to be identified and ‘managed’ almost independently – by an algorithm, by separate agencies or occasionally by individual line managers. One of the attractions for the organisation is that they are not seen as being employed by or in other way part of the organisation. The organisation takes the results of their work but has no responsibility for them. For the HRM specialists to undertake any role in these circumstances would require a major rethink. It would have to be accepted that they have a responsibility for these ‘outside’ workers. If that responsibility was accepted, then they would be able to organise systems to tie people into a work group: person-to-person or virtual meetings, and other kinds of support (chat rooms, social benefits, product discounts, etc) for otherwise isolated gig workers.

If HRM specialists were given this role, they will be able to come up with a whole host of ways of providing some kind of interaction by and support to these workers – probably in ways that we cannot yet anticipate. If HRM specialists were given this role, it is likely that a series of systems and tools would be developed by technology experts that could assist them. But the people at the top of relevant organisations would have responsibilities for their workers who are not their employees and HRM specialists would have to embrace their new role. The organisations that were first in this field might find that they had a valuable advantage when it came to persuading top quality workers to work on their platform.

In an increasingly virtual world of work, is global talent management losing importance as nations become more inward-looking and virtual work more the norm?

As I have indicated, I am not an enthusiast for the notion of ‘talent’ management, but I have to recognise that this is the rhetoric of our times. Global talent management is the notion that multinational enterprises, which includes international public sector and third sector organisations as well as world-wide companies, can manage all their employees, across the various countries in which they operate, as one workforce. Much of the work on that, inevitably

is focused on the elite assigned expatriate category – although in our research numbers of us have been trying to widen that focus for a couple of decades now. The original idea of global talent management was that you bring the worker to the place where the work is being carried out. Despite the focus on the elite key workers, there are extensive movements, almost certainly a majority of movements, by unskilled and even uneducated people to locations where they are needed. Increasingly, however, there are two developments. First, as you say, some nations are becoming more inward looking (America First and Brexit are clear examples but there are many others). There is now extensive research and a wide literature on the notion of ‘de-globalisation’. Second, with digital platforms, three-D printing and so on it is increasingly possible to bring the work to the worker. Even in areas such as health and social care, there are astonishing developments in artificial intelligence allowing surgeons to guide and, in some cases, perform operations on patients thousands of kilometers away; and AI careers are being developed that very successfully relate to, for example, old people in care homes. It may be that we can conceive of these developments of bringing the work to the worker and getting the work done without workers being there as global talent management, but it is certainly going to require a different kind of thinking.

What are the ethical and institutional issues that should be considered with the growth of the gig economy?

I don’t think the ethical issues change very much despite this new and changing environment. The key issues seem to me to be to decide how far our responsibilities run and how we should carry out those responsibilities.

In terms of how far our responsibilities run, organisations are going to have to decide whether they accept any role at all in the lives of people whose work they have deliberately put at a distance from them but whose work is nonetheless important for their continued success. As I have said, I think the answer should be that if their work contributes to the success of the organisation then the leaders of the organisation and any HRM specialists that work for them do have a moral duty to accept some responsibility, even if the workers are not ‘employed’. I am at this point somewhat pessimistic about this.

And if that responsibility is accepted then it seems to me that the key ethical considerations remain as they always have been that we should treat, and we should find ways to ensure that our organisations treat, everyone with dignity. That remains the touchstone of ethics. We are not very good at it at the moment. The trick is going to be making sure that we get better.