

Practice Approaches to Management of Human Resource and Organizational Performance: Four International Theories explained

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Abstract- By combing and analyzing the international classic literature, this paper starts with how to establish an effective relationship between human management and organizational performance, From the perspectives of origin, representatives, significant contribution and main limitations, this paper discusses the practical methods of studying the relationship between human resource management and organizational performance -- the best practice method, contingency method, structural method and capital development method. It is found that in the past 30 years, the research on the practical methods of human resource management has almost been carried out around these mainstream theories, which promotes the development of the above theories and development, forming a different but inclusive theoretical system.

Keywords – Strategic Human Capital Management, Contingency Theory, Configurational Approach, High Performance work Practice, Organizational Performance, Best Practice.

I. INTRODUCTION

Since the 1990s, when the theory of human resource management was booming, an important change has taken place: organizational behavior began to emerge, and human resource management, especially human resource management practice, which often permeates the whole organizational performance, no longer only relies on material capital investment and scale economy to maintain its advantages, Human capital investment has become the key to improve the competitiveness of enterprises. This has become the driving force to promote the development of modern human resource management theory. A lot of research focuses on how to establish an effective relationship between human management and organizational performance. Although different scholars have different definitions, they all have similar basic theoretical framework, which can be summarized as Figure 1.

In the early 1980s, "Michigan / Columbia team" and "Harvard team", two American teams that mainly study human resource management, introduced human resource management as a part of **MBA** courses to universities for the first time. (**Fombrun et al., 1984**), a representative of the Michigan / Colombia team, proposed a matching model, which emphasized the resource aspect of human resource management and believed that individual goals could be used efficiently to meet organizational goals ^[2]. The matching model also emphasizes the "right match" between organizational strategy, organizational structure and human resource management system (i.e. in response to the power transformation). Bill et al, the representative of Harvard team (**Beer et al., 1984**) ^[3] put forward Harvard model, they are more concerned about the relationship between employers and employees, and emphasize that the interests and organizational goals of different stakeholders, such as shareholders, management, employee groups, governments and district trade unions, do not always achieve the same results, However, organizations can try to balance the interests of different aspects; at the same time, it also emphasizes the relationship between different management objectives.

Under the influence of these two team models, the relationship between human resource practice, organizational behavior and organizational performance has become a hot topic in recent years.

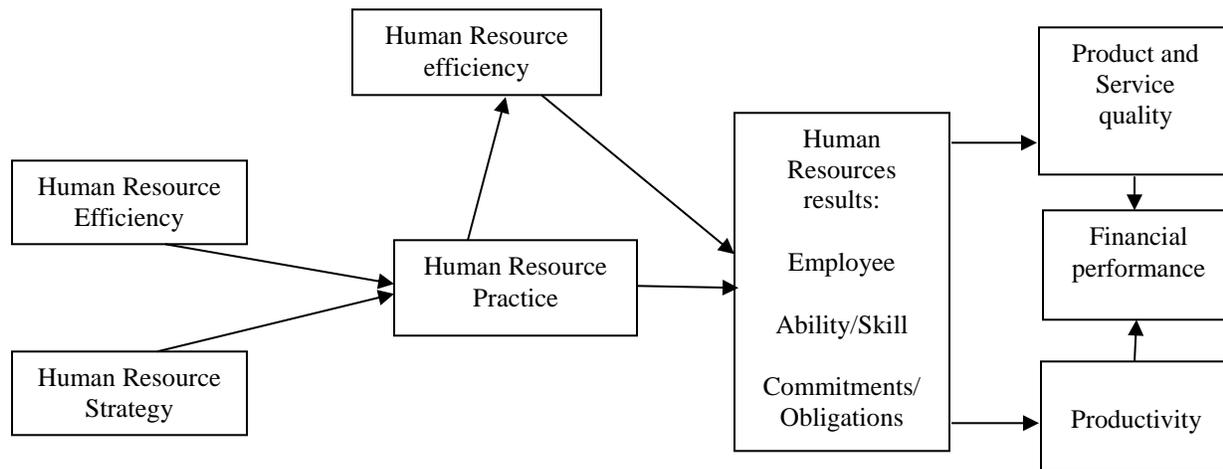


Figure:1 Relationship Model between Human Resource Management and Performance ^[1].

Organizational behavior refers to the relevance of "human resource policies and practices" within an organization. According to **(Robbins & Judge, 2009)**, from the perspective of organizational behavior, the most important considerations of human resource management are: the choice of practice path, training and development program, performance evaluation, the diversity of organizational management, as well as the global background and its impact on human resource management ^[4]. **(Guest, 1997)** pointed out that in the 1990s, the main research results of human resource management had a positive impact on the relationship between human resource management and organizational performance ^[5]. In the increasingly fierce business competition and complex business environment, the understanding of the contribution of people and other intangible resources to organizational performance has become an important factor in business success ^[6]. This is the basis and motive force of human resource management research. **(Robinson, 2006)** concluded: "conceptually, there are three main theories in the practice of the relationship between human resource management and organizational performance: (1) Best practice theory- excellent organizational performance can be achieved by using a set of common human resource practice methods; (2) Contingency theory- Human resource strategy and practice need to integrate and respond to the environment of enterprise strategy and organization operation; (3) Resource theory - Human resources are internal assets that can be effectively used by organizations to gain competitive advantage ^[6]. This paper will discuss the core theories of the above three human resource management practices, as well as the structural morphology method based on the best practice theory and contingency theory, which is characterized by trying to quantify the relationship between human resource practice and organizational performance.

II. DISCUSSION OF THEORIES

2.1 Best Practice Theory –

At present, the industry has basically formed a consistent understanding of the key role of people as a resource in the process of achieving organizational goals and performance. Human resources represent a potential resource in sustainable competitive advantage, and can determine the ultimate success of their organization, which appears in the connection between organizational performance and human resources practice ^[7].

The study of **(Pfeffer, 1994)** ^[7] to a large extent has aroused people's strong interest in the concept of "best practice" in human resource management. However, the best practice of human resource management lacks a clear and authoritative definition, but there are also some definitions that indicate many potential factors. For example, (Johnson,

2000) believes that "best practices or high-performance work practices are described as having a general effect on organizational performance Universal, multiple and positive human resource management methods and systems"^[8].

How to coordinate organizational strategy and human resource strategy practice will affect the final result of organizational performance. In the 20th century, Porter's five basic competitiveness framework is the main research model. According to this model, the ability of an enterprise to obtain higher than normal returns is determined by five aspects of Competitiveness: the entry of new competitors, the threat of substitutes, the bargaining power of buyers, the bargaining power of suppliers, and the competition among existing competitors^[8]. In addition, **(Delery and Doty, 1996)** listed seven human resource best practice paths: internal career opportunities, formal training systems, assessment measures, profit sharing plans, job security, communication mechanisms, and job definitions. To further explain human resource functions and practices, **(Pfeffer, 1994)** refers to 16 best practice approaches: Employment security, selection and employment, high wage, incentive wage, employee ownership, information sharing, participation and authorization, team and work design, training and skill development, cross utilization and cross training, symbolic egalitarianism, wage compression, internal promotion, long-term vision, specific practical measures, and overall philosophy^[7]. These results based on empirical research prove that people are an important source of organizational competitive advantage, and human resources have shown the potential ability to respond to organizational high performance.

In the 21st century, there are still many scholars who have studied the best practice theory and made new achievements. **(Johnson, 2000)** pointed out that complementary best practices can further improve the company's performance, or produce additional effects^[8]. **(Hughes, 2002)** believes that empirical research results supporting the universality of human resource management best practice paths are growing^[11]. **(Mess, 2004)** summarized a large number of research results supporting best practice into five key areas: training and development, team, employee selection, performance evaluation and communication, but still failed to prove that a set of best practice can be established for all organizations^[12].

Other studies have shown that it is difficult to set a general standard for the best practice of human resource management because of the differences in human resource practices of different organizations. According to **(Gerst, 1997)**, "the added value of these methods is very small and statistically complex, so they lack theoretical rigor."^[5]

(Marchington & Grugulis, 2000) believed that the concept of best practice could not support the general applicability of human resource management and was weak in the sense of specific practice.^[13] **(Truss, 2001)** also found that informal organizations play an important role in the implementation of human resource policies, and successful organizations do not always adopt the "best" practice path of human resource management.^[14] According to **(Purcell, 1999)**, "the bundling of best practices ignores the strong and highly significant changes in work, employment and society that are visible within the organization and in the wider community."^[15] For example, it's important not only to find high commitment work practices, but also to find the right place and time; why and to what extent some organizations adopt best practice, while others do not. No clear conclusion has been reached on these issues. The best practice approach should pay great attention to the broader concept of human resource structure and content, recognize that different practice paths may match different specific organizations, and pay attention to employees' views on work. Because at the workplace level, these are really important.^[13]

(Robinson, 2006) pointed out that the research on the relationship between human resource management practice and organizational performance relies too much on statistical evidence, which is restricted by methodology. No matter whether the organization is successful because of the use of human resource management best practice, or the successful organization will adopt complex human resource management best practice, there is no clear causal relationship; at the same time, there is no relationship between personnel management and organizational performance. The statistical conclusion cannot prove the causal relationship between HRM best practice and organizational performance related variables. In addition, there are some problems in collecting data through questionnaires. First of all, the honesty and self-awareness of the respondents and the attitude (or improper design) of the questionnaire will affect the depth, breadth and objectivity of the survey results. Secondly, the "myths" of these best practices only play a role in relatively well-structured large organizations and are not universal.^[6]

(Boxall & Purcell, 2000) insist on the relationship between human resource management and achievement of organizational results. Countries, government departments and organizations have strong influence on human resource

strategy. However, this conclusion does not completely negate the best practice method, because practice is the basis of human resource management and the key to organizational competitiveness.^[16]

In conclusion, **(Porter, 1985)**.^[9] The theory and method of best practice put forward by the human resource management theory circle has been highly concerned, forming a relatively warm discussion, and through a large number of discussions, including empirical research, deepening the excavation of the theory and method summary, which makes a positive contribution to the progress of the theory and practice of human resource management. However, as some researchers have pointed out, there are still many defects in the theory and practice. The best practice theory and method try to divide human resource management behavior of different organizations into different kinds of best practice approaches, but it is difficult to prove that all types of companies conform to the given best practice approach, so it is a relatively rigid theory and method. Contingency theory, which appeared more than 20 years earlier than best practice theory, is another way.

2.2. Contingency theory–

Contingency theory is one of the earliest and most widely used theories to study contingency problems, which reveals the relationship between leaders' decision-making and decision-making styles and organizational performance in different situations **(Fiedler, 1964)**.^[17] On this basis, contingency theory as a way of strategic development of human resources has been applied in many fields. In 1992, **(Schuler and Jackson, 1987)**^[18] proposed a 5P model of strategic human resource management as the basis of power reform, integrating five strategic activities: The five kinds of strategic activities should be combined with the strategic needs of the organization. The model describes the interactions between these activities and explains their importance in achieving organizational goals. **(Robinson, 2006)** concluded that, "the relevant research results of the power transformation method believe that the specific practice path adopted by an organization must be adapted to other organizational factors in order to effectively improve organizational performance"; while when the power transformation theory is applied to the human resource management method at the same time, it emphasizes the vertical integration of human resource strategy and practice with business strategy^[6]. **(Breadwell and Claydon, 2010)** also support a classic definition: "the best matching (or contingency) path of strategic human resource management (SHRM) is to assess the vertical integration between the organization's business strategy and human resource management policy, to explore the relationship and practice between strategic management and human resource management." ^[19]

Previous studies, such as **(Fumbler et al. 1984)**, believed that the close cooperation between external business strategy and human resource management was important^[2], that is, for any specific organizational strategy, there would be a matching human resource strategy.

As the foundation of human resource strategy, the power transformation method, together with human resource practice, enables organizations to realize the "vertical adaptation" (involving the coordination of human resource management practice and corporate strategic management process) proposed by **(Wright and Snell, 1998)**, Integrating strategic human resource management into the main initiatives of the organization^[20]. Vertical integration ensures a clear link or relationship between internal personnel processes and policies and external markets or business strategies, thus ensuring the creation of key resources with the potential to become competitive advantages^[21]. Consistent with vertical integration, contingency also advocates horizontal integration of consistent and mutually supportive human resource strategies and practices, including resources, learning and development, performance management and compensation. **(Robinson, 2006)** proposed a better "contingency path of human resource management" (see Figure 2). Human resource management is based on internal and external analysis of environment integrates competitive position, business strategy and human resource strategy into the process of strategic planning^[6].

Similar to the best practice theory and method, contingency theory and method also have defects. Contingency theory does not form a unified definition, which cannot explain why the organization leaders with distinctive characteristics are more efficient in some situations than in others.

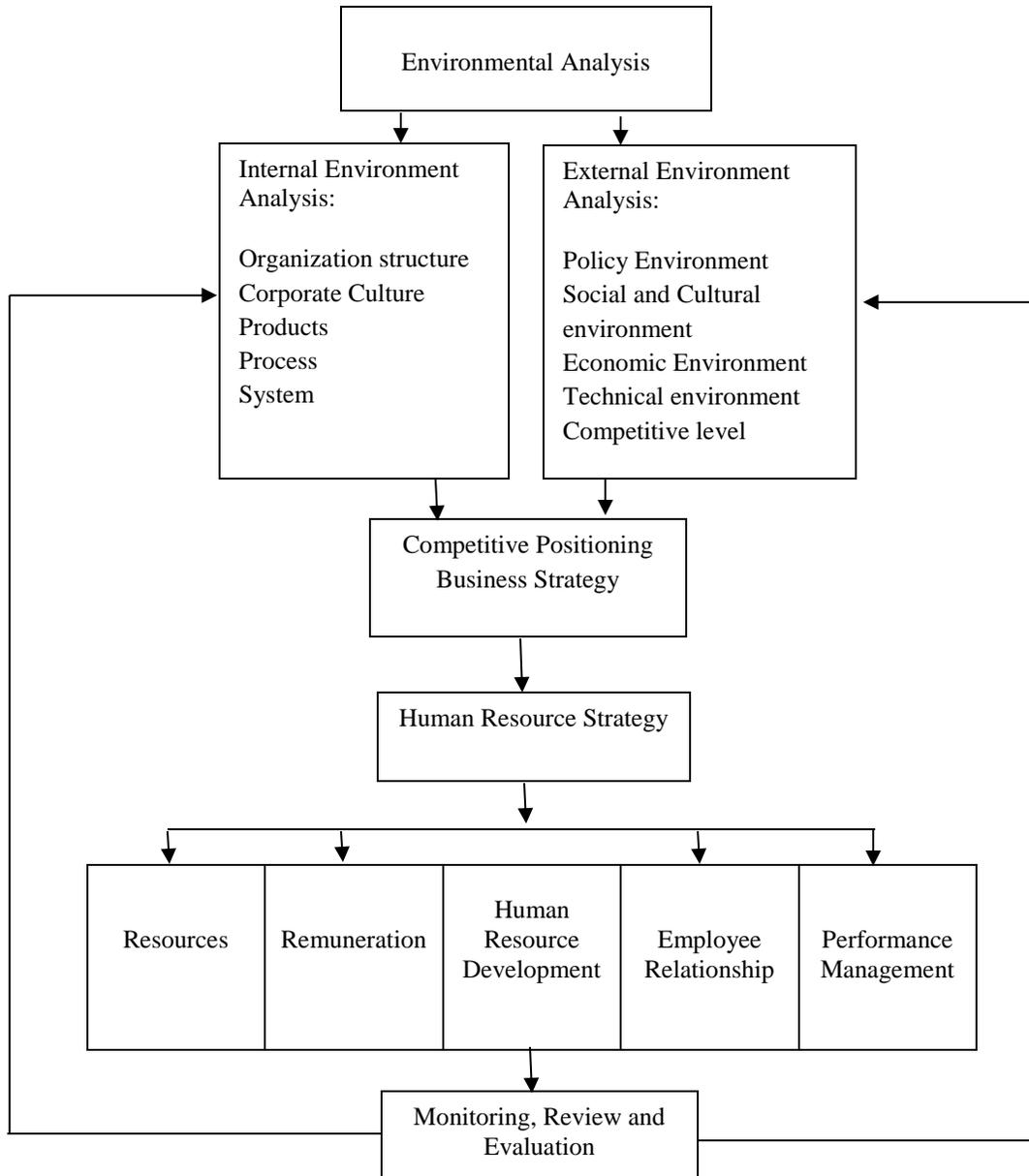


Figure: 2 Contingency paths of Human Resource Management ¹⁶

2.3. Structural morphometry–

The early structural morphology method emphasized the consistency and effectiveness of the allocation of various factors in the organization, and the subsequent research emphasized the allocation mode and interrelationship in a broader field. Structural morphology is essentially a multi-dimensional entity, in which the key attributes are interrelated and mutually reinforcing ^[28]. The logic of structural morphology is based on the premise that some organizations whose attributes are consistent with their environmental characteristics are superior to others ^[29]. Scholars who study structural morphology think that by analyzing the commonness of different and internally consistent organizational elements, we can better understand organizational phenomena, such as performance, rather than by seeking a common mode for all organizations.

While studying the theory of best practice, many scholars also consider the method of structural form or "bundle" of human resources, and extend it to contingency thinking. It can be said that the structural form method or the "bundle" method of human resources are overlapped and developed from the best practice method. (Pfeiffer, 1995), who is a

representative of the study of structural morphology, strategically linked and analyzed the individual practice activities that are not closely related but maintain internal consistency, which is called "bundle". He explained that the "bundle" creates multiple and strengthened conditions to support employee motivation, provided that employees have the necessary knowledge and skills to perform effective work^[30]. According to Malsington and **(Gregory, 2000)**, "the practice of human resource management cannot be effectively implemented in isolation. It is important to integrate the practice of human resource management into a coherent package."^[13] many British and American scholars support and supplement Pfeffer's point of view. In particular, the research represented by **(Huselid, 1995)** proves that the structural morphology method is more complex, and attempts to quantify the impact of the "bundle" method of human resources on the specific performance of an organization. To a certain extent, the concept of structural morphology not only overlaps the "best practice" theory, but also combines some contingency theory. As a result of the introduction of structural form law, the distinction between "best practice law" and "right reform law" began to blur^[32]. However, one point of view of structural morphology is to try to quantify the effective relationship between human resource practice and different organizational performance, so there are still differences. Based on the method of structural morphology within the organization, this paper analyzes the construction of SHRM through the beneficial views of collaborative integration. In this sense, "human resource management system is defined as a set of multidimensional elements, which can be combined in different ways to obtain unlimited possible configurations."^[33]

In order to improve efficiency, an organization should develop a human resource system that can realize both horizontal and vertical matching. **(Dreary and dotty, 1996)** defined a human resource practice structure morphology method or model (with nonlinear synergy and high-order interaction as the ideal theoretical structure), in order to achieve the maximum horizontal fit, and connect it with the alternative strategic structure morphology model to achieve the maximum vertical fit. The pattern of multiple independent variables is related to a dependent variable, that is, the human resource allocation planning pattern can achieve organizational goals. It can be seen from the interpretation of structural morphology that the research of structural morphology mainly focuses on two aspects: horizontal fitting and vertical fitting. At present, the research on the variability of these two aspects is still in progress. The structural form method also requires that the organization be regarded as a unique resource bundle, not only observing its activities in the product market, but also complex, intangible and dynamic. In essence, the relationship between organizational performance and structural morphology reflects the ability of an organization to develop and maintain its unique advantages in the long run^[10].

2.4. Resource theory–

(Barney, 1995) proposed to expand and develop human resources and other intangible resources as the main resources to maintain the competitive advantage of the organization. The value of venture capital of the company has shifted from emphasizing the external environment, the position of the organization in the industry and the relative balance of competitive power to innovative development^[35]. The main point of view is to recognize that internal resources or capabilities are essential for sustainable and effective competitive advantage, so that the organization can obtain market opportunities and respond to threats from competitors. Resource theory establishes the importance of establishing a set of valuable resources for an organization and binding them together in a unique and dynamic way to realize the success of enterprise management and development. Although traditional competitive advantage resources can create value, the viewpoint of resource theory is different from other traditional resources (such as natural resources, technology or economies of scale) - these resources are more and more easy to be imitated, and it refers to human resources and other intangible resources - which depend on valuable, rare and high return resources, It is the core resources of an organization, not the physical resources, technical resources or financial resources, which can provide a sustainable competitive advantage for the organization. This is a unique "core" ability derived from the organization's independent and rational management choice, selective resource accumulation and organizational structure. As **(Chadwick & Dabu, 2005)** explained, the resource theory method is very important to describe the competitive advantage which is difficult to be imitated by the organization, especially to understand how the practice within the organization takes planned steps to achieve sustainable competitive advantage^[36].

The importance that organizations attach to human capital reflects a view that market value does not rely much on tangible resources, but on intangible resources, especially human resources. There are at least two reasons why human resources are difficult to imitate: causal ambiguity and path dependence. Therefore, the advantage of human capital depends on obtaining outstanding talents or, in familiar words, the "best and brightest" employees. In a practical sense, human capital is an "intangible asset", which is attributed to "personal skills". **(Snelle et al.,1996)** thought that the importance of rare human capital to the strategic objectives of an organization and how to carry out organizational

management through human resource processes was obvious. "If the types and levels of skills are not evenly distributed, some organizations can obtain the talents they need, while others can't. Then the form of human capital can be the source of sustainable competitive advantage." [38] as a part of resource theory to distinguish the advantages of human resources and organizational processes, **(Boksol and Purcell, 2003)** proposed that the former usually refers to intangible assets, such as culture, skills, abilities and motivation, and the latter mainly refers to social interaction among people, teams and business units, which are the key resources for the combination of people and organizational performance. In short, human resource advantages can be traced back to better people employed in better process organizations [39]

The importance of resource theory lies in the promotion of overall human resource management, especially human capital management, as well as the integration of strategy and human resource management [39]. In addition, from the perspective of resource theory, organizations that purchase human resources or human capital may have the potential to create more value. Resource theory focuses on the relationship among strategy, internal resources and performance [21]. **(Wright and Gardner, 2000)** compared the employees working in high-performance stores, and they had a more positive view on their free decision-making power, which was considered as "halo" effect. Boxall & **(Purcell, 2003)** further emphasized that positive feedback can maintain high performance in tough times [39]. Compared with the standardized inelastic "best practice", the research on human resource management from the perspective of resource theory is more attractive. Some researches are mainly based on the internal environment of an organization, and regard human resources and human capital as the energy for an organization to realize its benefits, but there are still a series of related researches factors need to be identified whether and how they affect human resource management, as well as their impact on organizational performance, and then some human resources need to be carefully implemented source practice activities. **(Lado and Wilson, 1994)** used the theory of resource theory for reference and discussed the human resource system Potential may help or inhibit the development and utilization of organizational capabilities or practices (input-based management, transformation and output based management), such as is the line manager's behavior a combustion promoter or an obstacle [41].

(Purcell et al., 2003) have been focusing on the process of how personnel management affects organizational performance, including human development process advantage, ability + incentive + opportunity (AMO) and "black box", special free behavior analysis, big idea, the meaning of front-line managers, the relationship between human resource practice and organizational performance; The meaning and effect of human resource policy and practice. Among these contributions, **(Purcell et al., 2003)** developed a resource theory model based on the basic model of human resource management of **(Boksol and Purcell, 2003)** [39], and considered that performance is a function of (AMO) (see Figure 3) [42].

The model is based on two and a half years of empirical research on 12 organizations from manufacturing, retail, financial, professional services, it and (NHS) sectors. In order to provide reference and practical significance for AMO, the researcher has carried out empirical research on 11 related policy or practice fields in the outer ring of human resource management. The whole model consists of three key parts: Ability (A), motivation (M), and opportunity (O). **(Purcell et al., 2003)** explained the logic of AMO: Competency (A) assumes that people want to be able to apply for work (Recruitment) in an organization, recognize their attributes (selection), and be willing to learn new skills and behaviors (training and development). The assumption of opportunity (O) is that people will provide good customer service or high-quality work beyond the satisfaction level, and they want to participate in problem-solving or broader participation programs when they have the opportunity. They need opportunities to use or practice skills and contribute to the collective effort at the team, Department, and organizational levels. In other words, they want the opportunity to participate in these efforts, whether they are in work or in organization [42].

The central frame of the model is the first-line management relationship between AMO and commitment, motivation and satisfaction. Almost all human resource policies and practices for front-line managers need to be employee oriented. Finally, the performance results in the lower right corner of the model reflect the feedback effect, which helps to strengthen the staff work attitude. Another component on the right side of the model is spontaneous behavior, which means "making choices that are usually defined for work, such as the completion of work the way of success - speed, care, innovation and style of work. This behavior is at the heart of the employment relationship because it's hard for employers to define and then monitor control and control the required work effort, innovation and production behavior.

Front line managers play a key role in transforming human resources or human capital to produce benefits, which is the practical application of human resource theory in the management of employees. (Purcell et al., 2003) emphasized how line managers behaviors are incorporated into human resource practice and how human resource policies meet employees' expectations. They pointed out that the front-line managers play a thoughtful role in front-line management (including implementation, promulgation, leadership and control), need to effectively respond to the labor relationship environment, and transfer the organization's culture and values to employees, because these impacts are more extensive across all policy areas^[42]. As (Bartle, 2000) concluded, site managers (front line managers) "create a human resource management environment that can affect site performance."^[43]

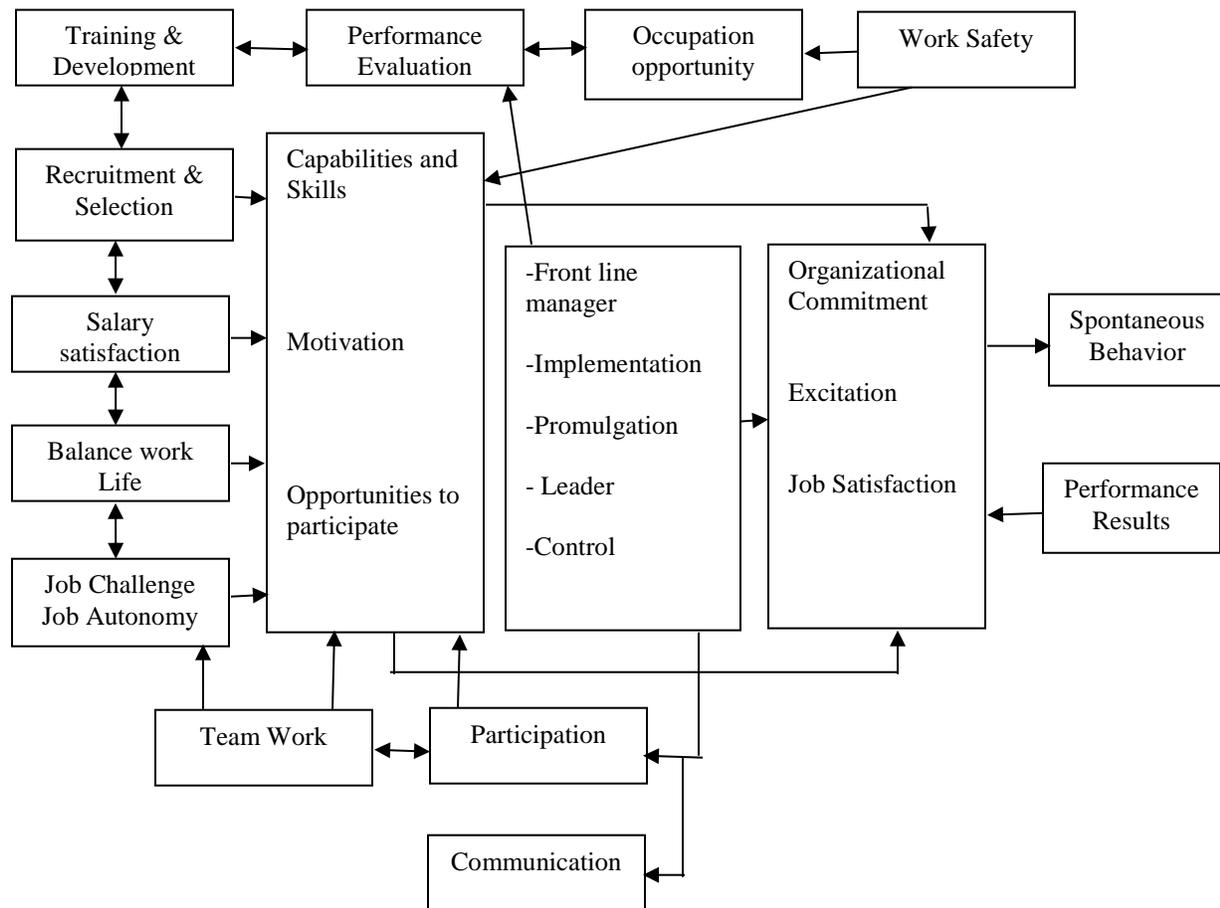


Figure: 3 The "Black box" model of the relationship between Human and Performance^[42].

(Oliver, 1997) extended the perspective of resource theory to the relationship between external strategic factors (institutional factors). Resource selection and accumulation are organizations as a result of the interaction of internal decision-making and external strategic factors, organizations should combine resource theory and institutional factors at the individual, organizational and inter organizational levels to maintain competitive advantage^[44]. However, there are also scholars' different attitudes towards resource theory, (Malhotra & Birks, 2000) doubted the logic of resource theory and believed that only unique human resource practice can stick value to organizational performance, thus providing sustainable competitive advantage^[44]. Because therefore, it is unlikely that the human resource practice adopted in response to the institutional environment will produce any advantages, and more influence will come from the interaction of human resource strategies the function of organization should not be ignored.

II. CONCLUSION

In the middle and late 20th century, the theory of best practice developed rapidly. It is believed that there is or can form a best practice path of human resource management in the organization. The theory of best practice tries to find one or several common and most effective practice paths or standards for organizations. In the process of the development of the theory, a lot of attention has been paid to the human resource management structure and the broader concept connotation, listening to the opinions of employees, providing valuable guidance for the practical work of the organization, and promoting the development of other practical theories. But so far, the theory has not formed a clear and authoritative set there is no objective and comprehensive evidence that there is a set or sets of best practice paths or standards common to the organization. In the process of the development of best practice theory, there are a lot of different voices, among which the most representative are contingency theory and resource theory which have developed almost at the same time. Contingency theory is a theory of behavior, which holds that there is no best way to manage, lead or make decisions. On the contrary, the best practice process and leader's leadership ability depend on various situational factors, including leader's preference style, follower's ability and behavior, and various other situational (internal and external) factors. However, contingency theory overemphasizes the passive adaptation and compliance of human resource management practice methods to the organizational environment, neglects the power of human subjective initiative, and can predict the changes of the organization in advance according to certain information, and formulate response measures as early as possible, so as to effectively avoid detours. In addition, the analysis framework of contingency theory is too simple, and in fact, the complexity of internal and external environmental factors faced by organizations is far greater than that of contingency theory.

Based on the combination of the best practice theory and contingency theory, an evolutionary structural morphology theory is derived, which regards the organization as a unique resource bundle, and puts the human resource factors of the organization in the "bundle", focusing on the vertical simulation of the factors inside and outside the organization fit and horizontal fit. However, this theory still fails to solve the fundamental problems of the best practice theory and contingency theory, which will lead to the realization of organizational human resource management the practice activities are too standardized, trying to find a practice path that can match the development of the organization. However, in practice, the factors are far more complicated than those in theory, and the degree of correlation between them is difficult to be determined one by one.

The resource theory, which appears almost at the same time with contingency theory, jumps out of the thinking framework of seeking practical model or path. Starting from human capital, it links the precious resources such as human resources and other intangible resources that are hard to copy together in a certain way as the core advantage of organizational development. Although the advantages of resource theory are obvious, it is not flawless. First of all, many scholars question the logic of resource theory, and think that according to the logic of resource theory, only unique human resource practice can improve the performance of the organization and maintain a long-term competitive advantage. But in reality, more organizations do not have unique human resource practice activities, and the common practice mode accounts for the vast majority. Secondly, the organizational human capital and human resources in the institutional environment are difficult to have obvious resource advantages. In addition, the power of organizations should not be ignored. In the past 30 years, the theories of human resource management practice methods have almost developed around these mainstream theories. These popular theoretical studies have formed different perspectives, reflecting their vision, tolerance, contribution and limitations. At the same time, based on the relevance between human management and organizational performance, as well as the emphasis on intangible resources such as human capital and human resources, which are rooted in the internal environment of an organization, resource theory shows the potential to create excellent organizational performance and maintain competitive advantage; however, there are still some problems that need to be explored in-depth and widely in the impact of institutional environment. This means that resource theory should not only pay attention to the internal environment, but also properly combine with the complexity of human resource strategic interaction. Proponents of best practice seem to want to integrate the organization's human resource strategy on the basis of 5P model and find a best practice path for the organization. Some supporters of contingency theory are further developed on the basis of the best practice theory, combined with the vertical and horizontal integration strategies of the organization, according to different organizational environment, to establish the appropriate practice path.

According to (Olitzy & Frenkel, 2005), high performance working mode (HPWP) has a wide range of model specifications in all cases, which is applicable to general basic assumptions. The best practice approach maintains that

because organizations are faced with similar environments, efficient work patterns are applicable to all environments. The research on contingency theory and strategic human resource management method shows that only the organization that pays attention to external cooperation and internal cooperation can achieve high performance ^[18]. External cooperation focuses on the cooperation between business strategy and human resource management practice; the core of internal cooperation is how to coordinate and integrate human resource management practice activities in a consistent way. ^[10]

If the organization adopts the "high-speed road" mode focusing on the quality and innovation competition strategy proposed by **(Porter, 1980)**, it is more likely to implement the human resource management policy and practice centered on the development of humanism^[9]; if the organization prefers the "slow road" focusing on the cost competition strategy proposed by **(Porter, 1980)** The model will put more emphasis on the utilitarianism of human resource management policies and practices ^[23]. The contingency method of efficient working mode proposed by **(Gill & Meyer, 2008)** is more in line with the "high-speed road" business strategy, which emphasizes product differentiation through quality and innovation; correspondingly, "slow road" The model combines cost control and price based competition as a way of traditional human resource management and business strategy ^[24]. Besides, **(Oretsky and Frenkel, 2005)** further described the organization adopting the "slow road" mode, that is, the organization adopting the "slow road" mode uses the method of "employment flexibility" (informal employment) to calculate the demand cost by adjusting the number of employments. Labor is assumed to be net cost, so increasing wages and improving conditions will conflict with the organization's goal of maximizing profits. In contrast, organizations adopting the "highway" model use the "functional flexibility" approach, focusing on the development of employees' knowledge, skills and other capabilities, so that employees can perform a wider range of highly skilled jobs. In general, the practice of "expressway" mode is considered to be able to imitate the "slow road" mode, because it can be divided into multiple management objectives ^[22]. **(According to Kiel, 2008)**, "organizations adopting the" highway "mode will definitely prefer to adopt the efficient working mode and the right transformation method." ^[24] no matter the organization adopts "slow road" or "high road" mode, the common practice is to obtain equal benefits from the implementation of efficient work mode. Based on the "If then" relationship, the right change method can provide effective guidance in analyzing the practicability of international human resource management. On the basis of this reform, "if" refers to the country or culture, "then" refers to the concept or technology of human resource management that can best meet the goal of globalization of transnational corporations. International human resource management reform attempts to achieve the best "fit" between national or cultural environment and human resource concept and technology, so as to enhance the core competitiveness of human resources of multinational companies. **(Luthans et al., 1997)** summed up some typical Samples, including Japan, Germany, Mexico and China. These sample organizations fill in the contingency plan of international human resource management, draw the conclusion of "making contingency plan matrix", remind international human resource management practitioners that there is no "best method" in the "four arbitrary environments" of transnational organizations, that is, any person, any place, any time and any way For human resource management ^[25]. This idea of using contingency to analyze international human resource management adheres to the original proposition of contingency theory, that is, there is no "one best method" that can be applied to all human resource management environments. Further criticism of the limitations of "the best method" concludes that this formulation lacks flexibility. The "close" fit between human resource strategy and business strategy may provide a key source of competitive advantage for a stable business environment, but it will also become a source of competitive disadvantage. Because in a dynamic environment, organizations adopting the "best method" path will not be able to adjust flexibly as quickly as competitors, which seems to be a problem faced by more and more organizations. **(Wright and Snell, 1998)** summed up the previous research results, supported the "complementary perspective" theory proposed by **(Milliman et al., 1991)** ^[26], and believed that adaptability and flexibility can coexist in strategic human resource management, because they are essential for the effectiveness of the organization ^[20] .

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