Job Quality and Human Resource Management: Respective Roles of Employer Strategy and Institutions

Stéphanie Coster
Evelyne Léonard

Université catholique de Louvain
Louvain School of Management
(Belgium)
1. Background
2. Theoretical framework and hypotheses
3. Empirical field: The Belgian ‘service voucher’ scheme
4. Method
5. Research Findings and conclusion
Importance that national institutions play in determining job quality in new service activities (Batt and al., 2010; Gautié and Schmidtt, 2010)

But variations in terms of job quality from one firm to another within a given institutional context (Batt and Nohara, 2009)

What is the respective influence of managerial strategies (HRM) within the company and of institutions on job quality?
The Role of institutions: Towards homogeneity?

- Institutional context is key in determining management strategies
  - « Push towards homogenization » due to isomorphic pressures *(DiMaggio and Powell, 1983)*
  - National institutional contexts and companies interact and how this interaction impacts on managerial choices *(Hall & Soskice, 2001)*

- Yet organizations are not entirely constrained by the institutional context
Diversity across organizations: a ‘Reynaldian’ approach

- consider strategies developed by actors in the organization

  - Social actors’ leeway, interplay
  - ‘Rules’ and ‘regulations’
  - Control regulation and Autonomous regulation

H1: Firm strategies are similar when they belong to the same institutional environment
H2: Differentiated human resource strategies generate contrasted outcomes in terms of job quality
Growing importance of new ‘front-line service work (Bélanger and Edwards, 2013)

Large proportion of low-wage workers with little qualification

Service voucher system in Belgium
- 835000 users
- 2700 enterprises (different types of providers)
- 149827 workers
- Intervention of the State

Institutional context :
- Same legal environment
- Sector-level joint committees: 318 for home-help services and elderly persons’ carers and 322 in charge of temporary work and proximity services
Survey administered to 600 workers spread into 47 firms

- Focus on **4 HR dimensions**: Performance management, Health and Safety, Participation, Training and development

- Focus on **ten dimensions of job quality**: Employment security, Skills development, Autonomy, Wage, Voice, Opportunity of careers, work-family balance, working conditions, social relations, flexibility and working hours

**Data analysis:**

- Multivariate analyses separately for HR areas and job quality dimensions and construction of global indicators (Principal components analyses, correspondence analysis,...)

- Analysis of variances (Test H1)

- Regression analysis (Test H2)
Preliminary findings

- HR strategy factors
  - Health and safety
  - Performance appraisal
  - Training in general and the quantity of training activities
  - Training taking place outside working hours and not linked to the job
  - Formal participation
  - Other participation (informal and unions representatives)

- Job quality factors to build a global indicator
- Questioning institutional homogeneity (H1)

Joint Committees have only a significant effect on:
- Training in general
- Performance appraisal
- Other forms of participation (informal and union representatives)

No effect on Health and safety, training outside working hours and not linked to job, Formal participation

- Limited impact of isomorphic pressures.
- Managerial leeway remains in defining HR practices
HR strategies and contrasted job quality outcomes (H2)

Linear relationship between HR dimensions and the global job quality indicator.

Empirical data confirm that diverse routes in HR strategies lead to contrasted outcomes in terms of Job Quality

Organizations implementing HR strategies involving the development of LT HR practices favour higher Job Quality
Institutional norms and rules that regulate employment relations in the ‘service voucher’ sector do not have homogenous and linear impact within the firm.

At company level, policies and practices implemented by management can differ from external provision, and they are decisive in determining, in fine, job quality for workers.

Next step

Case study to understand the processes and regulations taking place within the firm.