China’s economic environment, profound cultural values and its relatively new international position have aroused the interests of many people and organizations, including researchers, managers and governments (Godkin et al., 2005), and there has been increased research interest in its management and in human resources during the past decades. However, it is noted by some writers (e.g., Chiu, 2006; Cooke, 2009; Poon and Rowley, 2007) that a relatively large proportion of empirical studies on HR practices in China are characterized by a lack of Chinese theory. Many of the studies that have a stronger theoretical focus tend to ‘use Western theories/conceptual models in the field as a benchmark or a starting point to investigate practices in China’ (Cooke, 2009: 20). As Poon and Rowley (2007: 148–149) argue, researchers have mainly used mostly Western management theories to explore their research in Chinese firms. It seems like an attempt to force Western theory to fit into the Chinese context, rather than searching for new concepts to explain the similarities and differences between Chinese and Western ones, recognizing the underlying cultural and philosophical dimensions. To explore in depth the Chinese cultural and philosophical concepts which underpin Chinese HRM practices, it is necessary to bring them into a comparative context. Thus, it is necessary to start with a general introduction of Western HRM theories and practice and HRM research and practices in China as a prelude.

Western HRM theories and practices

The rise of HRM

The term ‘human resource management’ first appeared explicitly in the textbook literature in the mid-1960s in the United States (Strauss,
For the next 15 to 20 years the terms ‘personnel management’ and ‘human resource management’ largely coexisted and were often used interchangeably (Kaufman, 2007). Beginning in the early 1980s, HRM quickly spread beyond North America, where it originated, and was transplanted to Europe, Asia, and other parts of the world. In the twenty-first century, not only has the idea of HRM spread across the world, it is deemed to be and is practiced as a fundamental part of business, and it is the subject of a large quantity of academic and practitioner research literature (Kaufman, 2007). The rise of human resource management can be explained by a series of economic, political, social and technological changes in the latter part of the twentieth century (Poole, 1999).

First of all, the major stimulus for the emergence of HRM in the United States in the 1980s came from a set of external pressures on industry (Guest, 1990). Globalization and increasingly open markets led to concern over the motivation and commitment of workforces (Poole, 1999). The 1980s were marked by the intensification of competition (Sission, 1989; Blyton and Turnbull, 1994), and the U.S. and European economies were being challenged by overseas competitors by their modern technology and relatively cheap labour (Beardwell et al., 2004). Two issues are emphasized: one is ‘the productivity of the American worker’ and the other is ‘the declining rate of innovation in American industries’ (Devanna et al., 1984: 33). The old models of how to manage productivity growth and change seemed to be no longer working and, consequently, the desire was born to create a work situation free from conflict, in which both employees and employers worked in unity towards their same goal: the success of the organization (Fombrun, 1984: 17). In this context HRM appeared to offer something new (Guest, 1990). It is argued that competitive advantage could best be achieved through better utilization of human resources, integrated with technological advances, financial control systems and marketing (Guest, 1987).

Secondly, one of the most important reasons for HRM’s rise was the major pressure experienced in product markets during the recession of 1980–1982, combined with a shifting power balance in the wider industrial relations system that reduced the influence of trade unions in the United States and most Western countries (Poole, 1999; Beardwell et al., 2004). The changing economic and political climate in the United States and the United Kingdom has resulted in some reduction in trade union pressures on management (Guest, 1987). Consequently, emphasis has transferred from collective and adversarial issues associated with traditional Industrial Relations (IR) to individual, cooperative issues that are associated with HRM.