# Lines Managers and HRM: A managerial discretion perspective

### Table of Contents

1.0 Introduction	. 3
2.0 Critiquing of the journal article	. 3
2.1 Critiquing the author	. 3
2.2 Critiquing the abstract	. 4
2.3 Critiquing the introduction	. 4
2.4 Critiquing the literature review	. 4
2.5 Critiquing the research method	. 6
2.5.1 Methodology	. 6
2.5.2 Data collection	. 6
2.5.3 Data analytics	. 7
2.6 Critiquing the findings	. 8
2.7 Critiquing the discussion	10
References	12

#### **1.0 Introduction**

This article was published in 2017 in Human Resource Management Journal. Human Resource Management Journal is one of highly recognized journal related to human resource management. The study was conducted by Juan Lopes Cotarelo. Here onward, researcher Juan Lopes Cotarelo is mentioned as author in this critical review. This study is related to line managers' contribution to human resource management. Managerial discretion theory has been used for this study. Managerial discretion theory was introduced in 1963 to explain the freedom managers have to pursue objectives. This study was conducted based on fashion retailer in UK. The main objective of this study is that to identify how line managers contribute to effective human resource management (HRM) implementation. Traditionally, HRM practices of the companies are conducted based on the decisions of higher management. However, currently line managers linvolve with human resource management practices in different level since line managers directly involve with the routine operations. Decision making process need to be linked with ground situation.

This is a review of original article which critically evaluate the theories and research mechanism of the study. Thus, this critically evaluate the abstract, literature review, research methodology, discussion, conclusion etc. This article contain six sections. This study aim to identify how line managers' intellectual and political skills to effect effective HRM implementation and problem solving related to local situation.

#### 2.0 Critiquing of the journal article

#### 2.1 Critiquing the author

The author of this journal is Juan Lopez Caotarelo. He has wrote this journal as a senior lecture of department of management, London School of Economics and Political Science. Currently, he is an associate professor of Warwick business school, UK. Before became an academic, he had a professional career related to HRM. Thus, he has both professional and academic qualifications to conduct this study properly. Instead of this journal, he has published few other journal related to HRM and launched a book in 2020 called "Ethnomethodology and routine dynamics". Further, title that author used for this study clearly indicate the topic and theory which author used to conduct the study.

#### 2.2 Critiquing the abstract.

The abstract clearly indicate the objective of the study. Further, it mention the case study which is fashion retailer of UK. However, it is not mentioned the some relevant information such as sample size and significance value. Abstract is relatively short however, it accurately describe three different ways that line mangers engage with HRM policies and procedures, and propose that line managers make significant contribution to implement HRM practices effectively by using their cognitive and political abilities to make decisions which suit to local conditions. Further, abstract indicate that HR academics and professionals have developed policies and procedures to facilitate management discretion in different HRM processes in different level. Thus, abstract provide relevant details related to journal however, not indicate any information about research methodology.

#### 2.3 Critiquing the introduction

In this section, author has conducted background analysis to the topic. Introduction mention how line managers involve to important HRM practices such as recruiting, training and development, performance appraisal etc. Further, author has identified lack of enough literature, researches and theories related to line managers' contribution to HRM. Author has identified this gap in the introduction. Therefore, the aim of this study is to develop new perspective on how line managers contribute to HRM practices based on managerial discretion theory. However, this research does not mention its target group. Introduction indicate another aspect of the study which does not mention in abstract which is focus on decision making process of HRM. Thus, compared to abstract, introduction provide in-depth perspective of the study.

#### 2.4 Critiquing the literature review

In introduction, author mentioned that there is lack of literature, researches and studies related to line managers' contribution to HRM practices. However, author has conducted broad research to find relevant literature. Author has used academically appropriate sources such as subjected related books and peer reviewed journals HR devolution and managerial discretion are the main two areas that author focus in the literature review. Author has used both old and new literature related to HR devolution. Some of researches author used such as Brewster and Larsen, 1992 can be

identified as outdated. However, these old researches show how concepts related to HR devolution has changed overtime.

Generally, HR devolution refers that delegate certain responsibilities from HR managers to non HR line managers (Armstrong, 2012). Literature review does not mentioned a definition of HR devolution. Thus, it can be assumed that target audience of the research need to be the individuals and groups which has certain knowledge about HR theories.

Author has mainly highlighted four findings about HR devolution through previous researches. First one is about differences of HR devolution in different countries in Europe. According to Brewster and Larsen 1992, countries like Denmark and Switzerland has devolved many responsibilities to line managers and countries like UK and Italy are the least devolved. However, that information has found from old research and now it could be outdated. Second main finding is that trend of HR devolution has been strengthen with the time and now it become stable compared to past (Larsen and Brewster, 2003). Third finding is that currently HR related responsibilities are shared between HR managers and non HR line managers and now it is difficult to find sole responsibilities which only applicable for either of two. Forth finding is that there is only a small fraction of the variation in the overall rating of organizations' HR devolution score explains by company's characteristics such as size, public or private status, industry etc (Brewster et al. 2015). According to these literature, it reveals that author has referred different editions of same researchers to identify main findings. Thus, readers can identify how situation has changed overtime. Therefore, even though some of researchers are outdated, those are relevant to this contest. Instead of Brewster and Larsen, author also referred many other authors to provide difference perspectives of HR devolution for the literature review.

Managerial discretion theory is the other aspect which author focus in literature review. Latitude of objectives and latitude of actions are the two main aspects of managerial discretion theory. Author has referred developers Hambrick and Finkelstein (1987) of managerial discretion theory to explain the latitude of actions. Latitude of actions refers that the choice of actions line managers have in achieving objectives of the organization. Research use other references to explain latitude of objectives. Latitude of objectives means that line managers' ability to select objectives that they need to follow (Shen and Cho, 2005). However, author has not referred Oliver Williamson who widely discuss about managerial discretion.

#### 2.5 Critiquing the research method

#### 2.5.1 Methodology

Inductive case study approach has been followed by author to conduct this study. Research has been conducted based on fashion retailer located in UK. HRM play significant role in fashion retail company since many difference individuals such as designers, distributors, line managers paly significant role in the sector. Further, line managers play significant role in fashion retail sector since it is an industry which market information need to send quickly to higher management to plan next designs. Thus, author has selected suitable industry for the study. On the other hand size of the organization is suitable for qualitative research. More than 50,000 employees are working in the selected company. Author also indicate it is a sector which require both central control approach and geographical dispersion decision making at the same time (Coterelo,2017).

Inductive research is a qualitative approach which focus to generate new theory from emerging data. This is a flexible approach since researchers do not need to work on pre-determined information (Malhotra, 2007). However, there is high risk to end up false conclusion if the observations are incorrect. However, if researcher selected quantitative method, researcher need to select very high sample size considering size of the population. Thus, inductive approach is the most suitable for this study. However, using single case study has limited the opportunity of compare outcome of two different scenarios.

#### 2.5.2 Data collection

Semi structured interviews were used as data collection method. This method provide more flexibility to interviewer to have conversation with interviewees by asking more open ended questions (Sekaran, 2006). In semi structured interview, interviewer need to prepare interview guide which describe the topics however, there is no pre written questionnaire. Certainly, this would allow to have in-depth discussion with the interviewees and having two way communication (Saunder, Lewis & Thornhills, 2007). In this research, more open ended questions have been asked in personal aspect to get information about interviewers' opinions and experiences. As examples, few questions are quoted here.

What are the human resources practices you are involved in?

Do you remember the recently participated HR decision making process?

Such questions provide flexibility to interviewee to answer the questions. Interviewer has conducted average one hour interview with each interviewee. Thus, there were enough time to clarify the information.

Author is the sole administrator of the questionnaire. Response rate was 100% since researchers collected data immediately via personally administering questionnaire. Thus, semi structured interview is suitable since this topic has dynamic and personal aspect too.

Data has been collected from 44 managers in 13 stores and 5 members of divisional HR department of head office. Sample has covered both line managers and HR managers. Since author use semi structured interviews, there should have relatively higher number of interviews to draw conclusion. On the other hand, this method is also time consuming. It could be the reason that author limited to it for 49 interviews. However, considering population, number of interviews which were conducted may not represent overall situation. However, it has been minimized by basis of sample selection. Stores have been selected based on the revenue and number of employees. Researcher has considered both low and high revenue generating stores and also stores which have both low and high number of employees. Further, in this research, 80% of interviewees represent females. However, it is not suitable for the fashion retail industry which has higher gender equality.

Instead of qualitative data collected by interviews, internal documentation were collected relevant to HR policies such as staff hand book, disciplinary guide for managers, attendance at work guide, store structure and salary pack etc. Researcher can cross check the collected data with the document to verify the collected data. This lead to improve the accuracy of collected data. Further, if researcher referred some minutes of the meetings which line managers participated with HR managers, researcher would be able to find more information related to topic. However, some companies do not disclose meeting minutes.

#### 2.5.3 Data analytics

Nvivo database has been used as data an analytic tool. All interviews were transcribed to verbatim and the transcripts incorporate onto a Navivo database. In this qualitative research, different codes are used to categorize the data. However, in the journal, themes and codes are not mentioned. Interview date were coded based on HR activities and then redefine by grouping activities related to line managers' account.

#### 2.6 Critiquing the findings

Author has constructed findings under four main categories; HRM decision making process, performance pressure, role of the HR department and role of line manager. Author has use tables and figures to interpret the findings. Further, author has quoted required parts of interviewees' answers to explain the point. Therefore, sufficient evidences have been provided to establish the point.

When it comes to HR decision making process, some areas are dominated by HR managers and some areas are dominated by line managers. author has used a table to illustrate this.

#### Table 01 – HRM decision making process

## Centralized to HR managers

HRM practices	Related decisions
Salary and bonus	Central HR team – salary level of positions. Line managers – additional incentives under the centrally approved conditions.
Performance management	Central HR team – pre disciplinary guidelines, quick performance management actions, customer service appraisals. Line managers – central guidelines are applied and supervised. Disciplinary action can be taken certain extent.
Training and development	Central HR team – resource allocation. Decide training requirement. Line managers – personal development. Decide training requirement.
Promotions	Central HR team – decide promotion criteria. Line managers – made promotion decision to relevant employees.
Hiring	Central HR team – store structure and budget are decided by central. Line managers –line managers hire their own staff.

(Catarelo,2017)

Decentralized to line managers

Author highlighted performance pressure that affect to HR practices of stores. This is the area which many researchers do not focus. This study indicates that sales targets are set by head office and performances of stores are measured based on target achievement. Author highlighted that line managers don't have enough flexibility to make decisions regarding performances. However, line managers can decide regarding training and development of employees. Thus, there is contrast in

the HRM practices since performance management and training and development need to be linked each other. Therefore, author has focused many aspects of the issue rather than reporting raw data which interviewees revealed. Author has related this findings to his conceptual framework. Since there is no research question, it could difficult to organize all finding towards specific point. However, author has very well structured the findings to the scope of managerial discretion. Then, author has explained role of HR managers and line managers related to HRM separately. Thus, readers can clearly identify the difference of two role in HR practices. Author present these findings very well organized manner.

#### 2.7 Critiquing the discussion

Managerial discretion theory has been adopted to the discussion. However, if there is research question, the main task of the discussion is to decide whether it is answered in the research. Therefore, it is a limitation of the study. However, author interpret the results of the research organized manner based on managerial discretion theory.

Author highlights three main insights in the study. First one is that how managerial discretion theory help to identify the contribution of line managers to HRM. Secondly, HR managers of head office concern to control HR practices to maintain consistency of the policies. Then, author explain drawbacks of involving HR managers for routine HR practices of stores. This study has used both findings of collected data and literature review in the discussion. Based on the latitude of objective and latitude of actions author discuss three ways called "decide and propose", "ask and negotiate" and "avoid and circumvent" to create balance between HR managers and line mangers for HR practices. Therefore, author effectively link literature review with the findings. Further, in the discussion, author indicates how to effectively use HR specialists and line managers for HRM. Thus, this provide useful recommendations too.

This study has identified two limitation of the study itself. One limitation is that possibility of bias caused by retrospective sense making since main data source is interview data. Other one is that using single case study approach limits ability to comparison. This critique also highlighted some other limitations of the study before.

Despite of limitations, this study indicates effective implications for HRM theory and HRM practices. When it comes to HR theories, this provide in-depth understanding of role of mangers

and line mangers and how both parties need to involve decision making process. further, this suggest that effective HRM implementation depend on both collective effort of HR managers and line managers. cognitive and political ability of HR managers and ground level knowledge of line manager should inter connect to implement effective HRM. HR practice aspect, this study recommends to design HRM processes by allowing line managers to contribute to solve local issues. Therefore, as a conclusion, this study has summarized implications and provide recommendations for the best practices.

#### References

Armstrong, M., 2012. *Human resource management practice*. 12<sup>th</sup> edition, London: Kogan page Brewster, C., & Larsen, H. H. 1992. *Human resource management in Europe*: Evidence from ten countries. International Journal of Human Resource Management, 3, 409–434.

Brewster, C., & Larsen, H. H. 2003. *Responsibility in human resource management: The role of the line*. In C. Brewster, & H. H. Larsen (Eds.), Human resource management in Northern Europe: Trends, dilemmas, and strategy. Oxford, UK: Blackwell.

Brewster, C., Brookes, M., & Gollan, P. J. 2015. *The institutional antecedents of the assignment of HRM responsibilities to line managers*. Human Resource Management, 54, 577–597.

Catarelo, J. L., 2017, *Line manager and HRM: A managerial discretion perspective*. Human Resource Management; 28:255–271.

Hambrick, D. C., & Finkelstein, S., 1987. *Managerial discretion: A bridge between polar views of organizational outcomes*. Research in Organizational Behavior, 9, 369–406.

Malhotra N.K., 2007. Marketing Research: An Applied Orientation. Prentice Hall, New Delhi

Saunder, M., Lewis, P., & Thornhill, A., 2007. Research *methods for business students. 4th ed.* MyiLibrary. FT Prentice Hall, Harlow.

Sekaran.U. 2006. *Research methods for business: A skill building approach*. Fourth Edition. John Wiley and sons.

Shen, W., & Cho, T. S. 2005. *Exploring involuntary executive turnover through a managerial discretion framework*. Academy of Management Review, 30, 843–854.