

Dynamic Capabilities and Beyond ...

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1. Introduction

Research on SHRM systems does neglect dynamically evolving environments.

➤ According to the resource-based view:

- SHRM as “management of **human resources**” (Allen & Wright, 2006; 2007)
- SHRM: Firm-specific **bundles** – ILM vs. H-C – of consistent **HR practices**
- SHRM systems serve as mechanisms to integrate and to utilize HR potential (e.g. employees’ skills, knowledge, and experience)

➤ **Dynamic capabilities are routines** for

- reconfiguring the resource-base (Teece, Pisano & Shuen, 1997, Teece 2007)
- governing innovation and new product development (Danneels, 2002, 2008),
- replicating the firm’s business model into new markets (Winter & Szulanski, 2001)

➤ **Relationship between SHRM and DC** is still underdeveloped (Wright, Dunford & Snell, 2001, 2007; Wright & Snell, 2009)

➤ neither from SHRM nor from the DC perspective

2. Practice-theoretical Framework (1)

SHRM systems seek to govern knowledge development and firm behavior.

core HRM practices

1. Selection
2. Training
3. Appraisal
4. Reward

Knowledge development

Governance mechanism

(Wright & Snell, 2009)

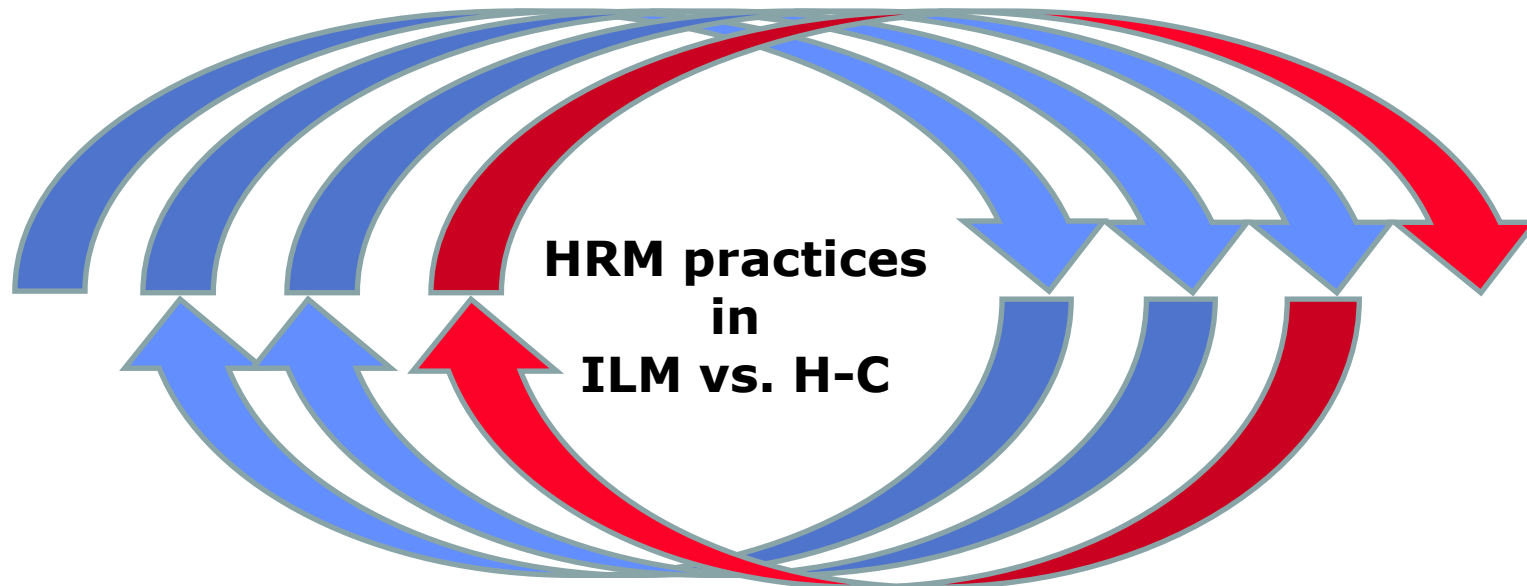
practice theory

- structure (rules & resources) vs. agency (Giddens, 1984)
- ostensive (structure) vs. performative (agency) aspects of organizational routines (Feldman & Pentland, 2003); formal rules as artifacts (Pentland & Feldman, 2005)

2. Practice-theoretical Framework (2)

*Pentland/Feldman's model emphasize the interplay between rules and routines.
HRM practices govern employee behavior and knowledge development.*

Agency: performative aspects of HRM



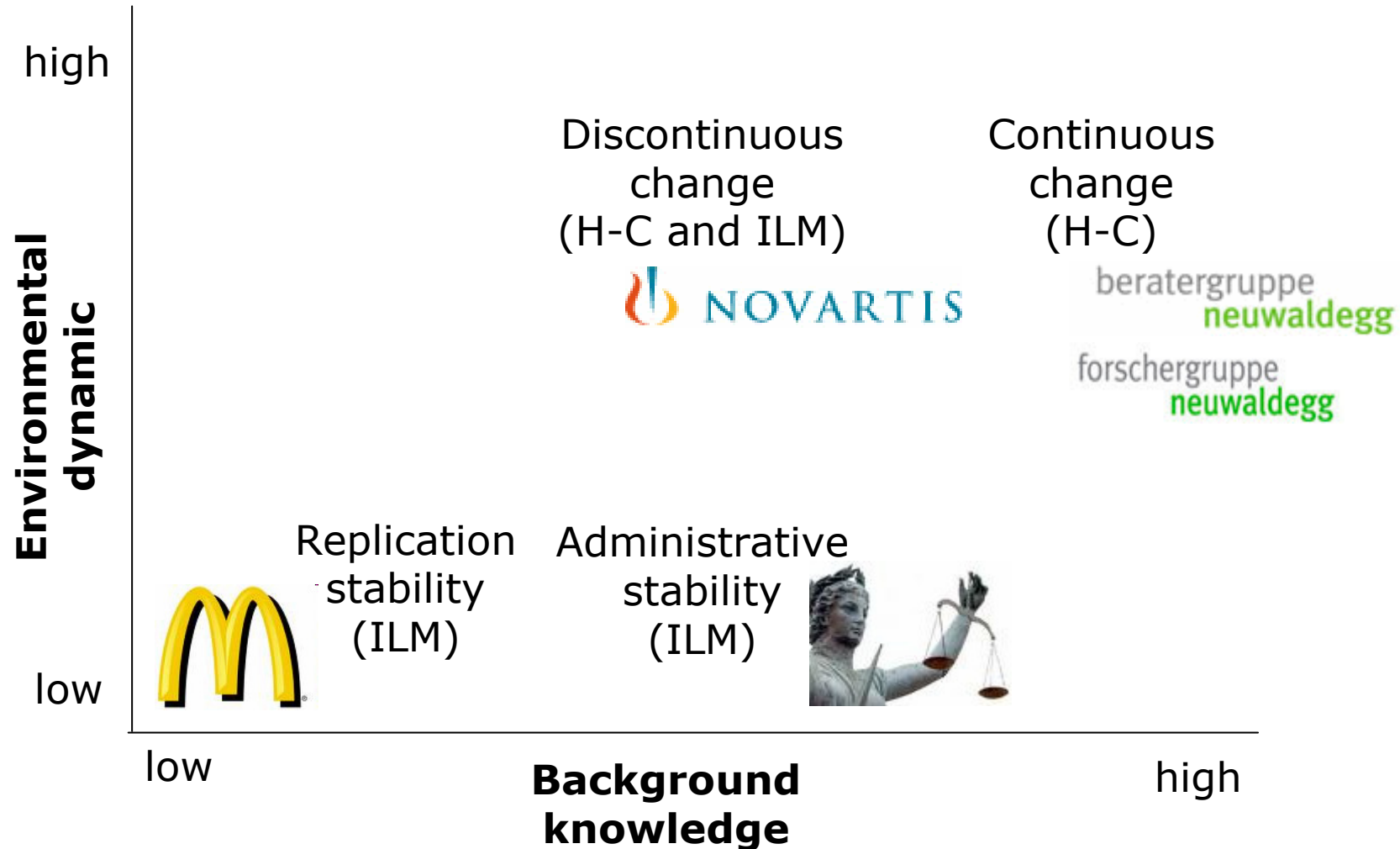
Structure: ostensive aspects of HRM practices



Formal rules (artifacts):
formal foundation of HRM practices

3. SHRM Systems and Dynamic Capabilities (1)

Environmental dynamics and the level of background knowledge make different DC necessary.



3. SHRM Systems and Dynamic Capabilities (2)

Simple rules and complex set of rules and routines mark the poles.

DC: Simple rules

Discontinuous change

- **Aim** adaptation & stabile replication (facilitate & prevent change) as the **predictability** is low
- **Internal differentiation (balance!)**
- **ILM & H-C**

Continuous change

- **Aim** continuous adaptations (all levels) – **predictability** is low
- **Social rules & cultural control**
- **H-C**

Replication stability

- **Aim** stabile replication (existing/new markets) – predictability is high
- **Formal rules & hierarchical control**
- **ILM**

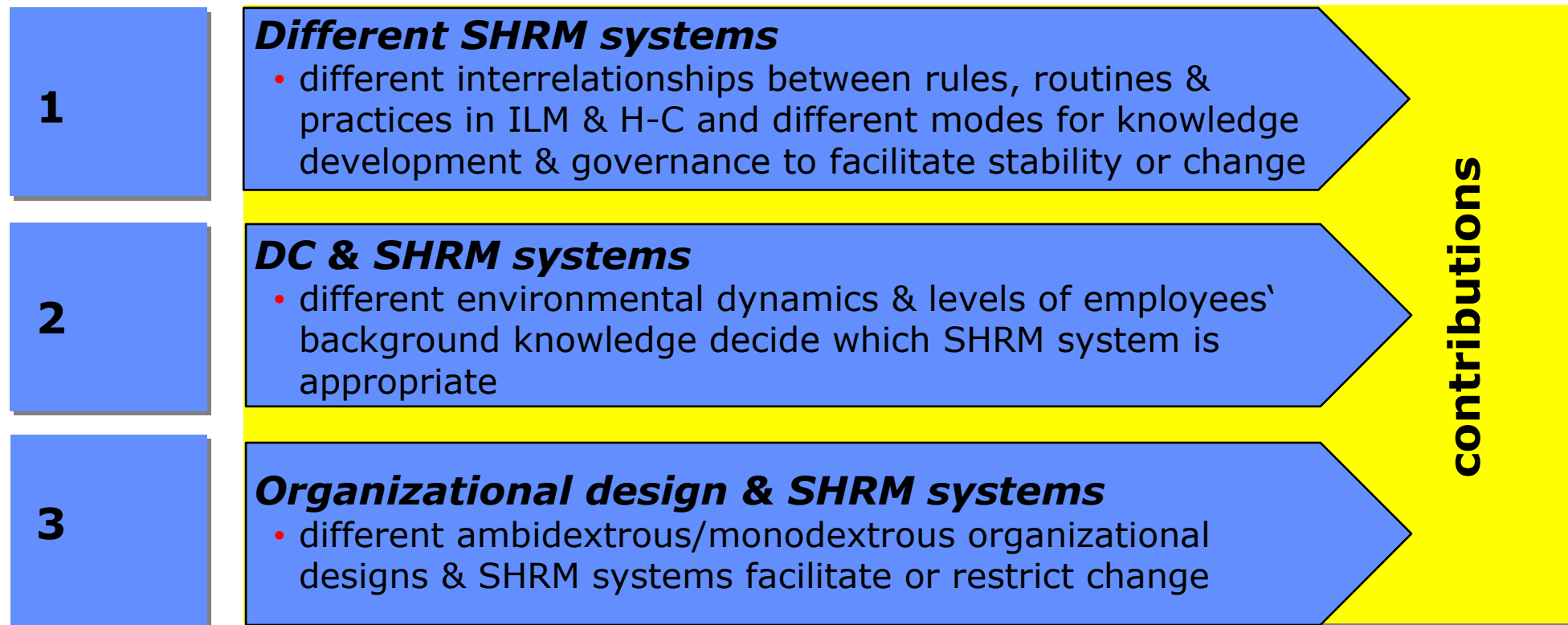
Administrative stability

- **Aim** stabile replication (prevent change) – predictability is high
- **Formal rules & hierarchical control**
- **ILM**

DC: Complex set of rules and routines

4. Discussion and Conclusion

This research substantially alters the perspective on SHRM systems and dynamic capabilities: Dynamic capabilities and beyond...



Further research is necessary ...

- to differentiate capabilities (routines) and capacity (rules, ad-hoc)
- to investigate organizational defence (even in dynamic environments)
- to empirically investigate the role of SHRM systems in change processes