INTRODUCTION

“If we divide resources into material (natural and capital) and human resources, the latter are strategic in their interactions with the former as it is man who manipulates material resources through institutions. The unpredictable and sometimes capricious forces of nature can be offset by the diligence and ingenuity of man, which are a function of the human resources embodied in him.” – Oshima (1988: S107), in explaining the success of East Asia using a human resource approach.

The impressive economic growth of Asia has aroused much interest in the West to identify an Asian model, be it in the domain of macroeconomics, public policy, or organizational management. In this chapter, our focus is on one particular aspect of management that can have a critical impact on the effective functioning of the firm – human resource management (HRM). Specifically, HRM refers to functions undertaken by organizations to attract, develop, motivate, and retain employees, and comprises broad aspects such as human resource planning, staffing, appraising, rewarding and training (Jackson & Schuler, 1995).

Consequent to the sweeping wave of globalization, HRM research in the last two decades has extended rapidly beyond the boundaries of the United States and Western Europe, where the majority of theoretical and empirical work in HRM began. An Asian focus on HRM first emerged with Japan’s
economic success in the 1960s, and was sustained through to the 1990s by the “Tigers” and “Dragons” of Asia, which attracted huge foreign investments into the region (Rowley, 1998). More recently, the economic potential of China and India – the most populous countries in the world, continues to provide impetus for both research and practice to acquire a deeper understanding of HRM in Asia.

Yet, despite the extensive amount of research conducted on HRM practices in various Asian countries, it remains elusive what an Asian model of HRM is. Difficulty in pinpointing an Asian model may be attributed to at least two reasons. First, Asia is a continent of great diversity, as evidenced by its myriad economic, political and geographical conditions. Kuruvilla and Venkataratnam (1996), for instance, remark that the region offers examples at both extremes in terms of geographical area, population, gross national product, political ideology, unemployment levels, poverty, literacy and so on. Given that HRM is shaped by the environment to a large extent (Jackson & Schuler, 1995; Jennings, 1994; Morishima, 1995), these diverse contextual factors imply diverse HRM practices across the continent, particularly across sub-regions such as East Asia (e.g., China, Hong Kong, Japan, Taiwan, South Korea), Southeast Asia (e.g., Indonesia, Philippines, Malaysia, Singapore, Thailand) and South Asia (e.g., Bangladesh, India).

The second reason is the lack of a theoretical framework to integrate and synthesize existing findings related to Asian HRM practices. Jackson and Schuler (1995) note that the current dominant focus in international HRM research is on the overwhelming variety of specific practices, rather than on the fundamental, abstract dimensions of HRM systems. We argue that this bias impedes the development of an Asian model because differences are inevitably more likely to emerge when comparing HR practices at a concrete, specific level. However, if we examine the abstract, fundamental dimensions of HRM, we are more likely to find some underlying patterns across Asia. In other words, comparative studies involving specific HRM practices are likely to lose the “forest for the trees,” making it easier to find divergence, but harder to identify broad patterns, in the HRM systems within regions.

Hence, it is clear that given the diversity of the region, arguing for total convergence within Asia that culminates in a unique Asian HRM model is untenable. Rather, a more reasonable approach in discussing an “Asian HRM model” is to focus on “soft convergence,” which requires only some family resemblances (Warner, 2000). This approach implies that there is variation in HRM within Asia, but such variation is smaller than the variation that exists between regions (e.g., Asia versus North America). Further, research that focuses on the more abstract, fundamental concepts underlying HRM can help identify meaningful differences or similarities amongst HRM systems within a region, as opposed to research that examines specific HRM practices.