An exploration and study of the human resource management practices in the Post-Soviet State of Latvia (public sector)

A study of the journey of HRM from a command controlled politically motivated system of the cadre to present day

Caryn Elizabeth Cook

A submission presented in partial fulfilment of the requirements of the University of South Wales /Prifysgol De Cymru for the degree of Doctor of Philosophy

January, 2015
Declaration

This is to certify that, except where specific reference is made, the work described in this thesis under the title: “an exploration and study of the human resource management practices in the Post-Soviet State of Latvia (public sector): A study of the journey of HRM from a command controlled politically motivated system of the cadre to present day” is the result of the candidates’ own work. Neither this thesis, nor any part of it, has been presented, or is currently submitted, in candidature for any degree at any other University.

Signed ……………………………. Caryn Elizabeth Cook

Signed ……………………………. Dr. Brychan Thomas

Date ……………………………

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This thesis is the result of my own work and investigation, except where otherwise stated. All authors and works to which reference has been made are fully acknowledged. A bibliography is appended.

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Dedication

I dedicate this to the memory of Iris Elizabeth Blockwell, my friend, my confidant, my mother. You had faith in me, were always in my corner and always saw the good in me. Also to Frank. You have both made me who I am today. And I thank you for that. Also, Cliff who believed in me and helped me believe. Thankyou.
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Finally, my thanks to all those who contributed to bringing this thesis to a completion.
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<tr>
<th>Abbreviation</th>
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<tr>
<td>BBC</td>
<td>British Broadcasting Corporation</td>
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<tr>
<td>CSB</td>
<td>Central Statistical Bureau (csb.gov.lv)</td>
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<tr>
<td>DfID</td>
<td>Department for Industrial Development</td>
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<td>EU</td>
<td>European Union</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>HRM</td>
<td>Human Resource Management</td>
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<td>ILO</td>
<td>International Labour Office</td>
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<tr>
<td>LPVA</td>
<td>Latvijas Personāla vadiāanas asociācija</td>
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<td>LU</td>
<td>Latvia University</td>
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<tr>
<td>NATO</td>
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EXECUTIVE SUMMARY

This thesis investigates the public sector in Latvia and the research question is “what is the nature of transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia?"

The interest within this research is that of the contextual paradigmatic view of Human Resource Management (HRM) (Brewster et al., 2010; Brewster, 1999; Moreley, 2004) exploring the contextual factors, or surrounding antecedents of HRM (Brewster, et al., 2010). The research is a case study of the public sector within the State of Latvia for what became a journey through the complex history of this country revealing a state with a varied and dramatic past which has been subject to various invasions, occupations and subjected to the control and command society of the Soviet Union for a considerable number of years.

The journey from Soviet control of the politically motivated ‘cadre’ system into independence has provided a rich source of research exploring how human resource management (HRM) has developed within the public sector. This was investigated as a case study since it is a ‘constant’ in relation to changes and a good indicator of attitudes to management from a national perspective.

As well as past ‘models’ or attitudes to HRM from a Soviet perspective, various models of HRM have been explored and discussed, particularly in relation to the universalistic nature of Westernised typologies. The concept of a European model has been considered and discussed with consideration of various ‘clusters’ of practices which take into account cultural aspects, in particular national culture, as an important element within the study. Overarching this is the
growing interest in convergence or divergence of HRM as the Central Eastern European states have developed post-independence (Brewster, 2004).

The mixed methods approach used is firmly place within the qualitative field or phenomenological approach and explores aspects such as behaviour, perspectives, experiences and feelings (Atkinson et al., 2001; Marshall and Rossman, 2006). The research utilises grounded theory building (Glaser and Straus, 1967; Charmaz, 2014; Bryant and Charmaz, 2007; Strauss and Corbin, 1997; Glaser, 2002)) combining multiple data collection methods taking a pragmatic approach to research. The level of analysis explores the macro, meso and micro level environments of the Latvian public sector. The macro-level concerns interactions between state and society from a broad perspective, fundamentally this is the level where decision-making takes place, the meso-level explores individual ‘behaviours’ embedded in every day social practices shaped or constrained by material and infrastructural contexts and the micro-level of individual behaviour and action). Exploratory research has considered historical accounts along with what was sparse research within the area. A Soviet perspective was considered for the period immediately preceding independence. Elite interviews were carried out followed by a survey questionnaire. The opportunity to enter the organisation and undertake observations was thwarted by a change of government and therefore ‘access’ afforded to the researcher.

The findings are integrated throughout this work as is the nature of grounded theory building, and given the paucity of research has become part of a wider social study of a system finding its identity through difficult times. The results and analysis takes into account not only elite interviews and the survey questionnaire but also background historical research. The result is a fertile breeding ground for investigation which offers many avenues for further research.
Various questions for future research are raised within the thesis and remain an interest of the researcher to take forward.
1. INTRODUCTION

1.1. Introduction

1.1.1. Contextual influences on human resource management in Latvia

“A great territory of unanswered questions and unresolved contradictions, a region of half-demands which until now have enjoyed as little realisation as proposals counter to them, and which seem products of visionary caprice because they aim at something whole, something new and enormous” (Bruno Bauer, 1854)

As purported by Mills (1998) in her work within the Czech Republic, these comments of Bauer are as valid today as when they were written, since they referred to great revolutions within central Europe in 1848.

With independence of once Soviet controlled states and being over one hundred and sixty years later with the melting of the ‘iron curtain’ many researchers have sought to examine and learn more about communism and post communism effects. One of the great happenings of recent history has been the achievement of independence from the Soviet Union in 1991, which was a great ground shift in terms of many aspects of society, including everyday happenings of management within organisations. Organisations went from being centrally controlled by the state to entities which needed to learn how to operate within different circumstances, moving towards looking for engagement and involvement.
of their employees rather than control and monitoring. The purpose of this study is to explore emerging philosophies and paradigms which underpin management of human resources within the public sector of Latvia. There have been different notions of paradigms mooted such as those of universalist and contextual paradigms (Brewster et al., 2010). Within this research it is the dominant contextual paradigm focused on surrounding antecedents that lead to differences in HRM taking into account geo cultural differences such as states, or regions as well as the socio-cultural and socio political perspectives.

The public sector is one of the institutions that has experienced transition and has needed to struggle to achieve some amount of success to continue. There is, therefore, a collective memory to be explored as well as a current status quo.

In joining the international community, global competition and higher customer expectations, there has been more focus on quality which has resulted in greater requirements and demands placed upon employees today when compared to the past (Quinn and Spreitzer, 1997). Many workers within the former Soviet States have felt the forces of these factors, and within a relatively short time span. These states have been forced to undergo radical political and economic restructuring and to face uncertainties in the way they move away from being a Soviet economy which is centrally controlled, to a market-based system of work and organisations (Alas and Rees, 2005). They need to operate under ‘fundamentally’ different rules in relation to regulation and control and change the way that management of people is viewed and practiced, but what of the collective memory? This has formed the main inspiration for this study.
Associated changes have placed demands upon workers to develop market based acumen and skills that enable them to adapt to more flexible patterns of work in order to become more competitive and efficient. Even within the public sector, there is more responsibility for accountability to those who voted in the government of the day demanding that efficiency be apparent. It has also, arguably, caused demands upon management to develop relatively sophisticated human resource management strategies to support and manage changes and develop “forward” looking strategies to survive within this ‘new era’ of management, as well as to build a ‘new’ approach to management of relationships and trust (Alas and Rees, 2005). It was reported that within the early years of independence Western ‘consultants’ were employed to ‘train and teach’ skills and ideologies of human resource management, however there is perhaps a hypothesis put forward here, that historical and political historical contexts would indelibly colour the way in which this would eventually develop and normalise within organisations.

Although reports indicate living standards have improved in recent years, poverty levels remain high in comparison to other European countries. Most former state-owned enterprises are now in private hands and these account for more than 65% of GDP and over 66% of all jobs (Scholz and Bohm, 2008). The total size of the Latvian labour market is 1.8 million people, including 1.2 million who are active within the labour market. The majority of these are concentrated in the cities of Riga, Daugavpils, Leipaja and Jesgava. On the 1st January, 2007 unemployment was 6.5% however in 2012 it was reported to be 12.9% (csb.gov.lv, 2013). The economic climate within Latvia, and within other Baltic states has not been left unscathed by the current economic crisis, and in June 2009 the then Prime Minister agreed to cut pensions and state sector salaries in a bid to keep the country “afloat” financially (Penfold, 2009). This may have an impact on employee relationship
within the public sector and impact some research findings with regards to employee perceptions, observations and attitudes. Here it is mentioned, and may well be referred to again should results appear skewed.

‘Personnel’, as discussed later within this work, already existed within larger companies in Latvia during the Soviet occupation with their main functions to maintain employees’ records, including job contracts, employment books and orders about employee recruitment, discipline and dismissal. This changed slowly after independence, aided by Western companies establishing branches within Latvia and introducing their HR practices and will undoubtedly have a ‘mirror’ effect on practices within the public sector. MBA programme students acquired Western HR management knowledge and the Latvian Association of personnel managers (Latvijas Personācija (LPVA) have played a pivotal role in spreading HR knowledge and sharing experiences and to a certain extent best practices.

The research question, after research and exploration is “What is the Nature of transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia?”

1.2. Background and Scope of the Case Study

A single definition of the public sector does not exist within Latvia. Rather a functional approach is applied. According to this approach the public sector is composed state, local
government institutions and other organisations that are subject to public rights (public entities)².

Public entities within the Republic of Latvia are incipient legal persons of public rights. They are derivative public entities. There are approximately 62,900 working within organisations and entities which are funded from the state budget, which is 8.3% of the population of Latvia (Petrova, 2011). The Republic of Latvia has a population of approximately 2.2 million and gained independence from the Soviet Union in 1991. It has an area of 64,589 sq. km., which is slightly larger than West Virginia. The capital of Riga has a population of 700,107, with other cities having considerably less. Daugaupils has 102,870, Liepaja has 83,061. Some 64 thousand km² being forest and woodland, 18 thousand km² arable, 10 km² meadows and pastures and 3.7 thousand km² classified as other.

1.3. Problem Statement and Overview of Research Gaps

A view put forward by Bruno Bauer (1854) in relation to unresolved contradictions and half-demands which were little realised, but seeking something whole, new and enormous seems an appropriate thought to start the process off as commented, they were being used by Mills (1998) in referring to great revolutions within central Europe. This researcher reiterates this as being appropriate for what was effectively a ‘bloodless’ revolution that resulted in independence and a new order and changes, which are quite radical in both political and economic terms. This brought about uncertainties as they moved away from being a centrally controlled Soviet economy to a market-based system of work and

organisations (Alas and Rees, 2005). This area has been little explored in relation to any real individualistic study, considering them mostly as the ‘former soviet Baltic States’ (Heuttinger, 2008). As Vadi and Meri, (2005) contended there are cultural differences that perhaps demand the right to be explored and understood.

The work by Pearce (1991) investigated the transformation from socialism to capitalism and indicated key areas where human resource issues could impact significantly on the change process. These were motivation, reward, promotion issues and ambiguities in accountabilities and need to be considered in the final research considerations. These have to be considered in relation to not only whether or not the more culturally embedded notion of Western style HRM practices have emerged but also in recognition that it is more complicated, than that, since not only do we need to consider what that entails in organisational cultural terms and employee behaviours which were or are needed to secure effective organisational transformation, but also there has to be a consideration of whether some of the behaviours that exist are ‘tenacious cultural residuals from the old régime’.

It has been argued there has been a persistence of identification as Western European and that they would cope relatively well with changes associated with re-emergence as an independent state (Alas and Rees, 2005). However as Tulik and Alas (2003) noted the control dominated Soviet era must have left a shadow on the practices of management. This research seeks to explore some of these areas, perhaps opening up and aiding understanding of ‘Latvian’ development in relation to people management, but also to aid in the exploration of how developing economies and in particular those that were subjected to totalitarian rule, develop.
Similarly, Szamosi et al., (2010) sought an understanding into paradigm shifts of the way HRM has evolved within south-eastern Europe, arguing there was a need to take into account factors such as the role of the state in areas of public sector employment, employment legislation, rules and regulation which within Europe can be both centrally and nationally integrated (Blanchard, 1999). Their work identifies a strong agreement that emerging economies such as the majority of countries within south-eastern Europe groupings of countries are not a homogenous group (Luo and Tang, 2007) and a recognition that within this region there is significant adaptation and adjustment in response to pressures towards liberalisation (Elango and Pattnaik, 2007). Szamosi et al., (2010) report the literature that is related to this region is “quite sparse, disconnected, and has generally focused on firm and country-specific understanding and less at the regional level” (p.2521), and literature tends to be integrated into the wider context of Europe, rather than regional dynamics (Papalexandris and Stavrou, 2004; Vatchkova, 2009).

1.4. Aim and Objectives of the study

The purpose of this study is to explore emerging philosophies and paradigms underpinning the practice and nature of the management of human resources within enterprises, primarily the public sector of Latvia. The research aim, which has been considered following extensive exploratory research, documentations and consideration of the socio-political and the socio-historical background, takes into account macro considerations is:

“To critically evaluate the nature of transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia”
The objectives of this research are:-

a. Critically evaluate the contextual factors affecting the practice of HRM and its development in relation to the management of the employment relationship in Latvian public sector.

b. To investigate both the socio-political and socio-historical factors to compare and contrast with development of prevalent cultural considerations both early post-independence and those present in Latvia.

c. To consider to what extent any residual behaviours and paradigms in relation to the pre-independence times are still apparent and how this has permeated into organisational practices in Latvian public sector.

d. To consider the value of this research from both an academic and organisational perspective within Latvian public sector.

The nature of the aim and objectives will enable the management of the organisation to consider their cultural make-up, whether they choose to acknowledge or act is not for consideration within the scope of this study.

1.5. Research Significance

Since the end of the cold war and the fall of the iron curtain, there has been greater consideration and attention to cultural research within central and Eastern Europe. However, it is contended that the Baltic States of Lithuania, Latvia and Estonia have been “systematically ignored” and to a large extent are still treated to what Heutttinger (2008) described as the “forecourt of Russia”. There is considered to be a commonality assumed due to their geographical proximity and intertwined histories. There are however a small
number of commentators who have focused on the cultural differences within the former Soviet-Union states (Vadi and Meri, 2005).

Compared with other former Soviet republics, the level of education is high with emphasis on the acquirement of Western skills (Martinson, 1995). There are considerable language skills and a strong working ethos, which it was argued would only aid in the re-establishment of historic economic relations with Western Europe to revive the old ‘Hanseatic trade routes’ (Manning and Poljeva, 1999; Manrai et al., 2001).

During the Soviet occupation whilst under Soviet control, the State was responsible for everyone and organisations were internally overstaffed since the State followed a policy of work obligation for all. Their role was minder and carer for the family, provided in the form of free education, free nursery places, places for the elderly and women considered to be ‘worker-mothers’ (McCaughrin and McCaughrin, 2005). The challenge was to move to internalising new types of organisational behaviour and management practices in order to operate successfully which were and to essentially very unfamiliar conditions. Changes in authority and the disintegration of traditional linkages have made State enterprise management more complex within independent Latvia. There was an increased need to organise supplies and motivate workers. A lack of market-orientated management experience, skill and understanding it was argued, led to Soviet mismanagement (Martinsons and Valdemars, 1992), and this gave many challenges to the management of human resources.

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3 The Hanseatic League was made up of several German merchants who helped establish trade throughout northern Europe. The Hanseatic League (Hansa) was formed around the middle of the 12th century by German and Scandinavian seafaring merchants. Since there were no navies to protect their cargoes, no international bodies to regulate tariffs and trade, and few ports had regulatory authorities to manage their use, the merchants banded together to establish tariff agreements, provide for common defence and to make sure ports were safely maintained.
The work of Pearce (1991) on the effects of HRM practices on the transformation from socialism to capitalism highlighted some crucial areas where human resource issues impact significantly on the change process. The main features were motivation, reward, promotion issues, and ambiguities in accountability. The study did not just examine the generic processes of HRM as opposed to the more culturally embedded notion of Western style HRM practices, but also highlighted areas which, in organisational culture terms, are critical to the achievement of employee behaviours needed to secure effective organisational transformation. These behaviours are arguably tenacious cultural residuals from the old regime.

It is contended that there was no serious debate over the aims or process of the post-communist transition, since so-called ‘third-way’ experiments had been discredited so many times by pre-1989 reform attempts (Sik, 1993). Some economists thought that any attempts to slow down transition was almost treasonable, and gave the communist system a chance for survival or revival since there was a need for a fast introduction of the market economy which was an important part of the process and vital to restore democracy (Brom and Orenstein, 1994; Holy, 1996). The approach to the transition followed the vision of evolutionary economists (Komai, 2000; Murrell, 1992) and economic sociologists (Whitley, 1995; Child, 1993; Whitley and Czaban, 1998) who contended the need for fast formal and legal changes (Soulsby and Clark, 2006).

In implementing changes there was a need to increase competitiveness, a dominant theme within the modern business world, and acknowledged by many commentators that human resources can be one of the key contributors in making this happen. HRM and the strategies
utilised within the practice of HRM have gained legitimacy and attention demonstrated by the plethora of material written and research carried out, mostly within the 1990’s, the focus of which has been predominately based on American research which shifted the focus to ‘which’ particular HRM and practices and processes and ‘how’ they can be integrated, add value, and contribute to company performance (Wright and McMahan, 1992; Wright et al., 1994; Huselid, 1995; MacDuffie, 1995; Becker and Gerhart, 1996; Delery and Doty, 1996; Youndt et al., 1996; Huselid et al., 1997; Wright and Snell, 1998; Delery, 1998).

Within the same decade, European commentators began to question the validity of the ‘US’ models and in particular their validity and appropriateness within Europe, arguing European organisations operate in a different contextual setting which involves a stronger role of the state, trade unions in some cases and the public sector. Along with this are the different cultures and traditions that need consideration (Guest, 1990; Brewster, 1995) and this line of enquiry should be explored within this study.

There are multi-factors that arguably shape the outcome of reforming the people-management systems within Latvia and other post-communist states, which may be identified as ‘foreign’ influences, the ‘State’s’ influence, the state of social and economic development, and national and organisational historical path, and it has been contended that HRM influences and models of practices may be of Westernised origin. The argumentation and work by Zhu et al., (2007) in their working papers, contends that the concept of HRM was actually influenced by growing competition to the US from the ‘Four Asian Tigers’, of Hong Kong, Singapore, South Korea and Taiwan along with Japan. The HRM initiative was aimed at enabling US firms to develop competitive advantages within the global market place (Porter, 1990), however, the study does argue that some elements of the HRM
paradigm from US perspectives, were based upon Japanese management practices that ‘had a profound influence not only in Japan, but also in the entire East Asia in the 1960s and the 1970s (p.1). These elements include aspects such as cohesiveness and collectiveness, harmony, information sharing, loyalty, on the job training and teamwork, existing within East Asian organisations for a considerable amount of time.

The conceptual framework of HRM is not solely a ‘Western’ notion, but in reality a combination of both ‘East’ and ‘West’. Where does this lead the view that HRM has been seen and interpreted as a Western concept, then re-introduced into other areas around the globe? This leads to either further understanding of the confusion that exists amongst academics with regards to contradicting and conflicting meaning between individualistic-orientated dimensions such as harmony and teamwork (Zhu et al., 2007). There may be difficulty in determining a certain balance between two extremes and there may be difficulties in synthesizing any contradictions with regards to conceptual frameworks. Therefore, here it is noted, and may well be referred to later. In relation to real empirical data concerned with Latvia, it is noted by Pieseniece and Volkova (2010) there has been no real evaluation of human resource management policies and practices.

1.6. Overview of the Research Methodology

This is an overview of the research process adopted. More detail and a critique of this is provided within this work. The researcher has undertaken a longitudinal case study utilising a mixed methodological approach and grounded theory building (Bryant and Charmaz, 2007; Charmaz, 2014; Glaser, 2002; Goldkuhl and Cronholm, 2010; Glaser and Strauss, 1967; Glaser, 2003; Marshall and Rossman, 2006). According to Yin (2014) the case study can be used to support understanding of complex social phenomena allowing the researcher to focus
on a “case” and to retain a holistic and real-world perspective (p4). Mixed methods as argued by various commentators (Denzin, 1978; Jick, 1979; Rossman and Wilson, 1985) and articulated in 1953 by Boring, are when a construct has a single operational definition then it is a construct. When doing this it starts to be validated, but when there are more then it becomes reified (p.222). It allows the researcher to be more confident in relation to results. This research has therefore been carried out in the following steps.

1.6.1. Background Research

Background research has been undertaken in the form of looking at, reading, discussing and evaluating literature and accounts from pre-independence. There have also been a number of historical accounts explored via ‘elite’ interviews. This has been done to give a grounded understanding of the historical context and explore previous understanding, socio-historical and socio-political settings. This built an argument that the study will contribute to theory and research. Whilst there are some that would argue that this may not be a major part of data collection, in this instance it is argued that it is indeed a major part as it sets out to collect demographic data and describe geographic and historical aspects. Having knowledge, or a better understanding of the history and context surrounding this setting gives a more rounded starting point to the research, and indeed gives and builds a picture of a little understood and researched contextual area (Marshall and Rossman, 2006; Heuttinger, 2008: Vadi and Meri, 2005).

1.6.2. Literature Review

The literature review defines the research question and is a priori construction and relationship study. It provides a thoughtful and insightful discussion based around related literature to define a logical ‘framework’ for research, and also to place it within a tradition of inquiry and
context of the related studies demonstrating an underlying assumption behind general research questions (Marshall and Rossman, 2006). It therefore displays the research paradigm that supports the study and also acts as a description of assumptions and values brought to the research area. Secondly, it serves as an example and demonstration of knowledge and understanding of related research and scholarly traditions surrounding and supporting the study. Third, it seeks to demonstrate that the researcher has identified gaps within previous research to show that the proposed study will fill a demonstrated need as well as enable theory building. Finally, the literature review seeks to refine and redefine research questions by embedding them within a larger tradition of inquiry (p.43). The literature review is a conversation between the researcher and other commentators in the form of related literature.

1.6.3. Defining the research questions

The exploration and conversation within the literature review enabled the researcher to build on the original aim and objectives as articulated at the beginning of the study and to define the research question. The research question therefore selects the research strategy.

The purpose of the research strategy is to satisfy the research aim and objectives in section 1.4. A strategy is a ‘road map’ or a plan for undertaking a systematic exploration i.e. the research. A case study is a strategy for undertaking research which involves investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence (Marshall and Rossman, 2006). The methodological approach needed to be used sequentially (Sieber, 1973). In the survey design, fieldwork was undertaken in the form of exploratory interviews and observations, and this aided the formulation of the research issue. This was followed by a series of ‘elite interviews’ during 2007. The question of entry needed to be carefully considered and negotiated with formal approval. This was done via visits and requests whilst conducting an early part of this research in the form of elite interviews and via
emails and telephone calls. The researcher carried out elite interviews which were in some cases opportunistic and in others were formally negotiated and carried out within a formal setting. These enabled the researcher to articulate, further define the research questions and focus on the ongoing research.

An online questionnaire was carried out which provided statistical profiles of the population participating in the research and various characteristics in the form of bio data. The on-line questionnaire was developed following background and literature research. The questions were developed, translated by a Latvian national and tested by two members of the ‘Welsh Baltic Society’ who found it relatively straight forward and easy to understand.

1.6.4. Selecting and Defining the Research Philosophy

The research philosophy is grounded theoretical research of a case study using a pragmatic mixed methodological approach. As propounded by Denzin (1978) using this approach cancels out bias which is inherent in any particular data source, the investigators involved and can result on a convergence of truth about the social phenomenon since there can be three outcomes through triangulation of the data. It gives richer, thicker data which leads to synthesis or integration of theories uncovering contradictions. The research philosophy is predominately phenomenological since it seeks to explore the specific, identify phenomena and explore how they are perceived by the actors within the situation (Moustakas, 1994). The researcher therefore is aiming to provide a rich textured description of lived experience (Welman and Kruger, 1999) whilst stressing the socially constructed nature of reality (Flick, 2002). There is however a positivist element to this research since it seeks patterns and regularities which according to Chalmers (1999), is rarely developed before the research begins. It is hypothetico-deductive moving from the general to the specific, building theory via grounded research methodology.
1.7. Structure of the Thesis

This study is organised and presented in seven chapters (see figure 1), and the following is the structure of this thesis which seeks to follow a logical pattern:

**Figure 1 - Structure of the Research**

- **Ch.1. Introduction** – Background. Problem. Aim. Objectives. Methodology.

- **Ch.2. Background and Overview** – a consideration of the background to the case study and a consideration of some of the macro environmental factors including government and economic climate.

- **Ch.3. Literature Review** – Periodisation, Models of HRM. Consideration of Culture, Europeanisation and Clusterisation, Convergence vs divergence and transition considerations Including Social Bonding

- **Ch.4. Research Methodology** – Longitudinal case study, pragmatic mixed methodology

- **Ch.5. Findings** – Elite interviews. Online Survey. Data Analysis.

- **Ch.6. Discussion** – A discussion consideration the findings in relation to the literature review and the AIM and objectives.

Thesis Structure

This provides a summarisation of the research presented within this thesis.

Chapter ONE – Introduction

Chapter one presents a contextual background to the study, with exploration, rationale and justification of the research and the problem statement leading to the aim, objectives and research significance. An outline of the research methodology is provided in order to give order and understanding to the reader.

Chapter TWO – Background and Overview

Chapter two provides a background to Latvia, considering the historical context both from a historical perspective and the current perspective, setting out the contextual setting and background research. With the historical perspective, consideration is given to the history and background around the actual role of those charged with the responsibility of overseeing and managing employees from a ‘personnel’ perspective, resulting in consideration of the ‘periodisation’ of human resource management from a Soviet perspective.

Chapter THREE – Literature Review

The literature review explores relevant theoretical perspectives in relation to human resource management, transition of the Latvian public sector and the related backdrop to this process. It explores relevant writing and research within related areas to including a consideration of convergence theory. This enables the building of a research question based on full and unbiased critical evaluation of the literature. The review describes, summarises, evaluates and clarifies literature on a theoretical basis exploring the nature of human resource management from its Western origins to consideration of cultural
perspectives, geo-historical and geo-political differences. It explores the concept of a firth model for ‘European’ HRM and its different clusterisations and forms. The aim of this review is to build the research framework.

**Chapter FOUR – Research Methodology**

Chapter four explores the methodological approach of a case study which takes a pragmatic overview of research. Providing the philosophical and methodological foundations for the investigation, it employs a mixed methodological grounded theoretical approach with the emphasis on emergent theory. The aim of this chapter is to provide a description of the steps followed.

**Chapter FIVE – Findings**

This chapter is a systematic presentation of the data and findings generated by the research. It presents data in an easy to follow format, but also the process of analysis, since it is logical to comment on the data at this stage in a question by question format. The real discussion however takes place within the next chapter. There are various levels of research findings presented relating to background research, elite interviews and an on-line survey. It also presents initial analysis as a precursor to more detailed discussion.

**Chapter SIX – Discussion**

The discussion considers findings in relation to various elements and levels of research. Frameworks and concepts have been explored with the background research. Questions have been raised by background and literature research which have informed the actual framework of questions considered within this discussion. The original aim and objectives
are revisited to consider and discuss findings and draw conclusions as well as consider the findings in relation to the AIM and OBJECTIVES defined.

**Chapter SEVEN – Research Conclusions**

This chapter considers the research relevance and the contribution to knowledge, the implications of the findings and how these may be taken forward by the researcher and others. There is also an opportunity to consider the actual research journey and its validity in relation to the actualities of the journey.

**1.8. Conclusions**

There have been radical political and economic changes within former Soviet states, and this has been accompanied by uncertainty not only within political posturing and re-positioning but also in the way people are managed and controlled within organisations. In this research the case study approach of the public sector has been chosen since this represents a constant in relation to an organisation that has experienced changes associated.

Relatively early, following independence, Western consultants were engaged to ‘enable’ and to train those charged with responsibility of managing ‘human resources’ and this may have ‘coloured’ the way it has developed since (Alas and Rees, 2005). However, there is little evidence of any empirical research carried out within Latvia from an individualistic stance (Heuttinger, 2008; Vadi and Meri, 2005) taking into account cultural differences from ‘other’ Baltic States.

Pearce (1991) argued for specific areas of human resource issues that could still be impacting on the change process in the past such as motivation, reward, promotion issues and ambiguities
in accountabilities, and these are arguably of primary importance within Western style models and ideologies of human resource management whether focused on resources or a more humanistic approach. The question is raised in relation to the continuing presence of the control dominated era, practices and habits being still there in some guise or form. This subject area is of importance in relation to other developing economies and democracies, seeking to explore emerging philosophies and paradigms which underpin the management of people and set the framework for future studies which take into account a socio-political and socio-historical background.

Chapter one has provided the background and scope of the study, problem statement and overview of research gaps, the aim and objectives of the study, research significance and an overview of the research methodology. It has also given the structure of the thesis, overview, literature review, detailed research methodology, and findings which will be discussed in the following chapters. Since the research explores emerging philosophies and paradigms which underpinning the practice and nature of the management of human resources within the public sector of Latvia, the next chapter will describe the background and overview of Latvia.
2. BACKGROUND AND OVERVIEW

2.1. Background to Latvia

As already identified, at the beginning of the 1990’s there was a major shift within the Baltic regions from centrally controlled Soviet Union control state socialism and workers’ self-management, which opened the door for the process of transition to open market economies. Many independent countries and states emerged and had to adapt their political and economic systems to their new status. The Baltic state of Latvia, along with all former ‘Soviet Block States’, needed to implement widespread and simultaneous changes to their political, social and economic systems which was not without problems. Although the approaches taken to change and the success rate have differed amongst states, there are arguably common factors within this transition period (Åslund, 2002; 2007; Plakans, 1995; Lieven, 1993).

2.1.1. Political History

The political history of Latvia is varied and dramatic. From being originally settled by Varangians (Vikings), annexed by Poland and Sweden in the early 18th century, then annexed by Russia at the end of the 18th century. Indigenous Latvian nationalism grew rapidly in the early 20th century when following the Russian Revolution of 1917 Latvia declared its independence on November 18th 1918 and was recognised by Soviet Russia and Germany as an independent nation in 1920.

Independent Latvia was governed by democratic coalitions until 1934, when autocratic rule was established by President Karlis Ulmanis. In 1939 they were forced to grant military bases onto their soil to the Soviet Union. Over the centuries, Latvia has been subject to many invasions and occupations. In 1939, the signing of the Molotov-Ribbentrop Non-aggression
Pact between the Soviet Union and Nazi Germany resulted in the control of Latvia being effectively handed over to the Soviet Union and, in exchange, Nazi Germany gained control of Poland. The Molotov-Ribbentrop Pact, it was reported, violated the norms of international law at that time, which “did not permit agreements at the expense of the independence of third party countries,” (Meissner, 2001:440). The ‘Pact’ also singularly destroyed the existing system of non-aggression pacts in Eastern Europe of both the aggressive great powers (Lipinsky, 1994). This year of occupation (1940-1941) became known as the Baigais Gads, or the Year of Terror (Sneidere, 2005). The Soviet occupation was characterised by mass deportations of indigenous Latvian citizens coupled with the resettlement of people from other areas of the Soviet Union, particularly Russia (Bureau of Democracy, Human Rights, and Labour, 2004; also see DfID, 1999). For one third of the Second World War Russia was a supporter of Hitler’s coalition and by the end of this war they were firmly part of the anti-Hitler coalition and took a politically important place amongst the winners which enabled them to expand their territory. They then carried out a programme of sovietisation within their territories which included the Baltic States and involved occupation, annexation, integration and colonization which were all aimed at political, economic and spiritual subjugation of Latvia to the totalitarian dictatorship of the Communist Part of the Soviet Union.

As soon as Soviet repression began to ease, the Estonians, Latvians and the Lithuanians began campaigning and working to gain national independence. There are reports of their first steps being disguised as environmental protests since this was the only cause permitted by the Soviet

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4 The pact was signed by German Foreign Minister Joachim von Ribbentrop and his Russian counterpart, Vyacheslav Molotov in Moscow.

It led to the partitioning of Poland between Nazi Germany and the USSR, as well as the annexation by the USSR of eastern Finland, Estonia, Latvia, Lithuania and Northern Romania.

power structure (Plakans, 1995; Lieven, 1993). National attention then turned to condemnation of the Molotov-Ribbentrop Pact and the Soviet occupation of the Baltics. A popular front was established in 1988 which sought to restore independence however Latvia held back from becoming too heavily involved since it held the largest Soviet military forces presence (Plakans, 1995; Lieven, 1993).

Latvia differed from its Baltic neighbours through having much larger and more important Soviet military installations with Riga being an important city within the region which had been the case for centuries. It also attracted a large Russian population because of its large ports being the main transit country within the Baltic region (Plakans, 1995; Lieven, 1993). It was therefore, because of its strategic importance, more tightly controlled than other Baltic States.

The break-up of the Soviet Union in the early 1990’s saw the Baltic States being the first to break away. These indigenous peoples always behaved with a certain antipathy towards Soviet style communism and even prior to the collapse of the Soviet Union, it was noted the peoples of Estonia, Latvia and Lithuania did not view themselves as Soviet citizens, but rather they associated themselves with central and Western European identity (Alas and Rees, 2005).

Because of this Western European identity, these States were able to cope relatively well with changes that have been associated with its re-emergence as an independent state, having a strong sense of nationalistic identity and ownership. Tulik and Alas (2003) however contended “to say that the control dominated Soviet era had not left a shadow on the practices of management would be over-simplistic” (p.106). Tulik and Alas (2003) note regards to Baltic State managers, there has been a degree of success in moving into an openly market-based
economy; however the shift from personnel management, or the system of the ‘cadre’ to what is recognised as human resource management is relatively new in comparison to other European countries. Yeltsin (1994) in an attempt to analyse the break-up of the Soviet Union, commented early in 1991 “events were heating up terribly in the Baltic Republics”. He recalls the Baltic States of Latvia, Estonia and Lithuania were the first to go, although Gorbachev had not counted on them to stay! The Baltic States had been the first to reject Gorbachev’s plans for the creation of a new Union of Sovereign States (USS) to replace the United Soviet States of Russia (USSR) (DfID, 1999; McCauley, 2001; Smith, 1990). This was despite objections from members of their indigenous Russian population of the Baltic States, who ensured that the President was “literally swamped by telegrams” of concern and protest (Gorbachev, 1991:68).

The ‘revolution’ within the Baltic States took the form of the ‘singing revolution’ which was basically about utilising non-violent protests. Within Latvia it was also called the “Third Reawakening of Latvia” and this took place in the late 1980s and the early 1990s. But it was essentially headed up by intellectuals, writers, journalists, physicians, and teachers. There were few economists or engineers as Latvian nationalists reported by Balabkins (1999) were not interested in economic affairs. It was considered inevitable that industry, trade and banking were taken over by “non-Latvians” and this caused some antagonism against Russian economic dominance (Balabkins, 1999).

2.1.2. Current Political Contextual Factors

Despite Latvia’s independence, many writers continue to group Latvia with Estonia and Lithuania when they refer to these three states as the ‘Baltic States of the former Soviet Union’ (Morely et al., 2009). But the question was put forward why politics was moving so much faster within the Baltics than elsewhere within the Soviet Union. A commentator reported at
the time that this was “because we’re more European than the others” (Smith, 1990:355-356), which supports the view reported earlier in this work by Alas and Rees (2005). Lithuanians, Latvians and Estonians see themselves as more part of Europe and more in tune with European culture. Not only are they geographically close to Germany, Poland and Scandinavia, but they also describe themselves as being more attuned to the political self-determination of these countries rather than the Slavic peoples of Russia and the Ukraine, they are arguably more inclined to look westward rather than inward (Smith, 1990:355-356).

This Western European identity may well have assisted in enabling Latvia to cope relatively well with changes which have been associated with its re-emergence as an independent state. McCauley (2001) described the Baltic States as being a ‘success story’ of the post-soviet era. He comments the major reason for this success being that despite Moscow’s hegemony, the Baltic States retained elements of their own constitutions, political parties and market economies. ‘Historically and culturally, they looked outwards to central and northern Europe and not southwards towards Russia and the Ukraine” (McCauley, 2001:362), and despite the population of Russian speakers accounting for at least 30% of the population, it was reported by the United Press International in January 1999 the Latvian President Valdis Zatlers signed amendments to the violations code, which raised fines for the use of ‘non-official’ languages by employers and employees. This effectively treats Russian as a foreign language; and caused HRM issues within organisations and with European Union Membership compliance and equality directives.

Balabkins (1999) commented it was believed upon independence, the West and the prevailing intellectuals, politicians and journalists believed moving into a western-style societal structure would be rapid and relatively painless and if extensive changes were made they were perhaps
done without sufficient consideration to the extent of the shift from what was the former quantitative-output method to a more capitalist-welfare-type market. Balabkins (1999) further comments there was a belief amongst former communist educated lawyers, government officials, politicians, former members of the Communist party and so called ‘red managers’ would embrace this new ethos of a Western-type society, and these people, who were in effect symbolic of the outgoing régime, would be left in situ. This is now known to be an unrealistic assumption (Cook, 2012; Balabkins, 1999).

Along these lines of enquiry, it is noted that Backaitis, (1996:5) also talked of there being a warped understanding of Western-type societal structure and this was shown in a number of ways. There was an assumption that democracy would provide blessings of freedom of speech, civil rights and the freedom of religion, and this would happen instantly. It was contended there was a belief a new democracy would ‘put right’ any wrongs done to them during the fifty years of Soviet occupation, and the restoration of formal independence would soon create an economy that enjoyed Western-style consumerism. Adversely, it has been reported there was a belief they would continue enjoying all the same benefits that existed under Soviet rule, such as the welfare state, free medical care, early retirement, low rents for housing, cheap oil for their homes and factories and generous vacations. This view is found to be consistent with work undertaken by Bollinger (1994) where he applied Hofstede’s cultural dimensions to the Soviet Union, and is discussed in greater detail within the exploration of the literature and contemporary research later in this work. The former ‘red managers’, who were now the directors of the privatised factories, after a process of what was described as ‘theft-type privatization’ and ‘legal’ asset stripping of industrial plants, still believed that after independence, Russia would continue to provide them with cheap fuel and raw materials on the ‘basis of signed contracts’ (Balabkins, 1999:427). Add to this the reports of a belief that
the communist officials would be instantly replaced by non-communists, and that Latvia “would quickly reduce its huge government sector and privatise its economy, including its agriculture” (Balabkins, 1999:427). In this way perhaps Latvians were minimising possible economic ‘separation pains’ from the Soviet Union. However a view put by Bunkse (1994:5-7) was that what seemed to be forgotten, that upon independence in 1991, Latvia needed to become a small separate economic entity with distinct features and debilities.

2.2. Other Considerations

Many avenues can be explored in pursuance of answers. One of which is the argument that transition from a control-led economy has impacted more negatively on women than on men (Alyanek, 1999). When discussing Estonia, which has some parallels, Alyanek (1999) argues that in the new transition economy, women’s lives had become more difficult. In addition to the demise of guaranteed employment, a shutdown of day-care centres and facilities for the elderly, there is the requirement for many women to spend more time within the home caring for families, which lowers not only their employability but also their household income. What perhaps contradicts this view, is according to Eurostat statistics compiled by the European Commission in March 2006, Latvia had the highest proportion of female managers in any member state at 44% whereas in March 2008 that figure had changed to 40.6%. Issues with regards to the negative influences on women may be ‘age-specific’, and as visibly experienced by this research means the working population, and in particular this ‘percentage’ of women managers may be below a certain age. This however is for future research, and is not in the scope of this study, but this may well be commented on later in the discussion of findings.

The regions of central and eastern Europe are as disparate and unique as the countries of Western Europe, to the extent it is arguably incorrect to conceptualise a Western European
model of HRM, and one can question the validity of the notion of a central and Eastern European model. There are divergent forces which shape the individuality of each region such as heritage, culture, degree of industrialisation, the influence of religion and the post-communist reformation of the political framework. On the other hand, there are forces promoting some convergence in the development of HRM. These common influences comprise of survival within a market economy, mass privatisation, globally integrated organisations and, for some countries, European Community membership (Mill, 1998), and the ‘will’ and national drive to be identified with the ‘European’ identity.

It could be argued upon independence, within the working relationship, “all bets were off”. The old relationships and understanding of those relationships were changed, some almost overnight. The literature on HRM has many debates ranging from “new wine in old bottles” to notions of excellence which are well discussed by commentators such as Sparrow and Hiltrop (1994) Farnham (2010) and Keenoy et al., (2003), and the on-going research commentators on the emerging forms of HRM and these may add an interesting dimension to this debate, particularly from the angle of how these translate, or not within the Latvian public sector (Farnham and Horton, 2000; Farnham et al., 2005; Lengnick-Hall et al., 2011).

There is a need to consider the meaning of Personnel Management and Human Resource Management from the Latvian perspective, and the notion of what is understood by the term Human Resource Management. Part of this is the notion of it being culturally embedded within an Anglo-Saxon paradigm or within some of the European paradigms, of how people should be and are managed. Such discussions perhaps focus around the notion of individualism versus collectivism in terms of managerial thinking (Hofstede, 1991: Hofstede et al., 2010), and the concept of the psychological contract and the state of the contract within what has been perhaps
a complete transformation time for the concept and understanding of HRM within Latvia, or not as the case may well be.

In research carried out within state-owned enterprises in the Czech Republic, views were expressed that there was mistrust associated with the personnel function (Tung and Havolovic, 1996). The personnel department was considered under the old régime to be the eyes and ears of the communist party and a major disseminator of party doctrine, selection and reward driven by politically motivated criteria as opposed to ability to do the job and employee files retained by personnel, being dossiers of information on many aspects of the personal life of the employee. Political affiliations, acquaintances’ comments and observations made concerning the régime were documented and considered when making decisions on promotion or working lives. There may be some remnants of negative image or a perceived negativity of the human resource and personnel department (Tung and Havolovic, 1996) and this may be more evident within state-owned or public enterprises given their former association with the secret police.

A significant tension in the philosophy of management of people within the employment relationship encompasses significant patterns of individualistic and self-interested behaviours, and is arguably inherited from the Communist régime and in part may be an inherent feature of the culture. In organisational terms, this trait would have a significant impact in terms of the notion of institutional trust, and when you consider that an important element of HRM has to be that of building a trust relationship, if employees exhibit no faith in the legitimacy of the institutions in which they are employed, this can present significant problems for management when attempting to implement change (Mills, 1998). The situation can be exacerbated if the management group was the same as that which existed under the old régime and by the belief that traditional informal communist networks continue to function, however, we are a
considerable number of years on, and it has to be considered how much of the old régime is still present, and how much of the historical context still survives and still plays a part in behaviour and organisational culture. It is possible that these influences affect the efforts to re-define the nature of the employment relationship, and if these feelings of distrust diminish, given that independence was in 1991 there may be a need to be wary of this aspect.

HRM functions within Latvia related not only to issues of trust and credibility, but also to understanding and application of human resource type policies and the management of the employment relationship. However, many managers had little practical experience of the functionality and meaning of HRM in terms of strategy, policy formulation and implementation, as this role was previously undertaken by the state planning authorities (Mills, 1998; Tung and Havolovic, 1996).

2.3. Government and the Economic Climate

Since the independent State of Latvia was re-established, improvements have taken place within the business and work environment. The Latvian Parliament has passed many laws which have endeavoured to change the rules of the open market ethos which was entering into culture, and differences that existed with regards to competitive advantages are beginning to recede (Scholz and Bohm, 2008). Government policy has been, and is still strongly inclined towards, a continued integration into the economic life of Europe and to improving economic relations with Russia (Scholz and Bohm, 2008). But how does this sit with the announcement by the then Latvian President Valdis Zatlers when amendments were made to the Administrative Violations Code, which raised fines for the use of non-official languages by employers and employees in an effort to ‘toughen its native language policy’, and Russian being declared an un-official language. The Russian Foreign Ministry spokesman Andrei
Nestorenko firmly condemned this as a discriminatory move which violated the rights of ethnic minorities and a move to displace the Russian language, which, as he pointed out, are one third of the Latvian population, and would therefore exclude them from many fields of public and business activity. Following this, in February 2012, BBC News Europe reported the Latvian public had ‘re-soundly rejected’ a move by a Russian speakers’ movement ‘Native Tongue’ within Latvia, who complained of sustained discrimination. Latvian was a pre-requisite for citizenship following independence, yet many Russian speakers had resisted this. About 300,000 are without citizenship because of this, which means they cannot vote in elections, hold public office or work in government institutions. The group claim they have been humiliated by authorities’ attempts to either assimilate them or make them second-class citizens. However, the referendum was described as “absurd” by the Latvian President Andris Berzins, said most people are more concerned with economic recovery from the effects of the global recession (Purfield and Rosenberg, 2010). The situation that exists within this region and in relation to the former Soviet States and Russia (Ukraine) this is something to be watched with interest over the coming months and years (Freeman, 2014; Orlov, 2015). At present this is outside the remit of this study.

The use of Russian in private or public places of business such as offices, media, schools, hospitals is reported to be the most used language within Latvia (Rislakki, 2008). During the occupation it was a requirement that all Latvians learnt the Russian language, whilst it was never a requirement for Russians to learn Latvian, nor did they need to as the language of society, authority and business was Russian. It has been reported within the private sector there is significant Russian presence as business (wo)men and employers as well as within the technical areas and manufacturing and it is a requirement that all employees should be able to speak Russian. Rislakki claims there is still considerable power displayed by Russian speakers
and they have their own newspapers, radio and TV channels. Business meetings have been known to be terminated if Russian is not spoken, as by Rislakki (2008:56), that “they are the Latvian laws, they are not ours”, therefore they will speak the language which represents their identity with Russia, and if anyone wishes to be included within their business circle, then that is what they need to speak. The situation in relation to the Russian language and comparative powers within society is much more complex than reported within some press (RT News, 2013; Felhûne and Mits, 2001; Purfield and Rosenberg, 2010; Freeman, 2014; Beard, 2014).

Upon independence, Latvia became a small country. They opted not to form the United States of the Baltics. They are described by Balabkins (1999), as “little peppercorns which can be ground to dust by the big powers of Europe, particularly Russia” (p.429). Balabkins further discusses the lack of any lessons being learnt by these three countries from their past history, still practicing “Alleingang”\(^6\), and putting their trust into the belief that NATO or somebody else will guarantee their independence. There are other countries within the world who ‘go it alone’ such as Finland and Israel, they are however highly militarised, Latvia is not.

An interesting factor in the years before independence and during the Perestroika process within the United Soviet States of Russia, government officials and the “so called” red managers could see future big changes within the Soviet Union and in anticipating these they proceeded to rent stores, apartments, factories and offices with contracts written for many years. Once achieving independence, the Latvian parliament or the Saeima, promulgated the private ownership of land and factories. This effectively gave “priority” right to the holders of these long-term rental contracts and allowed holders to buy at preferential rates properties they

\(^6\)Alleingang is any activity that is performed alone without assistance – lexipedia.com (accessed 14\(^{th}\) may, 2014)
had rented. Therefore, these former ‘red managers’ became *de facto* owners of some of the best real estate. This effectively gives considerable influence to this community within Latvia (Balabkins, 1999). The relevance of this has yet to be realised in full, and remains something to observe in relation to social history and events, particularly the current situation within the Ukraine and the pro-Russian movement’s attempt at taking control and the claims of Russia attempting to cause a ‘failed state’ situation (Henry 2014).

### 2.4. Summary

#### 2.4.1. Overview

There is a ‘ground shift’ in the Baltic Regions with the states regaining their independence and a re-emergence of a strong sense of national identity and soul searching. The historical context and experiences in relation to the differing invasions and occupations (Meissner, 2001; Lipinsky, 1994; Sneidere, 2005; Bureau of Democracy, Human Rights, and Labor, 2004; DfID, 1999) is an essential element in gaining understanding and depth of knowledge in relation to this research. There was a certain level of antipathy towards Soviet rule with a strong sense of identity with central and Western Europe (Alas & Rees, 2005), and the Baltics being ‘more European than the others’ (Smith, 1990:355-356). But it is not all good or straight forward, and for the assumption that there is no residual effect of the Soviet occupation and their management style is acknowledged as being a little simplistic and therefore will need to be considered within the research.

Certain claims have been made in relation to how ‘the people’ thought changes would be “played out” in relation to management style and ethos with those in situ remaining, but perhaps magically changing their allegiance and personalities (Balabkins, 1999), and also a
wish rather than an assumption that democracy would right all the wrongs they felt and experienced, conversely though there has been the claim that the same protection felt under the socialist umbrella would still be there. There is evidence of being a certain antipathy to the past and those associated with the occupation, with the ‘outlawing’ of the Russian mother tongue and consequential withholding of Latvian citizenship from those that do not comply to learning and speaking Latvian (Rislakki, 2008; BBC News Europe, 2010).

The science of Human Resource Management (HRM) and the understanding of HRM in relative terms is still in its ‘toddler’ stage within Latvia. There are few original books on human resource management theories within the education system, most work (at the time of writing) being directly translated from English, or professors within educational institutions using collections of well-known HRM theories and authors into the ‘local’ language. The first attempt to depict and relate to the current HR from a contextual angle is work by Esenvalde (2004) who attempted to link HRM leadership and change theories by observations on real company practices. Mostly, HRM had been taught as a separate course in management and / or psychology programmes. The specialisation of organisation psychology did not appear within the University of Latvia until 1997, and only in the autumn of 2003 the first fifty students studied Personnel Management for a master’s degree in three years (Renģe, 2003). In 2009 the University of Latvia in offered a degree in Personnel Management and the field of ‘Human Resource Management’ continues to grow. Original work has been published regarding social and organisational psychology by Silvija Omārova (2001) and Viesturs Renge (2003). The majority of this work is in Latvian and has not been translated, therefore it has not been fully explored by this researcher. The concept of ‘HRM’ was not presented within the course description and the general outline of literature is Westernised texts by Redman and Wilkinson.
(2006) and Beardwell (2007) [not referenced in full as part of this work, given as an example of what is on offer within the course description].

Other considerations have been taken into account together with the role and effects on women and also the regions of central and eastern Europe being unique and how that would fare with there being Eastern European model of HRM, or indeed with any other model including the Anglo Saxon or other European models or groupings of practices (Mill, 1998; Sparrow and Hiltrop, 1994).

There are issues of mistrust to be considered that may be residual effects of the occupation and the management style (Tung and Havolovic, 1996), also the coping mechanisms that existed such as the ‘other economy’ or ‘blat’ and the claim it was a quiet resistance against the official system, and the argument it can be likened to the concept of ‘Social Capital’.

Chapter Three explores concepts and theoretical ideologies in relation to management within the field of human resource management and research that has taken place within a Soviet context. It explores and develops many lines of enquiry in related fields of this social science in relation to seminal as well as contemporary research with a view to developing research that has taken place as well as build a conceptual framework in relation to taking this research forward and seeking, exploring, critically evaluating and considering the validity of the research question and also any future research that may arise from this work.
3. Literature Review

3.1. Introduction

This study explores Latvian public sector in ‘transition’ from essentially dependence to independence post-Soviet Times. The interest within this research is the contextual paradigmatic view of Human Resource Management (HRM) (Brewster et al., 2010; Brewster, 1999; Moreley, 2004) exploring contextual factors, or surrounding antecedents (Brewster, et al., 2010). The following reviews the main areas related to this study.


There have been various commentators who have attempted to ‘periodise’ the historical context of HRM in a Soviet perspective and this may aid understanding of the history of ‘personnel’ management / human resource management from a Baltic perspective (Svetlik et al., 2007; Skorobagatov, 1981; Tšişov and Tšurmantejeva, 1975; Kamušič, 1972 and Možina, 1975). The following combines work to synthesise and build a picture of this historical context.

3.1.1. Administrative-ideological period (1945-60)

Following the Second World War until the late the nature of personnel management as practiced was staffing and administration. The Baltic States witnessed periods where their economy was subjected to pan-Soviet interests, with a centralised command economy and an influx of Russian labour. The Communist Party managed the economy, and the demand for labour was greater than supply, which led to a general obligation to work. The management of organisations was characterised by unitary administrative authoritarian influenced by political-ideological factors (Svetlik et al., 2007).
Staffing policies were characterised by accounting and reporting for various purposes of recruitment procedure, application of strict working hours and compulsory military services. ‘Personnel’ departments served the state and administered total control over employees. In comparison to other specialists and employees, those employed in this role had the lowest qualifications (Skorobagatov, 1981), with expertise not considered essential apart from the ability to follow orders and maintain a watchful stance on all employed.

3.1.2. Initiation Period (1960-1970/80)

This has been described as a period of heightened or aroused interest in ‘personnel’ issues (Vanhala, 1995). The main characteristics were still administrative in character, however, at the end of the 1950’s and into the 1960s there was a mild ‘period of thaw’. This was brought about by need for moderate economic reforms, whereby Eastern Block countries were given a little more scope to develop their economy. These improvements brought about an element of increased efficiency and more consideration of motivational systems. This time was also characterised by demand for a qualified workforce, which was increasingly provided by the system of higher education (Svetlik et al., 2007). The need for increased productivity brought about emergence of industry-related training centres, where workers were trained and could upgrade their qualifications. Complementary training became popular amongst specialists from the beginning of the 1970’s.

This caused a decrease in the instances of repercussions against workers, and they, as a result, began to demand improved working conditions seek solutions to social problems. A five-day working week was introduced and this relative change in power was related to difficulties in finding qualified personnel and the intention to increase efficiency and to guarantee social development (Tšižov and Tšurmantejeva, 1975). The work of staffing departments of the
1970’s were characterised by routine work connected to accounting activities and staffing of the organisation. These activities have been described as uncoordinated with a lack of ability to develop and implement staffing policies. There was little or no employee planning, appraisal or qualification development for managerial staff.

An exploration of the 1960’s indicated ‘personnel planning’ was poor, which led to discrepancies between competencies required and those actually achieved. The first courses for personnel managers in the late 1950’s and 1960’s were offered at post-secondary level (Kamušić, 1972). Personnel tasks were centralised within personnel departments, and still centred on administration and personnel policy, controlled by the State.


Kavran (1976) and Brekič (1983) noted that studies in personnel practices during this period were rare. However those carried out indicated that labour costs, during this time were disregarded. The right to work was considered to be one of the constitutionally guaranteed rights. Any reduction to the number of employees was simply not on any agenda, even if there were economic difficulties or technological changes, and attributed to the demise of many organisations following independence in the early 1990’s. Enterprise work councils and commissions increasingly dealt with social standards and workers’ rights and salaries. At the macro level, personnel policy was defined via social agreements, adopted by “self-managed communities of stakeholders interested in well-functioning employment systems” (Svetlik et al., 2007:44). These were organised at local, regional and state levels, with the aim of setting common guidelines, and assured coordinated personnel and employment policies.

Možina (1975) purported that there were the inklings of concepts of personnel management possessing characteristics of a connectedness between the personnel function and other
business functions in enterprises and their environments "an open and adaptable system; of the personnel functions contributing to the organisation’s aims, the flexible organisations of tasks and the focus of the personnel function moving from the specialists to the line managers in the sense that specialists assumed the role of advisors, lecturers and analysts” (Svetlik et al., 2007:44). This could be likened to the first ‘ inklings’ of HRM, however education and expertise amongst personnel officers still remained quite low, along with their role in decision-making in any personnel matters. The influence of personnel professionals grew in comparison with line managements, the self-management bodies and the Communist Party, which in the 1980’s were starting to relinquish their power in general.

From the general discussions with regards to the periodisation of HRM within Soviet States, the following table shows these thinking’s as a synthesis of typologies.

Table 1 below illustrates the typology of ideologies and practices prior to independence.

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<thead>
<tr>
<th>Administrative-ideological period</th>
<th>Initiation</th>
<th>Pioneering</th>
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<tr>
<td><strong>1945-1960</strong></td>
<td>Mild period of thaw</td>
<td>Studies in personnel rare</td>
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<td>Pan-soviet interests</td>
<td>Moderate economic reforms</td>
<td>Reported to be the first inklings of modern HRM</td>
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<td>Centralised command economy</td>
<td>Eastern block countries given more scope to develop local economy</td>
<td>Labour costs disregarded with right to work a constitutional guaranteed right</td>
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<td>Influx of Russian labour</td>
<td>Increased efficiency and motivational systems</td>
<td>Introduction of enterprise works councils and commissions</td>
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<td>Economy managed by communist Party</td>
<td>More of a demand for qualified workforce</td>
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<td>Organisations characterised by unitary administrative authoritarian standards</td>
<td>Relative change in balance of power</td>
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<td>Influenced by political-ideological factors</td>
<td>Decrease in the instances of</td>
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Table 1 Typology of the 'Periodisation of HRM within Soviet States

<table>
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<tr>
<th>1990-?</th>
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- Staffing characterised by accounting and reporting for various purposes of recruitment procedures
- Application of strict working hours
- Compulsory military service
- Personnel department there to serve the state and to administer total control
- Staffed by those with the lowest qualifications
- Repercussions against workers
- Mainly routine work connected to accounting activities
- Staffing uncoordinated
- Little or no employee planning, appraisals or qualification development for managerial staff
- Personnel policy handled by the State
- Connectedness between personnel function and other business functions reported
- Start of recognition of contribution to organisations aims
- Focus of personnel function moving from specialists to the line managers
- Personnel took role of advisors, lecturers and analysts
- Still connected to Communist Ideology

(Based on the work of Svetlik et al., 2007; Skorobagitov, 1981; Tšičov and Tšurmantejeva, 1975; Kamušič, 1972 and Možina, 1975)

3.1.4. Research Gap

The literature around periodisation provides an interesting and salient start to this review since it gives insight to work surrounding HRM from a Soviet perspective. It shows persistence in considering the role of HRM or the ‘cadre’ as being low skilled, influenced by political-ideology, accountancy monitoring and control (Svetlik et al., 2007; Vanhala, 1995; Skorobagitov, 1981; Kamušič, 1972; Kavran, 1976; Brekič, 1983; Možina, 1975; Tšičov and Tšurmantejeva, 1975). This is an important place to start, because according to Brewster et al., (2010) we know where these former Soviet states transitioned from, it is not clear where they are transitioning to (Brewster et al., 2010; p.147), and this gives a reference point to consider the changes. Little work considers this from a Latvian perspective and it cannot be expected that all former Soviet States will have changed radically, or indeed consistently (Brewster et al., 2010; Whitley, 1990). When changes have been radical within the ‘macro’ environment, there has been little initial control of events resulting in a need to explore periodisation from a Latvian perspective.
3.2. The other economy – ‘Blat’

When considering the journey, it is important to explore aspects such as mooted by the Russian sociologist Alena V. Ledienza (1998) who commented it is a ‘wonder’ that the Soviet Union did not collapse sooner than it did, and she discussed the existence of ‘blat’ being something that scholars have ignored, despite there being numerous studies devoted to the Soviet Unions’ informal ‘other economy’.

Within the soviet culture ‘blat’ is something so natural that you did not even think about it. Within research, involving interviews with about fifty people of differing social ranks and geographical locations in Russia and its states, all knew the term ‘blat’, and most indicated they had engaged with it in some form or other, although one did not necessarily recognise it at first when described as ‘helping friends and family”. Ledeneva (1998) informs that “the untranslatable word ‘blat’ stands for a type of non-monetary transaction between friends practised in the Soviet Union from the 1930’s onwards. As the practice was so widespread, ‘blat’ developed into a quiet resistance against the official system, in that in many ways it made life bearable for Soviet citizens, and therefore it also acted to support the continued existence of the Soviet system” (p.16).

Many would say this form of ‘bartering’ and ‘dealer brokering’ has always been around, but this traditional post-modern structure clearly developed special features under the Soviet régime. Ledeneva (1998) asserts within Soviet states and under the régime, all were servants of the State, and there was always a shortage of material goods. But despite formal equality,
the ‘nomenklatura’ had all kinds of privileges. The services and goods exchanged in the name of friendship or helpfulness were thus not one’s own property, but the States; one was, so to speak ‘evening’ out the shortages and the privileges. “Blat was something that followed the Soviet citizen from cradle to grave, whether it was a question of getting the children into the right school or jumping the queue for food or an operation” (Ledeneva, 1998:39). But, Ledeneva purports that this affected many other practices, such as legal, and that there were considered to be no such thing as equal rights for all, as the law supposed, but that it was more like the proverb that “the law is like a sheep, it walks the way it faces”, and so in practice, the one with the connections is punished by reprimand, but the one with no connections by the Criminal Code.

This researcher argues that the system of ‘blat’ may be likened to the existence of ‘social capital’ an area that needs to be considered. ‘Social capital’ is a combination of bonding and bridging ties that exist within a network of ‘actors’ (Borgatti and Foster, 2003). ‘Social Capital’ is basically the aggregate of all possible and actual resources which are linked to the presence of a durable network of institutionalised relationships of mutual acquaintance or recognition, as Christoforou (2003) notes it “the greater the level of trust within a community is, the greater is the likelihood of cooperation” (Laužikas and Dailydaite (2012, p.86). However, considering the pre-independence context, it may be fair to explore the concept that social capital works by overcoming collective action problems and reducing the cost of social transactions by bridging any “structural holes” that might exist within society (Rydin and Holman, 2004; Borgatti and Foster, 2003). How much then has this system of ‘blat’ continued into today’s working

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7 Russian, from Latin nōmenclātūra list of names. A small elite subset of the general population in the Soviet Union and other Eastern Bloc countries who held various key administrative positions in all spheres of those countries’ activity; government, industry, agriculture, education, etc...
environment? And how much has it aided or inhibited development and indeed “coloured” the very nature of the model of human resource practice that exists today?

Social Capital is a growing area of investigation due to recognition of its importance in the achievement of a well-functioning society (Wallace and Pichler, 2012). It holds a society together and studies tend to focus on social networks and informal relationships (Lin, 2001). The networks are the actors connected by ties, different ties creating different networks (Borgatti and Foster, 2003). These personal networks provide solutions to system induced problems although it connections within a network are not necessarily equal and assumptions by some commentators are that it focuses on positive aspects of sociability and casts aside less attractive features and hardships of society (Portes, 1998). Ledeneva (1998) when purports the view that the existence of the system of ‘blat enabled what was a ‘bankrupt system of Soviet management and government’ to persist long after it should have come to a natural end.

Social capital theorists endeavoured to identify two generic types of social capital, that of ‘bridging’ and ‘bonding’. Bridging capital has relatively weak ties applied across broad social networks and links tie together different social groups (Banfield, 1958; Putnam, 1994). ‘Bonding’ is associated with stronger ties that bind smaller, denser networks together more closely. There is some debate how these different kinds of social capital vary across societies, however there have been attempts to identify certain patterns within certain regions. Halpern (2005) points out, these are largely speculative. But there are some who claim there are empirical patterns of social capital, and they start with the assumptions that welfare state is the main factor for generating these patterns (Von Oorschot and Arts, 2004; Kaarianainen and Lehtonen, 2006). Measures of the existence of bonding social capital focus on social networks and informal relationships (Lin, 2001).
Trust is important, but it is not a universalistic kind, it is what Wallace and Pichler (2007) describe as a particularistic kind. Examples Lin gives are Eastern Europe and market traders, who at the start of transition, were unprotected by civil law and therefore formed networks of relationship through which they organised small-scale training in chaotic and often hostile environment. This is seen as a type of investment in social relationships which is latent and can be called upon for purposes such as maintaining social status, raising capital, and help with finding jobs or gaining access to resources (Granovetter, 1974; Bourdiu, 1983; Wallace and Pichler, 2007; Campeanu-Sonea et al., 2010). Where social networks operate in a somewhat semi-clandestine way or are fundamentally substitutes for formal market relationships, bonding relationships are important and sometimes reinforced by family or ethnic group membership (Portes, 1998; Wallace and Pilcher, 2007).

Bonding ties can inhibit change, and adaptation is considered important to maintain value in social capital (Wallace and Pilcher, 2007). Any voice outside what is considered the norm, or from a ‘trusted’ source, is stifled, therefore perhaps inhibiting the speed at which any real change can happen within society and within the organisations themselves (Wallace and Pilcher, 2007).

3.2.1. Research Gap

The existence and reliance on ‘blat’ as a form of social capital with its “durable network” of institutionalised relationships (Ledeneva, 1998) poses interesting questions for a transitioning economy and the public sector. It has been identified that ‘blat’ was something so natural that the ‘actors’ within the system did not even think about it. It has been described as ‘helping friends and family’ and also as a quiet resistance against the official system (Ledeneva, 1998 p. 16). AS ‘bartering’ or ‘dealer brokering’ it enabled people to find their way around shortages
of material goods. It was also part of bonding and bridging ties for the Latvian people organisationally and societally (Borgatti and Foster, 2003). Trust is investigated within this research, and it is needed in the accepted network as family, ethnic group members or other relationships that can be substitutes for formal market relationships (Portes, 1998; Wallace and Pilcher, 2007).

The strong dependency on ‘bonding capital’ (blat) as a socially acceptable and societal norm raises the question how this has continued post-independence and to what extent it becomes a tenuous residual behaviour.

3.2. Human Resource Management

Human resource management is described by Storey (1989) as being “an amalgam of description, prescription and logical deduction’ and also as a ‘historically situated phenomenon’ (Storey, 1989). Models and ideologies have been formed and built by differing commentators and practitioners and are a proactive approach to the management of people. There are many different interpretations of HRM from formal models and typologies, to being an identification and in some cases a description or consideration of differing management styles and ideologies. This is a more situational and behavioural stance in relation to management and according to Keenoy manipulation (Keenoy et al., 2003). Whatever the view in relation to the value of these typologies, models and positioning’s, the work of past commentators form a basis for learning and understanding, and it is logical for this research to commence here when reviewing the literature within the related area.

There are different interpretations and models of HRM in various literature and articles which explore and explain its nature. It is therefore difficult to “pin down” any one definition. The
field of HRM has been studied since the early 1980s and arguably has a “foot” within the sub-fields of strategic and functional studies, this however, is perhaps dysfunctional to the field as a whole (Wright & Boswell, 2001). What has gathered pace during recent years is research into the impact HRM has on performance and whether or not ‘style’ can be linked to positive associations between human resource management and performance (Guest, 1997; 2001), and some of the research and argument behind it will be investigated in this work.

As is the nature of human beings, we look to give form and understanding to that which arguably has little form and therefore any concept or thinking owes the ability to understand more to the behavioural scientists rather than ‘hard-nosed’ aspects of understanding what HRM is all about. Indeed, Bratton and Gold (2007) argued many key elements of this area of study have been drawn from organisational teachings of motivation, team building and leadership, which is about people management and enabling organisations to achieve strategic directives through people. The nature of this introduces many aspects of the people management relationship, cultural, historical, behavioural and psychological, which, is the nature of the process of management of the employee relationship and bears witness to intricacies and difficulties of managing such relationships effectively. Farnham (2010) (see also Farnham and Horton, 2000; Farnham et al, 2005) suggests, the definition of contemporary HRM is problematic as there is little agreement on a framework that aids understanding and analysis of the HRM function, only the existence of there being various competing models.

One attempt at a definition by Torrington et al., (2008) which fires the imagination of this researcher, is the evolution of personnel management and HRM and being mainly about ‘social justice’.
Most academic literature on HRM has been published within the last 35 years, the intellectual roots though being traced back to the 1920’s in the United States of America (Carey, 2002; Farnham, 2010; Kaufman, 2001). Early contributions from commentators and scholars were primarily concerned with finding a definition for ‘IT’ and then to compare ‘IT’ with what was considered to be a more traditional British approach to the management of work personnel (Farnham, 2010; Fowler, 1987; Guest, 1987; Miller, 1987). At that time it was thought of as being very much a new era of ‘human people-oriented employment management’ (Keenoy, 1990; 1999: 2003), however, it has also had its critics, and has been described as a ‘blunt’ instrument used to “bully” workers into doing what management want them to do, particularly by Monks (1998) and Gill (1999). There is also questioning of its validity by Keenoy (1990; 1999: 2003) who actually described it as ‘HRism’, arguing that discussions and debates about conceptual frameworks and practices of HRM are no more than “a continuing source of controversy, confusion and misapprehension”, describing HRM as being no more than a hologram, shifting its appearance to suit whatever situation.

3.2.1. **Hard and Soft elements of human resource management**

Past debates tended to focus on ‘hard’ and ‘soft’ elements of HRM, with the ‘hard’ version having emphasis on the term ‘resource’, and there being a rational approach to HRM and a ‘soft’ approach giving more emphasis to the human aspects of HRM, giving importance to the need for investment in things such as training and development, sophisticated employee relations strategies in order to gain commitment, which would enable the existence and maintenance of highly skilled and loyal employees therefore enabling the organisation to gain competitive advantage (Bamberger and Meschoulam, 2000; Beer et al., 1984; Boxall, 1992). Arguably, these ‘new’ approaches to HRM were more representative of the new economic order and to a large extent heralded the beginnings of a more theoretical sophistication within the area of management of employees and the study of the management of those employees.
There has been much debate and considerations with regards to the measurement of HRM by economist driven theorists, if they could only agree on the key measures and what are perhaps the less tangible features of HRM (Guest, 2001). There are those however who consider these ‘new’ approaches to the management of the human resources of an organisation to be a manipulative form of management control responsible for work intensification (Gill, 1999; Keenoy, 1990; 1999; 2003; Monks, 1998; Wells, 1993) and that it is actually ‘steeped’ in the of a need to mould employees to corporate values (Townley, 1994). This idea of there being definitive models of ‘HRM’ has been the cause of considerable debate amongst supporters of and those against, and it has perhaps, arguably, been one of the most controversial signifiers in the debate around management (Storey, 1989).

3.3. Consideration of the ‘Models’

There are two seminal texts to be considered which both came about in 1984. These texts discussed a ‘new’ approach which was based on previous teaching by their respective authors and were built on extensive antecedents. The first consideration is the ‘Michigan’ model (Fombrun et al., 1984) and the second is the ‘Harvard’ model (Beer et al., 1984). The ‘Harvard’ model was based on an emphasis of the link between human resource strategy and business strategy, whereas the ‘Michigan’ model advocated treating employees as a resource similar to any other resource which needs to be manipulated and exploited for the good of organisational business objectives. Sparrow and Hiltrop (1994), when considering this approach, commented that human resources were to be more or less obtained cheaply, used sparingly and developed and exploited as fully as possible. Whilst the ‘Harvard’ model (Beer et al., 1984) conversely argued employees cannot be treated like another resource, since their understanding and commitment to the cause are critical to the achievement of any corporate strategy.
3.2.3. The ‘Harvard’ Model versus the ‘Michigan’ Model

The ‘Harvard’ model draws on the human relations school of thought, which emphasises the importance of communications, teamwork and the utilisation of individual talent (Pool and Mansfield, 1994), whereas the Michigan school is a more strategic approach with a ‘unitarist’ outlook to management, which supports the view of managers maintaining control and having the right to manage, but that all employees are part of a bigger system and should be working towards the same goal as the organisation (Hendry and Pettigrew, 1990). The ‘Harvard’ model therefore is associated with ‘soft’ HRM whilst the Michigan model poses a ‘hard’ approach to the management of human resources.

Whilst there are undoubtedly differences in the approaches of these two models and ways of thinking, there is similarity since they are both considered to be normative in their approach (Noon, 1992). This concept of ‘normative’ HRM has been adopted by many organisations and follows two themes, the first that HR policies should be integrated with strategic business planning and used to reinforce or to change inappropriate organisational culture and secondly, human resources are considered to be valuable and a source of competitive advantage, and that advantage, and resource, is tapped most effectively by having policies that promote commitment (Legge, 1995).

Of interest, is the viewpoint of some critics who have been explored, such as Burawoy (1985) actually dismissed the “HRM” model as little more than a confidence trick which was designed to “roll back the achievement of collective bargaining and legal regulation in establishing a floor of employee rights” (Sisson, 1999:455), and this view is perhaps supported by Kaufman (2002), who observed development within the fields of personnel and HRM was driven by economists such as Tead in 1921 and Kornhauser in 1923, and this fed into future developments
based on dealing with issues and problems around labour and the need to be more competitive within a capitalist America and the growing global market (Kaufman, 2002), and in particular growing competition from the emerging Asian markets in the 1980’s. Viewpoints have been expressed that language, metaphors and even symbols used associated with the model of HRM were of critical importance in relation to this viewpoint, with Keenoy et al., (2003) expressing their view that these HRM models were an attempt to “reconstruct our images of ‘reality’ and make us think, no less, that things were different than they were” (Sisson, 1994:14-15). This may be so, if you consider words and phrases now used, such as ‘customer’, ‘total quality management’, ‘lean’ and ‘flexibility’, being linked to market forces and economic considerations, which is management doing what they want, and considering the market forces first and foremost.

The ‘soft’ variant of HRM (Beer et al., 1984; Legge, 1995; Storey, 1992; Truss et al., 1997), is the humanistic approach to HRM, the human aspect considered of importance. This highlights interests of different stakeholders such as shareholders, management, government, the community, unions and employee groups. It gives the impression of having consideration of how these parties’ interests are related to the objectives of management. This model gives some awareness of the European context and other business systems which emphasize ‘co-determination’, and appears to recognise the influence of situational factors such as the market on HRM policy and that of managerial choices.

Having given emphasis to the ‘human’ element of the management of people, it is perhaps associated with the human relations school of Hertzberg and McGregor (Storey, 1989) and has been referred to as “Development Humanism” by Legge (1995:666-67) since it emphasises the need for the right type of policies integrated with the business objectives whilst focusing on
consideration of employees as valued assets and a source of competitive advantage. With this thinking, commitment, adaptability and high quality skill and performance are essential, with employees seen as worthy of trust and collaboration achieved through participation. In contrast to this, Walton (1985:79) expressed the view that “a model assumes that low commitment and that is designed to produce reliable if not outstanding performance simply cannot match the success and characteristics which are set by world-class competitors”. He considers choices need to be taken into account when determining HR policy, and a balance in strategy based on imposing control and eliciting commitment needs to be considered.

The Michigan and New York schools did considered the ‘Matching Model’ of HRM (Fombrun et al., 1984), which sought to highlight the ‘resource’ aspect of HRM and the efficient utilisation of human resources to meet organisational objectives. Like any other resource within the organisation, ‘human’ resources need to be obtained cheaply, used sparingly, and developed, moulded and exploited as much as possible (Sparrow and Hiltrop, 1994). There is however, little recognition for consideration of `leadership styles that need to be or are practiced, nor is there any recognition of labour relations, industrial relations, trade unions and relative bargaining power. They concentrated more on the value and importance of such things like selection, appraisal, rewards and development as ‘generic’ HRM functions. Legge (1995) referred to this model as ‘Utalitarian Instrumentalism’.

This work is in line with the ‘hard’ view of HRM. Being calculative, tough minded and communicated by some “tough” language which is commensurate to business and economics. Similarly Storey (1987) observed emphasis on quantitative, calculative and business-strategic aspects of management. It is a ‘headcount’ and can be described in terms like ‘human asset accounting’, and is aligned with the process of scientific management, where people are
considered as being passive objects who do not necessarily need any consideration as whole people, but purely on whether they possess the right skills or attributes that the organisation requires or needs (Legge, 1995; Vaughan, 1994; Storey, 1987; Drucker et al., 1996; Keenoy, 1990). However, some contend it deserves credit, since it provides a framework for theory development within the field of HRM (Budhwar and Debrah, 2001).

3.2.4. Basic assumptions of human resource management

Since the inception of these various models and ideologies in relation to the management of the human resources there has been a growing interest in behaviours needed to ensure or encourage employees’ commitment to the success of the organisation and this is a growing area of research and debate (Farnham, 2010, Edwinah and Ahiazu, 2013). Having ‘involved’ individuals working within the organisation has become an essential element in HRM, involved employees have input into decision making whether large not, whereas engaged employees feel some ownership or go beyond contract in relation to their commitment to the organisation (Denison, 2007; Amah and Ahiazu, 2011; Farnham, 2010). Being ‘involved’ suggests the individual employee would have some level of autonomy in relation to decision making, the higher the level of involvement, the more power they have in relation to any decisions they make which is linked to employees whose choice is to support and endeavour to make the organisation a success. In order to have this there needs to be sharing of information and knowledge since employees require more knowledge so they can make a meaningful contribution to any decision process (McShane and Von Glinow, 2003). This requires leaders of organisations, or management, have a full understanding of the importance of employee knowledge and the role it plays in gaining these involved, committed and engaged employees.

There are mooted to be different forms of employee involvement, formal and the informal. Formal being linked to established structures and formal expectations aimed at supporting and
encouraging and informing participation (Strauss, 1998) and the informal voluntary actions of employees suggest a level of discretionary behaviour by the employee. The highest level of involvement occurs when employees feel they have complete power over the decision process being able to define problems, identify solutions, choose best options and monitor the result of their decision (McShane and Von Glinow, 2003).

Motivation and engagement are linked together here, as it is argued that it is important to get employees not just to do their job, but to act and to want to go beyond contract, to go over and above what they are formally required to do. Employee engagement can only really be measured in relation to how happy the employees are within their workplace and how efficient their performance levels are (Farnham, 2010).

3.2.5. Models in summary

In summary, these two philosophies, or approaches to the management of the human resources provide a choice for HRM executives and strategists, since they give form and distinction between very distinct forms of HRM, the ‘hard’ and the ‘soft’, or the ‘resource’ based view or the ‘humanistic’ view. By having an understanding of these choice, albeit two very different and contrasting alternatives within a supposedly single approach, managers can make a more informed and considered approach to HRM style practiced in line with what their intended or desired outcomes might be. Whilst ‘hard’ and ‘soft’ models of HRM consider links between people and strategy, there are different meanings which can be attributed to these components and different assumptions that underlie each other (Gill, 1999), and are arguably a little simplistic in the assumptions that are made with regards to two very distinct approaches to management. This has led to later work by commentators such as Hofstede (1991; 1994;); Hofstede et al., (2010) Trompenaars and Hampden-Turner (1993) and Trompenaars (2010) suggesting that it is not merely about straight and conscious choices between two different
styles is perhaps a little too simplistic. To put labels to ‘IT’ there is a need to consider other aspects such as culture, be it national or organisational. There also needs to be debate and recognition of geo-cultural patterns (Wallace and Pichler, 2009) particularly human geography or cultural geography and how they relate to spaces and places where they originate and a recognition this affects the way in which human beings and management and employees behave and perceive each other within the work environment. These include cultural geography, language, religion, different economic and governmental structures and other aspects that may be reflected in behaviour, attitudes and perceptions (Wallace and Pichler, 2009).

3.3. Convergency versus Divergency Theory and Human Resource Management

From discussion and exploration of the literature the mapping of and study of changes within Europe has attracted attention of contemporary commentators, academics and practitioner of HRM who have focused on the convergence versus divergence debate. This considers whether managerial practices and human resource management are becoming more similar, or are maintaining their nationally and culturally-based dissimilarities (Brewster et al., 2004; Adler et al., 1986; Sparrow et al., 1994; Vanhala et al., 2006).

Convergency theorists suggests antecedents specific to an organisation which explain the existence of HR policies, whilst country specific differences are perhaps less significant (Sparrow et al., 1994; Tregaskis et al., 2001). Much debate is around convergence of systems of HR being inevitable their and towards US practices (Kerr et al., 1970; Brewster et al., 2004). Kerr et al., (1960). This view is based on ‘equality’ of technological and economic forces globally, with an assumption this creates similarities in systems (Brewster, 2004). Key arguments of the convergence hypothesis are the common requirements of management’s
disregard for the importance of cultural differences (Kerr et al., 1960; Kidger, 1991; Rowley and Benson, 2002; Gooderham and Brewster, 2003; Brewster et al., 2004). Supporters of this view include the European Union, international business schools, text books and international company training programmes (Vanhala, 2006).

The divergence view however focuses on differences in nationality, cultural and company context. Scholars emphasis similarities and the inevitable converging nature of HRM’s lean towards universalistic, convergence and contingent theories, while those who support diverging views refer either to cultural differences or institutional explanations and also the strategic role of HRM. However, convergence and divergence cannot be considered as opposite sides of the same phenomenon, but as interwoven (Vanhala, 2006; Brewster, 2004). Whilst diverging occurs, there has to be some element of convergence, particularly in the case of the Latvian public sector, and particularly when there is a mirror effect from privatisation and influx of overseas businesses particularly when was mass privatisation upon independence (Rislakki, 2008).

Cultural differences have long been referred to when attempting to explain or explore differences (Hofstede, 1980; 1991; 1994; 2010; Laurent, 1983; Trompenaars and Hampden-Turner (1993), Trompenaars, 2010), in particular the argument of Hofstede, emphasising organisations are “culture-bound” and that there are no universal answers in relation to management and organisations.

3.3.1. Universalistic versus contingency explored

Most of the literature around HRM is dominated by these two theoretical foundations (Delery and Doty, 1996). Universalistic thinking refers to a belief in universal truths, whilst with
contingency thinking universal truths do not exist, and the best way to undertake or plan anything depends on several contingencies.

There is a growing similarity between organisations and management practices, and this supports a universalistic approach to management. The universalistic model of HRM and the “best practice HRM” model which is given credence as being the best way to manage (Vanhala, 2006: Delery and Doty, 1996). By its very inference, “best practices” and the subsequent ability to benchmark are assumed to be transferable and therefore universally relevant (Pfeffer, 1994). There are “universal truths” that are not firm specific and these can be applied anywhere. These have been referred to as “bundles of practices relatable to organisational performance (Delaney and Huselid, 1996; Vanhala, 2006; Farnham, 2010) as well as organisational and managerial choice and preference. This view has been criticised as being too simplistic (Child, 1981; Purcell, 1993; Vanhala, 2006; Farnham, 2010), and needs to be more of a contingency approach and understanding of management i.e. divergence theories. Brewster et al., (2004) elucidates three broad theses in relation to Europe which are the market-forces convergence model, institutional model and divergence model. These are very different propositions being derived from: -

1. Market forces generating convergence in HRM practices among European firms towards a US Model of HRM.

2. Pan-European institutional forces generating a convergence in HRM practices among European firms towards a common European model that is distinctly different from the US model of HRM.
3. Deep-seated and fundamental differences between European countries mean either continuing divergence, or, no convergence in HRM practices among European organisations.

Taken from Brewster et al., (2004:22).

There is no prior research on convergence v divergence from the Latvian perspective. This research considers the case study of the Latvian public sector, and therefore the findings reflect this. The following considers the culturalist school of thought which by its nature leads into an exploration of European models and clusters of practice in order to inform these questions.

3.4. The Culturalist School

‘Culture is one of those terms that defy a single all-purpose definition …. There are almost as many meanings of culture as people using the term’ (Ajiferuke and Beddesyn, 1970:154). The cultural perspective with regards to workplace values are perhaps most related to the works of Fukuyama (1995), the prolific Hofstede (1980; 1991; 1994; 2010), Laurent (1983), Trompenaars and Hampden-Turner (1993) and Trompenaars (2010). It is broad and not totally discrete with regards to any category, it does however, in exploring main works, arguably treat culture as given. It is contended that although organisational goals may be the same across differing organisations, courses of action towards goals differ, if action is socially constructed and shaped by culture as manifested within societal norms and institutions. Values, ideas and beliefs of the individuals within different countries have differences with political, social and legal institutions’ which create differences in strategies and the way they manage their workforce (Lane, 1989:34). They show differences within HRM and people management styles as there are undeniably differences with regards to politics, employment legislation,
education, labour markets, trade unionism and of course their socio-historical and socio-political experiences which impact upon values and expectations. The question is raised here as to how Latvian public sector has developed towards what has in part been presented as this universal understanding of HRM?

Most international studies within the field of HRM are concerned with the universalist and prescriptive approach versus a more pragmatic, situational based perspective in relation to approaches people management. Within this international perspective the situational approach is perhaps more appropriate. Taking into consideration the international context to HRM then commentators such as Hofstede (1991; Hofstede et al., 2010) and Hofstede and McCrae (2004) are important, and it is useful to explore their work before progressing. There is also debate whether the whole ideology of HRM is embedded within an Anglo-Saxon paradigm of how people should be managed, and the notion of HRM within the West is in fact embedded within an American culture. Therefore, it is perceived important to explore the concept of national culture as well as other cultural influences. However, the United Kingdom as an off-shoot of the American models and ideologies might be considered misleading also. There are many similarities between the US and UK, there are also many differences. As a member of the European Union (EU), with considerable foreign investment the UK is undergoing as much change as any other European country. There is a shortage of coverage in relation to considering and exploring human resource management from a wide perspective within Europe, as much of the literature in relation to Europe has focused on France, Germany and the UK, in recognition of the relative dominance of their economies (Sparrow and Hiltrop, 1994). The European context of human resource management is an important factor within this research and is considered later within this chapter.
Hofstede’s work argues that culture is about mental programming in humans and they carry within them patterns of the way in which they think, feel and act or react to work which is acquired in their childhood, since at this time they are learning and assimilating. He also refers to this as ‘patterns’ and uses the analogy of programming, the same way in which a computer is programmed (Hofstede and McCrae, 2004; Hofstede, 1980a; 1980b; 1983; 1991; 1994; Hofstede et al., 2010). He calls it the *software of the mind*. The source of this mental programming coming from social environments that existed as people have grown up collecting life experiences as they go, this is ‘culture’. The study of culture then is linked to anthropology or the science of human societies, and culture is all those patterns of thinking, feeling, and acting. There is individual culture and collective culture. Family, tribal, regional, national, religion and education need to be considered with culture, and will inform this research, but not drive it.

3.4.1. National Culture

In 1983 Hofstede argued that a key issue for the science of ‘organisational study’ is the influence of national cultures on management. He proposed the notion that nationality is important to management for three reasons, the first being the political context, where nations are political units rooted in history within their own institutions, forms of governance, legal systems, educational systems, labour and employer’s association systems. Formal institutions differ, along with the informal ways of using them. Secondly, nationality, or regionality, has a symbolic value to some with identity which is devised from it. The third is psychological, with thinking partly conditioned by national cultural factors. This is an effect of early life experiences within the family, educational experiences and organisations and in respect to Baltic regions, strong contextual considerations of history and experiential elements of the collective.
3.4.2. Political Culture

Nations have long been various units of a political nature into which people fit or belong which as Hofstede (2010) explains there has been an invention of nations and explains this is a relatively new concept in relation to human history. The phenomena of there being this system of nations only came about in the mid-twentieth century following the colonial system developed within the three centuries leading up to this (Hofstede, 2010). These ‘nations’ have then “formed” and “developed” historically creating a collective identity along the way. There are various forces that form along the way, in order to enable a commonality and the ability to communicate such as one national language, a common mass media, formation and development of a national education system, the formation of an army to protect themselves, and a national political system which has international representation. As Hofstede (2010) contends the formation of nations and commonality is down to common mental programming of citizens. Within this there will be those who are seeking recognition of their own ethnic or linguistic groups, and therefore power struggles ensue within the whole.

3.4.3. Nationality or Regionality

Countries or regions differ in various ways, not just their culture. There are different ways they can exist, for instance there are different values, forms of identity and institutions, which are firmly rooted in history that have formed over the years through experiences and stages within the nation’s life. Through occupations, wars, times of peace, famine, exploitation, migration, the list continues. It could also be associated with language and a common belief system like religion. Within this there are different historical institutions such as laws, rules, organisations, families, schools, businesses, governments, media, arts and science (Hofstede 2010).
However, within these nationalities and regions there are different ethnic groups and religious cultures and these can cause different ‘crossroads’ between cultures that dominate within any nation (Hofstede and Hofstede 2005:34). It has been related that discrimination because of these ‘differences’ or what are seen as ‘deviant’ to the norm are usually learnt reactions to what is ‘different’ and can be learnt from birth onward. Onward would have to include, in the instance of Latvia, a mixture of strong national identity which has been maintained throughout all occupations, and a reaction to treatments within the occupation and this may differ across the generations of Latvia.

This is about the distinctive psychological make-up of peoples of a nation, and is made up of the mix of attitudes, emotions, values, what motivates and not, and abilities. This is culturally reinforced by language, family life, education the state and media (Goodstein, 1981; Hall, 1976). It is the collective mental programming of the human mind which causes patterns of thinking and is associated with society and people.

3.4.4. Russian Society and the Baltics and the link to management

Progressing on, it is useful to consider work carried of Bollinger (1994). This project aimed to identify basic values prevailing within Russian society and this work has significance within this study since it is reasonable, that as Soviet culture had been imposed on Latvia for a considerable number of years, consideration of Bollinger’s (1994) findings are noteworthy and may well to comparisons later. It is contended that he gained insight into the country’s ‘mentality’ (from a Soviet perspective), and then set out to determine what type of business management would evolve. As part of this, in October 1989, he carried out a small study amongst fifty-five (55) executives and directors in training at the High Commercial Management School in Moscow. The questionnaire used was based on seminal studies of Geert Hofstede concerning cultural values, which included, in Hofstede’s case, a considerable
one hundred and sixteen thousand (116,000) questionnaires in twenty-six (26) different languages, administered in seventy-two (72) countries across five continents.

Hofstede’s work in 1984, with other seminary writer’s work including Kluckholn and Strodtbeck (1961) and Hall (1959; 1973) have been influential investigatory work allowing insight into the nature of management across international boundaries. As reported above, Hofstede’s work did not include Russia and Bollinger, in his work, set out to explore this gap. The findings are unsurprising and are presented in brief here.

**Power Distance** – high power distance score placed it alongside countries such as the former Yugoslavia, India and Sub-Saharan Africa. Bollinger argued this links with traditions of despotic monarchs in Russia.

**Uncertainty Avoidance** – a strong tendency towards uncertainty avoidance. As Bollinger (1994) argued, the Community of Independent States (CIS) within former Soviet States formed what was essentially a society with a high rating on the uncertainty avoidance scale, whose institutions sought to create security and to avoid risks.

**Individualism/Collectivism** – displayed strong collectivist tendencies, and this linked to an ‘old’ Russian proverb “it is more important to have 100 friends than 100 roubles”. Employees who have a collective mentality expect (and indeed have been encouraged to have this tendency) their firm to take care of them, like a family. Unlike countries with a more individualistic approach organisations are not involved with employee’s personal lives such as within the US. Within the Soviet system “the main role of a factory director (was) …. ‘looking after the workers’ situations, building housing, managing shops where the workers can find their
products which were unavailable elsewhere, organising children’s playgrounds, looking after medical centres and sending workers on holidays in company owned apartments’. Managing a business was based on loyalty and a sense of duty, with decisions made on the basis of personal relationship with managers’ (Bollinger, 1994:52).

These findings are consistent with the view of Backaitis (1996) who commented that even following independence from the Soviet Union, people and employees within the former Soviet States still widely believed that they would receive much the same benefits that existed under Soviet rule, such as a welfare style state, free medical care, early retirement, low rents for housing, cheap oil for their homes and factories, and generous vacations. However, this was largely denied, or at least the background to the existence of the plethora of benefits, during elite interviews undertaken by the researcher (Cook, 2012), which is unsurprising given the nature of the post or positions of authority held by those included within the interviews / discussions.

**Masculinity/femininity** – The Soviet system scored poorly on the masculine score and from a Western perspective can be characterised as a relatively feminine society, which is supported by the findings Moss et al. (2008; 2010) which investigated the difference that the high percentage of women in management within Latvia would have upon the style of management being practiced. This may be reminiscent of the Soviet influence and a telling quote from Bollinger (1994:52) which illustrates perceptions of his findings “women know how to do everything, men do the rest”. In examining and musing on this saying the validity of this view put forward the argument and observation that successive wars meant many women needed to take their destinies into their own hands in order to survive.
3.4.5. Hofstede’s indices for Latvia and Lithuania

Work by Maik Huettinger (2008) recognised that the Baltic States of Latvia, Lithuania and Estonia had been largely ignored with regards to cultural research and to a large extent were still being treated as a ‘forecourt of Russia’ (p.359). It is common for these ‘states’ to be considered a common block, and perhaps understandable with their geographical proximity and shared histories. There are few commentators who have looked at cultural differences within the former Soviet Union States. These include Vali and Meri (2005) and Manning and Poljeva (1999). The Baltic States are referred to as the “three small tigers” who have always kept their cultural values and their close ties, especially to Scandinavia (Manning and Poljeva, 1999). Huettinger (2009) talks of them as people who have a ‘Slovonic heart’ and a ‘Scandinavian head’ and behaving in similar ways particularly how they feel towards the Soviet style communism and keeping to their beliefs and identity as central European (Alas and Rees, 2005). This would suggest, in accordance with earlier arguments, that they were never fully integrated into the Soviet system and soviet ideologies and were essentially in ‘occupied’ mentality throughout. Identified and discussed elsewhere within this work, the level of education is high with importance placed on the attainment of Western type skills (Martinson, 1995). As experienced by this researcher, language skills are excellent and there is a strong work ethos, which has helped to re-establish the historic economic relationship with Western Europe and to revive the old ‘Hanseatic’ trade routes⁸ (Manning and Poljeva, 1999; Manrai et al., 2001). Huettinger’s (2008), research within Lithuania, expressed the view that Lithuanians shared cultural and political heritage with Poland having strong historic links with Germany. Estonia are closely linked linguistically to the Finish, with business culture being

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⁸ The Hanseatic League was made up of several German Merchants who helped establish trade throughout northern Europe. The Hanseatic League (Hansa) was formed around the middle of the 12th century by German and Scandinavian seafaring merchants. Since there was no navy to protect their cargoes, no international bodies to regulate tariffs and trade, and few ports that had regulatory authorities to manage their use, the merchants banded together to establish tariff agreements.
similar and reserved (Hofstede and Hofstede, 2005) whereas Latvia looked westward to Sweden and Germany (Manning and Poljeva, 1999).

Heuttinger (2008) makes several observations with regards to the research methodological approach having a number of limitations and this may be similar to that experienced within this research. The first of these was that there was a paucity of literature with regards to Latvia and Lithuania, however this may be considered to be an advantage and therefore becomes manageable, however, it is contended that the lack of any other in-depth research needs to be acknowledged.

Through the heritages of communism there exists an undeveloped social science and in particular, this is shown with regards to any research which is related to national identities of the former Soviet Union members (States) based mainly on stories, ‘tales’, stereotypes and individual experiences, therefore literature paints a picture of traditional Eastern European societies with high masculinity, low uncertainty avoidance, and strong collectivistic power structures (Huettinger, 2008:367). The Baltic States are transitional countries, twenty plus years from independence, and have experienced the society of communism and the post-communist experience, therefore, there are three different generations that may be encountered and which can be characterised. The elderly who were born before the Inter-War period or the Second World War (arguably not too relevant as they are not within the workforce, but their influence within the home cannot be completely discounted), the generation that grew up in Soviet times and the young who have never experienced communism. Many of these are now in education or just finding their ways into organisations at the beginning of their careers.
Using the same headings as before the following summarises findings from Huettinger’s (2008) research:

*Power-Distance* – Latvia 44, and Lithuania 42. This score is low-moderate and if you compare this to Denmark which is 18 and Sweden and Norway being 31 and Estonia with a score of 40 (Hofstede and Hofstede 2005).

*Uncertainty avoidance* – Latvia 63 and Lithuania 65. There is a belief that superiors are there to lead and to give direction. Lithuanians and Latvians do not perceive their superior as one of their team, but it is their task to lead and give directions (Mole, 2003).

*Individualism* – Latvia scored 70 and Lithuania 60. Latvia is a little more individualistic than Lithuania. This fits in with the viewpoint put forward by Vadi and Buono (1995) cited in Huettinger, 2008 that the Baltics remained more individualistic during the Soviet occupation than other states and held onto their identity.

*Masculinity* – Latvia scored 21 whilst Lithuania scored 9. Both of these scores are low with regards to masculinity. Alas and Rees (2005) referred to this in their research arguing that gender role changes had been strongly influenced by Soviet cultural and political ideology. There are other scholars who support this view of femininity such as Bajoriene (1996) and Kundsen (1994) both cited in Huettinger, 2008; and Moss et al., (2008; 2010).

### 3.5. European Model’ of HRM

With regards to Human Resource Management models, a fifth model has been suggested, which is the European model and this is based on the growing importance of HRM and its
perceived contribution towards economic success. Brewster (1993: 1995) however, describes a model which is based on the belief that European organisations operate within a restricted autonomy, being constrained at international and national level by national culture and legislation. The idea that there is a need to build in external constraints to models of HRM, which are argued to be essentially accepted within the United States, has grown and there has been considerable debate on there being too much acceptance of these models, and the need, to consider what has been termed ‘europeanisation’ of HRM (Brewster, 1993; 1995: Sisson, 1999). This perhaps coincided with rising success and raising the profile and status of the European Union and Europe in general, compared to the US at that time.

Brewster (2004) identified little empirical data on national cultural differences (Adler, 1991; Hofstede, 1980a; 1980b; 1991; 2001: Laurent, 1983; Trompenaars, 1985; 1993), but what existed he argued indicated the United States as unusual with regards to ‘its’ cultural background. Indeed, Trompenaars (1985; 1993; 2010) contended that the US is quite untypical of the World as a whole. The US culture is more individualistic and oriented towards achievements than other countries (Hofstede, 1980a 1980b: Guest, 1990). Guest suggests the North American assumption of freedom and autonomy in business ventures is peculiar to the United States and is perhaps related to the view of a land of opportunity that rewards success in keeping with the capitalist entrepreneurial viewpoint. The overall assumption therefore is that it is your duty to “stand on your own feet” and start up some enterprise and also within the public sector there is a need for intrapreneurialism. The statistics in the Financial Times (1999) supported this view showing there are more adults active with business start-ups within the US than in any country within Europe.
It is a culture of individualism and entrepreneurialism which extends to the legal situation enabling failed individuals in business to start up another business quite easily in order to replace their failed enterprise with fewer constraints than within Europe. It is also shown in the culture of the reward system within organisations that have emphasis on individual performance based rewards which mirrors the notion of differentiation between successful and unsuccessful individuals. Brewster et al. (2004) argues the culture of entrepreneurialism is perhaps lacking within most parts of Europe and would therefore be mirrored in the HRM systems as practiced.

Brewster (1995) also noted a ‘human relations’ approach at the end of the 1960s and argued human relations literature of the immediate post-war years had essentially ignored external and economic variables (Strauss, 1968). During the 1980s, debate widened into whether or not HRM needed to follow corporate strategy which would demand a position be taken in line with environmental influences upon organisations, which is situational and often unpredictable (Beaumont, 1992; Nkomo, 1980; Tichy et al., 1982; Fombrun, 1984). The general recognition by all these commentators was that it was unacceptable to ignore external economic variables when considering and attempting to define human resource management (HRM). There are other criticisms offered with regards to the ‘American’ concept of HRM such as ignoring or being anti-trade union and primarily being based on a unitaristic view of an organisation (Brewster, 2004).

It is clear that the ‘American’ concept of HRM has received much criticism within Europe for being anti-trade union and based on the unitaristic viewpoint. Even adaptations of the model of Beer et al., (1985:16) included a consideration of what could be described as a potentially conflicting ‘stakeholder interests’ model within the classic map of the territory of HRM. These
discussions reflect a unitarist concept of the organisation and move back to the normative and prescriptive viewpoint.

Poole (1990) supplemented the Beer et al., (1985) map with power, strategic choice and ‘globalisation’ with Hendry and Pettigrew (1990) extending the model to consider factors such as influencing strategic decision making in HRM with the headings of economic, technical and socio-political. This is in accordance with earlier discussion within this work and emphasizes the viewpoint that environmental factors are central to discussions and perhaps mirrors the work of other commentators when attempting to define the European context of HRM (Bournois, 1991).

This is a move towards creating a ‘contingency’ approach to HRM with theorists and scholars linking HRM to other models such as the life-cycle model and Porter’s Five Forces model of competitive advantage. There have been calls that HRM should be thought of contingently, particularly with consideration to differing market forces, with examples by scholars such as Fombrun and Tichy (1983); Kerr et al., (1960); and Lengnick-Hall et al (2011). This list is not exhaustive, but will suffice to give good representation of the level and type of questions raised around this issue. These works and the resulting theories are adaptations and part of establishing the ‘best-fit’ human resource management argument which takes into consideration the need to ‘invent’ HRM policies and practices [or bundles of practices] essentially linked to corporate strategy and which are economically driven.

Brewster (1995) argued that a model of HRM is needed that re-emphasises the influences of culture, ownership structures, role of the State and trade unions. This enables HRM theory to withstand the test of ‘international application’ (p.8) to demonstrate and support business
strategy, HR strategy and HR practice of the organisation in recognising they interact inside or within the organisation as well as within an external environment which includes aspects such as national culture, power systems, legislation, education, employee representation and other issues discussed within the author’s own machinations which clearly places HRM within the national context as well as the organisation context.

3.6. Anglo-Saxon Models of Human Resource Management

The US approach to HRM considered the need for strategic integration and HRM considerations only occurred after organisations decided upon their strategy, direction or market stance (Sparrow and Hiltrop, 1994). The general belief is that people are more adaptable than the strategy of the organisation and their behaviours and roles needed to be moulded to ensure the required performance (Wright and McMahan, 1992 cited in Sparrow and Hiltrop, 1994). This Americanised concept of managing people has taken hold within the UK even though as argued by Guest (1999) concepts of HRM are as American as “apple pie” (Sparrow and Hiltrop, 1994:14). Within the 1980’s there were similarities within the UK to the US situation. They were presented with similar levels of competitive threat globally and needed to consider ways in which they could ‘negate’ some of the threats from having a volatile workforce in terms of industrial action and the balance of power that existed between the unions and organisations in general. There existed a short-term perspective to industrial relations, and a non-strategic approach to management (Gospel and Littler, 1983; Thurley and Wood, 1983; Tyson, 1983; Sparrow and Hiltrop, 1994). Academics debated changes in relation to the concept of HRM in the context of it being about political change and a power shift from unions to management, and also being associated with a decline in collectivism within Europe (Torrington, 1988).
It can be argued that HRM found its way into Europe via the UK and was a more management centred approach to managing resources rather than people and therefore driven by their interests. Merit (1992) reported on the philosophical unease that existed within the thinking and argumentation of the British commentators and academics, although they appreciated problems faced by organisations since they had to “behave like a gentleman while having its vitals savaged by competitive Rottweilers” (Merit, 1992; Sparrow and Hiltrop, 1994: 16) they believed that employees who were resourceful would resist being resourced and resent being treated like goods that are bought in to the organisation (Merit, 1992). Many argued it was just personnel, but under a different name and was largely still about established traditional personnel management activities and was considered, within this school of thought as just good personnel management practice, therefore there was no change in relation to the content and nature of what needed to be and was happening within organisations (Armstrong, 1987). However, it became accepted that there had been a shift in the way the management of human resources were managed in respect of the needs of the organisation and the US prescribed nature of the models of HRM were developing and becoming the ‘norm’ in thinking (Farnham, 2010; Bratton and Gold, 2007).

The main factors behind this anglo-saxonisation of human resource management was a move from traditional and specialist areas of personnel management to being more strategic in their thinking linking organisational culture, required behavioural factors, structure of the organisation and resourcing the organisation with an appropriate set of competencies (Sparrow and Hiltrop, 1994; 1997; Farnham, 2010; Bratton and Gold, 2007). The role and responsibilities within this are presented as a set of activities or roles, to resource the organisation with suitable people, identify and meet training needs of the employees, ensure
employee welfare and employee relations are positive, ensure the working environment is safe and to ensure that there is an awareness of current workplace legislation.

Importance is placed on the need to develop people and the belief that management is something that can be learnt (Sparrow and Hiltrop 1997, Farnham, 2010), there is an emphasis on involvement and engagement, communication and fostering interpersonal skills such as managing people and maintaining a positive employee relationship. Motivation and formalised performance management systems are also seen as being an important element of people management (Farnham, 2010; Marchington and Wilkinson, 2012). The concept of teamwork is also considered to be an essential element of the behavioural context required within the organisation which is aligned with the unitarist concept (Farnham, 2010; Marchington and Wilkinson, 2012). A teamwork mentality is about having a “workgroup or unit with a common purpose through which members develop mutual relationships for the achievement of goals and tasks”. Therefore, teamwork or the concept of a team mentality assumes there is cooperation and a coordination of effort by those working together, and linked to ensuring a common cause, a culture of encouragement of problem solving with autonomy to enable this type of behaviour, which therefore requires the right type of managerial or leadership behaviour which would enable this type of behaviour (Farnham, 2010).

3.7. HRM in Europe

It has been argued dependent on management theory stances, that national culture makes constraints upon management theories. These constraints affect organisational culture itself (Sparrow and Hiltrop, 1994; Hendry, 1991; Hofstede, 1993;2005; Hofstede et al., 2010). As Hofstede argued, there is really no such thing as ‘universal management theories’ or ‘management practices’ (Hofstede, 1993 cited in Sparrow and Hiltrop, 1994). The concept of
a European Model of HRM remains a contested subject area requiring a considerable amount of examination and understanding as every European country has a different historical and legal inheritance and therefore a different cultural make-up. However, much work has been undertaken to determine or recognise patterns of practice and attitudes to the management of human resources across the nations of Europe.

As discussed earlier the Baltic States appear to have aligned themselves more with a European identity than ever embracing the ‘Soviet way’ (Alas and Rees, 2005) and it has been mooted this enabled the political landscape, to move more quickly than in other parts of the former Soviet Union (Smith, 1990). McCauley (2001) described the Baltic States as a ‘success story’ of the post-soviet era giving reason for success being they retained elements of their original constitutions, political parties and market economies; historically and culturally they looked outwards to central and northern Europe. But the question is what differentiates European HRM from that of the US? Brewster (1993; 1995) identified a so called ‘fifth model’ or ‘European’ model of HRM which is a simplistic view, as discussions around cultural differences would support. The US is perhaps unusual in relation to ‘its’ cultural background and this is supported by Trompenaars (2003) who contends that the US is actually not ‘typical’ in relation to the rest of the world. It is as individualistic culture and more oriented towards achievements than other nations and countries. The US is considered to be, and has the ensuing culture of a land of opportunity that rewards success with a culture of individualism and entrepreneurialism. This is perhaps lacking within most parts of Europe and therefore, the characteristics of the nation are mirrored in practices and nature of the HRM practices and the ethos that exists (Scholz and Muller, 2010; Vuontisjäae, 2006).
US culture is more individualistic and oriented toward achievements than other countries (Hofstede 1980a; 1980b; Hofstede and Hofstede, 2005; Hofstede et al., 2010 Guest, 1990). Guest (1990) suggests there is an assumption of freedom and autonomy in business ventures peculiar to the US and there exists an overall assumption to ‘stand on your own two feet’ which is definitely not linked to a welfare mentality, or indeed consideration of strong cohesive social network needs.

It has been established that much seminal work on concepts of HRM were done within the US, but these looked to challenging practices within Japan and the Pacific. European theory as it developed was arguably rooted within the US ‘ideal’ which formalised around the notion of organisational autonomy (Brewster and Larsen, 2000). Different commentators observed and argued for different regional groupings within the overall ‘European mix’. There was a distinction made between an open, relaxed and passionate culture of southern Europe and the contrast of the more constrained, logical and ordered culture of the north.

Three groupings suggested are the Nordic, Central and Latin/Mediterranean (Usinier, 1992). But Spyropoulos (1996:14) argued that there is a difference between ‘countries where freedom of association and collective bargaining rights are effectively ensured by legislation which is common in most of the northern and central European countries where direct participation is viewed more positively and countries where rights are absent or less effectively protected as found in some southern European countries.

Another way of differentiating HRM is by Germanic, Anglos and Francophone. Germanic is depicted as a well-oiled machine, Anglos, as more a village type market and Francophone as a pyramid where management is concerned. A more simplistic categorisation is by Hofstede
(1980) who clustered European countries as Nordic; Anglo; Germanic; more developed Latin; less developed Latin and Near Eastern. Brewster and Larson (2000) pointed towards these classifications having enough similarities identified to argue there is a Northern European category as opposed to other European countries and therefore worthy considering separately and a distinct northern European style of management. Brewster and Larson’s view considers HRM as an efficient mixture sold over the counter to cure all illnesses or people problems of any organisation. It is clear that more consideration needs to be given to existence and nature of different ‘clusters’ of practice (Cook, 2014) and a consideration of these is given in the following pages.

3.8. European Clusters of Practice

Further to the above discussion, Nikandrou et al., (2005) undertook some research that is a continuation of this theme. It included eighteen different European countries and considered their contextual paradigms and how they influence the practice of human resource management. Factors were economic, technological, political, social, cultural and ideological. It was contended that the European form of HRM was affected by these varying contexts and had internal variations amongst various clusters of countries and external uniformity compared to the rest of the World (Brewster and Larsen, 2000; Larsen and Brewster, 2000; Mayrhofer et al., 2000). Again, Latvia was not included within this study, neither were any of the Baltic States, however self-identification with having a Northern European identity⁹ may be of interest within discussion of the findings. Various commentators have identified differing ideas to these classifications, as would be expected they have some similarities (Brewster and Larsen, 2000).

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⁹ Chatham House Rules (chathamhouse.org.uk – accessed 17/05/2010) When a meeting, or part thereof, is held under the Chatham House Rule, Participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.
2000; Larsen and Brewster, 2000; Mayrhofer et al., 2000). As Kippenberger and Gould (1998) noted in relation to any consideration of US or UK approaches to people management, they have had less impact within Europe.

First, according to work by Ignajatovic and Svetlik (2002), there are four different HRM models to be found within Europe:

- The Central Southern cluster with the management supportive model
- The Eastern cluster with the management focused model
- The Nordic cluster with the employee focused model: and
- The Western cluster with the professional model

Ignajatovic and Svetlik (2002) identified these HRM models following comparative studies which focused on similarities and differences among European countries using 51 indicators from Cranet data. They further explained these different models could be representative of a North-West versus South-East cultural division as well as by distinctive socio-political regimes, which links into initial perceptions of the author following initial background research (Cook, 2012; 2014). They further hypothesized changes in HRM would be more drastic amongst countries of South and East Europe with changes being associated with the changes in social, economic, political and cultural level, which, given the recent historical context of Latvia is probably accurate.

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10 [http://www.cranet.org/home/Pages/Default.aspx](http://www.cranet.org/home/Pages/Default.aspx) ‘Cranet’ is an international network of business schools around the world which conducts a survey of HRM, enquiring into policies and practices using a set of common questions. The survey takes place approximately every four years.
The question pursued within this work and by many commentators has been around ‘how’ and ‘will’ changes that have taken place within Europe cause various streams of people management to converge into a single model of human capital? (Sparrow and Hiltrop, 1997. It may be the Single European Market is a unifying force, however, as Sparrow and Hiltrop (1997) contend, this is a simplistic view and that different areas and countries of Europe are not becoming similar, but in fact learning to collaborate and their work has seen recognition and exploration of differing influences which have informed this researcher’s direction within this work, such as institutions, business structures and HR roles which mould their people management practices. Their work explores the idea of ‘Four Forces of Diversity’, and US and the UK approaches to people management have had less impact within Europe than in the US and UK. These ‘forces’ sustain and in some cases increase the differences within Europe and reflect different and divergent assumptions and mind sets that concern the essence of managing people. The forces of diversity reflect areas of management where assumptions are expressed.

The first and second are effective management and what people believe: and what defines effective management and this feeds into decisions made about recruitment, training and development. These have a flow-on effect with regards to the rest of the organisation. Sparrow and Hiltrop (1997) identify three better known European cultural traditions with regards to management and how it is perceived in relation to what defines it. These are: Anglo-Saxon, Germanic and French. A description of these three perspectives is as follows:-

(a) Anglo-Saxon cultural tradition treats management as something that can be learnt, with emphasis on communication and interpersonal skills, i.e. managing people. This is in
line with encouraging teamwork, seeking and building involvement, engagement of employees and seeking ways of motivating.

(b) Germanic cultural tradition values the entrepreneur and formal authority. A manager ensures technical skills and functional expertise are highly regarded. This is a masculine form of management, authoritarian yet hands on.

(c) French cultural tradition is based on an educational system that pre-dates and is accredited with having shaped the rise of industry. The French model expects managers to be intellectually qualified elites. Well-developed powers of analysis, rather than the ability to communicate and motivate, are valued and actively sought in managers.

The effectiveness of managers and their subordinates varies widely. Least effective in performance management, for example, are those in Portugal, Spain and in Greece, with Britain and Italy not much better. Sparrow and Hiltrop (1998) conclude the following:

(a) Fair Pay – in Europe, there are varied perceptions about motivation, the links between reward and performance and what is considered to be a fair pay system. Executive bonuses within the Netherlands and France for example, are rarely more than 10% of salary, whereas in the US bonus payments can be several multiples of basic salary.

(b) Organisation Structure – the extent to which people accept uncertainty and workplace power as inequalities impacts the choice of organisational design. Companies with formal hierarchies are present in France, Belgium and Turkey, where decision taking tends to be centralised. Whereas in Denmark, Sweden, Austria and Ireland, it is characterised by low power differentials and decentralisation.
Sparrow and Hiltrop (1998) highlight when actual business structures and their differences, there are various recipes presented concerning how to do business and these vary widely across Europe. These are influenced by factors such as organisational life expectancy, state ownership and fragmentation of industry sectors. These influence ways in which organisational modify their people management in response to being members of the European Single Market and whether they follow all European Directives and edicts (Sparrow and Hiltrop, 1998).

Employment levels, for example, in Greece, Spain and the United Kingdom are particularly susceptible to changes in business structures, whereas business structures in Germany are more durable and less influenced by external pressures. Employees in both the public and private sectors in Scandinavia and The Netherlands undergo similar training that leads to the same professional qualifications, whilst the two sectors in Spain and Italy have totally independent training (Sparrow and Hiltrop, 2008)

The third consideration is Institutional influences where numerous institutional factors combine to create each distinctive context. They include ways in which pay and working conditions are negotiated, power of the financial sector, variety of national education and training, and degree of state intervention generally. Taxation and social security arrangements also make their mark on the work relationship. There is also the question of how simple it is to make someone redundant and how incentives are taxed, and this limits Anglo-Saxon type performance management techniques. Also labour legislation varies widely in the amount of protection it offers employees or employers (Sparrow and Hiltrop, 1998).

The last consideration is the Human Resource Management function, which varies from one country to another, and according to Sparrow and Hiltrop (1998) is notably different within
areas of how human capital is perceived or valued, extent to which HR managers sit on the main board, their role, and training and career paths of the HR specialists, whether HR specialists are in-house and how many line managers are responsible for people management. With HR career paths for example, is there a legalistic mind-set? Or is the mind-set less formal and similar to that of the Anglo-Saxon way.


A number of commentators have considered a ‘cluster approach’ in an attempt to identify models of HRM within Europe. There are a number of differing conceptual thinking’s. Ostroff (2000) for instance argued that there are five (5) HRM systems present within Europe. The ‘Comprehensive’ system makes an attempt to utilise all HRM practices, the ‘Involvement’ system or type of management with practices which emphasise increasing employee skills and endeavours to involve their workers. The ‘Traditional’ system is focused on practices which are aimed at hierarchical type monitoring and control, the ‘Identification’ system which makes little use of most HRM systems, except for practices which are aimed at identification to the organisation and commitment, and ‘None’ systems, which speak for themselves and need no explanation.

Becker and Huselid (1996) undertook cross industry research with an argument that identified four (4) clusters of HRM practices: ‘personal’; ‘alignment’; ‘compensation’ and ‘high performance’. Whilst these have been categorised as more of a systems approach, they can be described more simplistically as ‘commitment’ or ‘control’. Around the time of these deliberations, Lee and Chee (1996) added their argument declared their observations indicated
evidence of four (4) clusters consisting of ‘contingent player’; ‘information sharer’; ‘weak trainers’ and ‘low involver’, all of these are self-descriptive and need little elaboration.

It is argued, these categorisations fail to reveal consistency of patterns with regards to Human Resource Management practices and ensuing cultures, yet in evaluating these ‘clusters’ along with the work of others, there appears to be some consensus of conceptual categorisation of ‘employee skills’, with emphasis based on attracting and developing the workforce, ‘motivation’, with ‘empowerment’ linking practices into achievement and maintenance of enabling worker voice and tolerating and even encouraging influence. However, as noted by Wright and Bosswell (2002) whether these categorisations will hold up under empirical scrutiny remains to be seen. Below is a snapshot of general characteristics of HRM throughout Europe, although it is accepted it could be argued as generalistic, it has been drawn together by considering various typologies and arguments of commentators discussed above.

Table 2 Clusterisations of HRM practices and paradigms

<table>
<thead>
<tr>
<th>Western Cluster or Anglo-Saxon Model – The Professional Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
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<tr>
<td><strong>France</strong></td>
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</tbody>
</table>
Managers expected to be intellectually qualified elites
Well-developed powers of analysis rather than the ability to communicate and motivate
Formal hierarchies

<table>
<thead>
<tr>
<th>Switzerland</th>
<th>Market orientation</th>
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</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>High degree of outsourcing</td>
</tr>
<tr>
<td></td>
<td>Professional model</td>
</tr>
<tr>
<td></td>
<td>Management can be learnt</td>
</tr>
<tr>
<td></td>
<td>Communication and interpersonal skills important</td>
</tr>
</tbody>
</table>

| Netherlands     | Management can be learnt |
|                 | Executive bonuses rarely more than 10% |
|                 | Manipulative orientation to HRM in line with market positioning and business positioning |
|                 | Emphasis on Communication |
|                 | Interpersonal skills important |
|                 | Managing people |
|                 | Bonuses can be high |
|                 | Formal hierarchies |

**Eastern Cluster – Management Focused Model**

<table>
<thead>
<tr>
<th>Cyprus</th>
<th>Management focused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>Low power differentials</td>
</tr>
<tr>
<td></td>
<td>Decentralized structures</td>
</tr>
</tbody>
</table>

**Nordic or Northern Cluster – Employee Focused Model**

<table>
<thead>
<tr>
<th>Norway</th>
<th>Focus on development and training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>Employee focused</td>
</tr>
<tr>
<td>Denmark</td>
<td>Involvement</td>
</tr>
<tr>
<td>Sweden</td>
<td></td>
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**Central Southern Cluster – Management Supportive Model**

<table>
<thead>
<tr>
<th>Slovenia</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>Internal Orientation</td>
</tr>
<tr>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td></td>
</tr>
</tbody>
</table>
Czech Republic

Italy

Limited use of sophisticated HR systems and methods

Slovenia

Internal orientation

OTHER CLUSTERISATIONS

Germanic

Values entrepreneur; formal authority; functional expertise highly regarded; masculine form of management; authoritarian yet hands on

Francophone

Educational system accredited with having shaped the rise of industry; expects managers to be intellectually qualified elites; well-developed powers of analysis rather than the ability to communicate; skills of motivation highly valued

Synthesis of European characteristics of HRM. Adapted from the works of Ignajatovic and Svetlik (2002); Sparrow and Hiltrop (1997); Lee and Chee (1996); Ostroff (1992); Becker and Huselid (1996); Brewster and Larsen (2000); Larsen and Brewster, 2000; Mayrhofer et al. (2000); Kippenberger and Gould (1998); Usinier (1992); Hofstede (1980); Scholz and Muller (2010); Buontisjäjaeci (2006); Trompenaars (2001).

By considering clusters of practice with Europe it provides a framework for analysis and comparison of findings.

3.10. Transition and residealism in Central and Eastern Europe

Differing regions of central Europe are quite disparate and unique, therefore, it is not expected that a Western European model of HRM be conceptualised, or indeed an Anglo-Saxon paradigmatic model. Discussions so far indicate divergent forces shaping individuality of each region, such as culture, degree of industrialisation, influences of religion, post-communist reformation of political framework, heritage and other forces at play which may influence human resource management paradigms. It appears there will be the emergence of diverse responses to challenges which are congruent with the culture, social and economic development, political and historical nature of Latvia.
Cases that exist with regards to research within the Baltic regions and other post-soviet countries within Eastern and Central Europe are now considered. Although these cases do not tell the full story, they enable a ‘patchwork’ effect to be built of conditions that existed leading up to and immediately following independence, some of which are mirrored within Latvia.

The majority of organisational activity within these countries were public sector and therefore the civil servant mentality could be argued to be instrumental in the results.

3.10.1. The case of Estonia and Finland

With Estonia, Rees et al. (2005) found there was a negative impact of the centralisation of service delivery which existed under Soviet times. As with all communist states and countries, the administrative system was politicised with loyalty to the cause being of high priority. Ideological control existed over personnel decisions (Sootla and Roots, 1999) with civil servants having no specific status or indeed any social guarantees subject to the general Labour Code. This was coupled with what can be termed selective implementation of legislation as staff depended to a large extent on their supervisors with their opinions took precedence over legal norms. Sootla and Roots (1999) described the civil service system as an example of a system which was steeped in spoils, patronage and nepotism.

The civil service of the communist days was populated with people who had entered at an early age. They tended to be allocated their role which was at a relatively low level within the hierarchy and then proceeded to spend most of their working lives within the civil service (Martin, 1999; Randma, 2001). There was little mobility between jobs and employers with employment security and immobility very hallmark of the Soviet labour policy (Fey et al., 1999). There were artificial constraints placed upon employees such as a need for a permit to live in a particular town, the issue of housing allocation through their employers, which leads
to limited room for career progression, which decreased any stimuli for people to work hard and progress (Fey et al., 1999; Martin, 1999).

Estonia and Finland, are neighbours on the Baltic Sea and are both small from the perspective of inhabitants. The total population as reported by Vanhala et al., (2006) is around 1.5 million in Estonia and 5.3 million in Finland. Both of these countries are Finno-Ugric ethnic linguistic background. Finno-Ugric refers to a group of people within Europe who speak Finno-Ugric languages such as the Finns and the Estonians. Finland is considered a typical Nordic welfare state and is mooted to be one of the top countries in the World in terms of economic and human development (Vanhala, 2006). Finland, in contrast to Estonia was one of the first eleven (11) member countries of the European Union and adopted the single European currency.

Whilst Estonia was independent a couple of decades before the Second World War, they were under occupation for fifty years gaining independence in 1991. Under Soviet rule Estonia enjoyed a more developed economy and a higher standard of living than most parts of the Soviet Union (Hoag and Kasoff, 1999). Therefore it is contended that Estonia is one of the most successful Eastern European and former Soviet Union countries in making the move from command economy to a modern liberal democracy and free market economy (Vanhala et al., 2006). This research explored strategies and policies of HRM with the strategic role of HRM investigated by considering the role of the head of the HRM function, HRM involvement in strategy development process and existence of a written HR strategy.

They talk about the ‘stratiginess’ of HRM and studied some of the differences between public and private organisations. Results within Estonia found findings indicating ‘stratiginess’ was

higher in private companies than public organisations within all of these three criteria, which was almost the opposite of the results found in Finland which showed public organisations have higher figures in the existence of a written HRM strategy and the involvement of the HR manager in strategic development, this is typical of Scandinavian organisations, however, it has to be acknowledged the short time span within the Estonian organisation to adopt accepted ‘HRM thinking’ and to create HRM systems, the change from the communist régime with no recognisable HRM to the so called era of strategic HRM reported by Vanhala (2006) was quite remarkable.

Within both of these countries, the written mission statement and corporate strategy are more common than the written HR strategy, the written mission statement was found in 59% of Estonian and 90% of the Finnish organisations. With HR policies, pay, benefit, training and development policies in both countries are the most common written policies. Equal opportunity and diversity policy is rarest within Estonia, being only found in 10% of the organisations. Training and development and employee communications are regulated in Finland by the Co-operation Act and equal opportunities by the Equality Act. With this background, the proportion of written equal opportunity and diversity policies can be considered relatively low (Vanhala et al., 2006).

Vanhala et al., (2006) discusses commonalities such as historical, geographical and ethnical/linguistic basis, and concludes that they have traversed different routes with regards to politics, economic policies and ideologies until the early 1990’s, which is similar to observations within this work. Finnish HRM can be traced to the first years following the Second World War when larger companies started to recruit specialised personnel managers (Vanhala, 1995). This ‘pioneering phase’ was also referred to as the ‘personnel policy phase’,
after which there occurred a transfer from ‘administration’ to ‘management’, followed by a move towards strategic HRM, decentralisation and devolution of HRM with increasing flexibility, and finally, the accountability demands. This has been a process of sixty years, whereas in Estonia, the history of HRM is totally different. During the communist régime, the communist dogmas, it is argued, compensated Western type thinking. The change in organisational management and HRM has been radical and rapid in Estonia in the 1990s, and this is especially true when comparing HRM, for instance, to that in Poland (Garavan et al., 1998) or other Eastern European countries (Ignatovic and Svetlik, 2003).

3.10.2. The Case of Croatia

Taylor and Walley (2002) when considering the collapse of the communist régime within Croatia discuss a period of ‘dramatic political and economic change’ felt across all the countries of Central and Eastern Europe. The change processes that took place involved lecturers and consultants from the West attempting to introduce ‘best practice’ human resource management and philosophies across these transitional countries and this has been confirmed within the initial work by this researcher (Cook, 2012; 2013). The work of Taylor and Walley (2002) concluded from within Croatia managers within the organisations included within their survey had mixed views towards new models of HRM which were put forward by what has been described as a Westernised ‘invasion of ideologies’ and associated policies and practices. Whilst they considered the old style of employment practices that relied heavily on nepotism, personal politics, friendship and past affiliation to be fundamentally unfair, and whilst they felt there was a need for a more progressive and effective recruitment, training and reward initiative type management which would promote equity within the workplace, they were quite dismissive to the newly introduced HR policies. Once these new style policies were put into practice they were “hi-jacked” by more traditional or perhaps fundamentally familiar elements and were then used in a subjective and personal way (Taylor and Walley, 2002). A number
of the respondents who were part of this research talked of there being manipulation of the policies, such as performance appraisal systems, by traditional forces to maintain the status quo.

There was also suspicion of what was referred to as the ‘mind-set’ control aspects seen as underpinning HRM, particularly in discussion of alignment of individual commitment to goals of the organisation, being seen as a form of ‘mind control’ which in many ways reflected socialist management practices rather than any Western management thinking. This gives rise to the suggestion that Croatian managers, they were better able to see and understand this aspect of HRM because of their recent history and experiences. This supports other commentary which argued that within Central and Eastern Europe, managers are likely to view management and the meaning of management of the organisation with distaste, as it reflects prior communist practice (Jankowicz, 1999). This led Taylor and Walley (2002) to reflect on their own learning within the study with the view that there were shortcomings of using Western management models that assume concrete experience and critical reflection on the part of their study delegates, and more importantly, to consider whether managers within this study had prior experience to match or bear out the theory and models could only be understood from an abstract conceptualisation.

3.10.3. The Case of Romania

This research was a longitudinal study undertaken by Constantin et al. (2006) which included two different samples of top managements mainly from North East Romania (131) taking place in 1999 and again in 2003 (427) with a total of 558. Their investigation aimed at studying managers’ political viewpoints to the area of HRM and identifying attitudes. They set out to study the characteristics of HRM where it was argued that management systems were traditional and based on the old system of centralised management, which it is contended does
not support the development of HR in any constructive way (Capital, 2004). The Romanian organisations were considered to be in some sort of competition to ‘catch up’ with Western European companies (Constantin et al., 2006) and Capital (2004) indicated that any integrated policies of HR were in fact non-existent.

The study suggests that Romanian managers were reluctant to encourage a modern approach to HRM practices and interestingly, it has been contended, Romanian state organisations were characterised by the ability to tolerate uncertainty and prone to what has been described as ‘bowing’ to the needs and whims of their superiors in order to receive rewards, which may have some elements of the ‘blat’ system involved, and innate behavioural perspectives which were familiar ‘friends’ within the communist system. Some commentators have argued that empirical experience points to the suggestion that Romanian managers were not encouraged to pursue promotion or advancement, and did not encourage a modern approach to human resource management and the conclusion that Romanian state companies were characterised by the ability to tolerate uncertainty as they were orientated towards pleasing or satisfying the needs of their superiors to receive their rewards (Constantin et al., 2006). An interesting finding from a manager’s perspective were reports of bad organisation of work and low motivation of employees, which has to go hand in hand with the above. This also included top level management, who were found to be part of the practice of a culture of low training of personnel and a general lack of initiative displayed. There existed a non-differentiated wage system and what has been described as inadequate leadership styles, with the practice of nepotism, low promotion within and an organisation where teamwork was non-existent. This indicates there was a low expectation in relation to what employees expected (Argyris, 1960 Rousseau, 1989; 1990; 2001).
### 3.11. Summary of Main themes and research questions

A general map of research showing the main commentators, themes and sources of ongoing research questions is shown in table 3.

**Table 3  General Map of Research showing main commentators, themes and source of ongoing research questions.**

<table>
<thead>
<tr>
<th>Main Commentators</th>
<th>Background Study</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Alas and Rees (2005)</em></td>
<td>A historical context of Latvia:</td>
</tr>
<tr>
<td><em>Alyanek (1999)</em></td>
<td>Main factors arising: -</td>
</tr>
<tr>
<td><em>Åslund (2007)</em></td>
<td>Personnel department were the eyes and ears of the communist partt and a major disseminator of party doctrine, selection and reward driven by politically motivated criteria as opposed to ability to do the job and employee files retained by personnel being dossiers of information on aspects such as personal life. Political affiliations, acquaintances’ comments and observations made concerning the regime documented and considered when making decisions on promotion or working lives (Tung and Havolovic, 1996).</td>
</tr>
<tr>
<td><em>Bakaitis (1996)</em></td>
<td>The approach to the transition followed the vision of evolutionary economists (Komai, 2000; Murrell, 1992) and economic sociologists (Whitley, 1995; Child, 1993; Whitley and Czaban, 1998) who contended the need for fast formal and legal changes (Soulsby and Clark, 2006). Any delay in transition was considered almost treasonable and gave the communist system a chance for survival or revival, therefore it was ‘rushed’ through, which would indicate insufficient thought given to the transition process and a nationalistic fervour for change.</td>
</tr>
<tr>
<td><em>Balabkins (1999)</em></td>
<td>Claims of antipathy towards Soviet style communism and that the people of Latvia did not view themselves as Soviet citizens, but rather they associated themselves with central and Western Europe (Alas and Rees, 2005).</td>
</tr>
<tr>
<td><em>Beard (2014)</em></td>
<td></td>
</tr>
<tr>
<td><em>Bureau of Democracy, Human Rights and Labour (2004)</em></td>
<td></td>
</tr>
<tr>
<td><em>Child (1993)</em></td>
<td></td>
</tr>
<tr>
<td><em>Delery (1998)</em></td>
<td></td>
</tr>
<tr>
<td><em>Delery and Doty (1996)</em></td>
<td></td>
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<tr>
<td><em>DfID (1999)</em></td>
<td></td>
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<tr>
<td><em>Felhûne and Mits (2001)</em></td>
<td></td>
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<tr>
<td><em>Freeman (2014)</em></td>
<td></td>
</tr>
<tr>
<td><em>Gorbachev (1991)</em></td>
<td></td>
</tr>
<tr>
<td><em>Henry (2014)</em></td>
<td></td>
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<tr>
<td><em>Holy (1996)</em></td>
<td></td>
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<tr>
<td><em>Huselid et al (1997)</em></td>
<td></td>
</tr>
<tr>
<td><em>Komai (2000)</em></td>
<td></td>
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<tr>
<td><em>Lieven (1993)</em></td>
<td></td>
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<tr>
<td><em>Lipinsky (1994)</em></td>
<td></td>
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<tr>
<td><em>McCaulley (2001)</em></td>
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<td><em>Meissner (2001)</em></td>
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<tr>
<td><em>Mills (1998)</em></td>
<td></td>
</tr>
<tr>
<td><em>Morely et al (2009)</em></td>
<td></td>
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<tr>
<td><em>Murrell (1992)</em></td>
<td></td>
</tr>
<tr>
<td><em>Orenstein (1994)</em></td>
<td></td>
</tr>
<tr>
<td><em>Orlov (2015)</em></td>
<td></td>
</tr>
<tr>
<td><em>Plakans (1995)</em></td>
<td></td>
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<tr>
<td><em>Purfield and Rosenberg (2010)</em></td>
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<tr>
<td><em>Rislakki (2008)</em></td>
<td></td>
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<tr>
<td><em>Scholz and Bohm (2008)</em></td>
<td></td>
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<tr>
<td><em>Smith (1990)</em></td>
<td></td>
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<tr>
<td><em>Sneidere (2005)</em></td>
<td></td>
</tr>
<tr>
<td><em>Soulsby and Clark (2006)</em></td>
<td></td>
</tr>
<tr>
<td><em>Tulik and Alas (2003)</em></td>
<td></td>
</tr>
<tr>
<td><em>Tung and Havolovic (1996)</em></td>
<td></td>
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<tr>
<td><em>Whitley (1995)</em></td>
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</tbody>
</table>

Talks of the control dominated Soviet era having left a shadow on practices of management (Tulik and Alas, 2003).
Persistence in research to ‘lump’ Latvia with Estonia and Lithuania referring to them as the ‘Baltic States of the former Soviet Union’ (Morely et al., 2009).

Russian being treated as a non-official foreign language by the then Latvian President Valdis Zatlers (1999) denoting again the nationalistic nature of the public sector and the wish to distance themselves from Soviet connections.

A significant tension in the philosophy of management of people within the employment relationship encompasses significant patterns of individualistic and self-interested behaviours and inherited from the Communist regime and in part may be inherent feature of the culture (Mills, 1998)

Themes: - Residualism and Trust

Periodisation

An exploration of the accounts of HRM ideologies from a Soviet perspective prior to independence. This gave a framework for reference and analysis for how ideologies and practices had changed during transition. Elite interviews provided information for the ongoing analysis of ‘periods’ post-independence and also informed the questions asked within the online survey. This gives a reference point on which to consider changes.

Typologies of ‘Periodisation of HRM within Soviet States’ illustrated in Table 1.

Elite interviews to further explore and inform next level of research. Questions used were broad, open-ended questions which sought to invite detailed discussions around the topic. Topics were the situation and practice, ideologies around and perceptions of people management at the time of independence, during transition and at the time of the interviews.

Themes: - Transition strategy
  - Trust
  - Periodisation

This also informed questions relating to trust in online survey.
Social Capital and Blat

Banfield (1958) 
Borgatti and Foster (2003) 
Bourdieu (1983) 
Campeanu-Sonea et al (2010) 
Christoforou (2003) 
Granovetter (1974) 
Halpern (2005) 
Kaarianainen and Lehtonen (2006) 
Laužikas and Dailydaite (2012) 
Ledenva (1998) 
Lin (2001) 
Portes (1998) 
Putman (1994) 
Rydin and Holman (2004) 
Van Oorschot and Arts (2004) 
Wallace and Pichler (2012)

Exploration of the concept that social capital works by overcoming collective action problems and reducing the cost of social transactions by bridging any ‘structural holes’ that might exist within society (Rydin and Holman, 2004).

Question: - how much of the persistence of this behaviour has inhibited development or coloured the nature of HR practice.

Connections within networks not necessarily equal and assumptions put forward that it focuses on positive aspects of sociability and casts aside the less attractive features and hardships of society (Portes, 1998).

Bonding ties can inhibit change, and adaptation is considered to be a ‘trusted’ source, is stifled, therefore any change can happen in society and therefore within the organisation (Wallace and Pichler, 2007).

THEMES: - Trust  
Residual Behaviour (Residualism)

Infomed questions relating to trust and behaviours in online survey.

Human Resource Management

Amah and Ahiazu (2011) 
Bamberger and Meschoulam (2000) 
Boxall (1992) 
Bratton and Gold (2007) 
Budhwar and Debrah (2001) 
Burawoy (1985) 
Carey (2002) 
Drucker et al (1996) 
Edvinah and Ahiazu (2013) 
Farnham (2010) 
Farnham and Horton (2000) 
Farnham et al (2005) 
Fowler (1987) 
Gill (1999) 
Hendry and Pettigrew (1990)

An exploration of the philosophies and approaches to the management of human resource management to aid and inform understanding and ongoing research.
Kaufman (2001; 2002)
Kaufman (2002); Walton (1985)
Legge (1995)
McShane and Von Glinow (2003)
 Miller (1987)
Monks (1998)
Noon (1992)
Pool and Mansfield (1994)
Sisson (1999)
Sparrow and Hiltrop (1994)
Storey (1989)
Straus (1998)
Townley (1994)
Truss et al., (1997)
Vaughn (1994)
Walton (1985)
Wells (1993)
Wright and Boswell (2001)
Denison (2007)

Convergency Theory

Adler et al. (1986)
Brewster et al. (2004)
Delaney and Huselid (1996)
Delery and Doty (1996)
Gooderham and Brewster (2003)
Kerr et al. (1970)
Kidger (1991)
Laurent (1983)
Rowley and Benson (2002)
Sparrow et al. (1994)
Tregaskis et al. (2001)
Trompenaars (2010)
Trompenaars and Hampden-Turner (1993)

Raises the question of whether managerial practices and HRM are becoming more similar or if they are in fact maintaining their nationally and culturally based dissimilarities (Brewster et al., 2004; Adler et al., 1986; Sparrow et al., 1994; Vanhala et al., 2006).

Deep seated and fundamental differences argued to exist between European countries which mean either that there will be continuing divergence rather than convergence in HRM practices (Brewster et al., 2004).

Cultural differences have a high level of importance when considering this question both at National as well as organisational level (Hofstede, 2010).

Organisations are culture bound and there are no universal answers (Hofstede, 1980; 1991; 1994; 2010; Laurent, 1983; Trompenaars and Hampden-Turner, 1993; Trompenaars, 2010).

The Westernised culture of HRM, as typified by US culture is more individualistic and oriented toward
Exploring Cultural perspective in general and from a Russian perspective

A discussion of various approaches within the field of HRM of universalist and prescriptive approach versus a more pragmatic, situational based perspective. Argued that situational approach is appropriate. Leads into exploring the work of various cultural commentators.

Feeds into the debate as to whether the whole ideology of HRM is embedded within an Anglo-Saxon paradigm of how people should be managed and that the notion of HRM is embedded in the US culture, therefore leads to questions and appropriateness (Sparrow and Hiltrop; Hofstede, 1980; 1991; 1994; 2010)

Nationality is important as it has symbolic value to some along with the identity which is devised from it. Also psychological perspectives and thinking being partly conditioned by national cultural factors. This effects early life experiences within family, educational experiences and organisations (Hofstede, 1983).

Different values, forms of identity and institutions, all rooted in history being formed over the years through experiences and stages in a nation’s life (Hofstede, 2010).

Latvian people never really integrated into the Soviet system and ideologies and maintained an occupied mentality throughout (Alas and Rees, 2005; Heuttinger, 2009; Manning and Poljeva, 1999).

Heuttinger (2008) suggests that superiors are there to lead and not to be one of the team. Their task is to lead and give directions, thereby cutting down on uncertainty and maintaining a strong power distance relationship within working environment.

Themes: - Residualism
             Power Distance
These themes form part of the questions for the online questionnaire along with more focused questions arising from discussions of Europeanisation and Clusterisations of practices and ideologies.

This discussion leads to a consideration of HRM practices within a European perspectives in order to further develop knowledge and build theoretical framework for ongoing primary research.

**Europeanisation**

The concept of a European model of HRM remains a contested subject area, but enough commentators have explored it to give it credence as a point of reference.

Lead into a more focused discussion and exploration of clusters of practices being synthesised.

Called the ‘fifth model’ or ‘European’ model of HRM but argued to be too simplistic and a view which is supported by discussions around cultural differences (Brewster, 1993; 1995: Trompenaars, 2003).

Regional Groupings proposed within the European mix (Usinier, 1992; Spyropoulos, 1996; Hofstede, 1980; Brewster and Larson, 2000).

Gave reference points in exploring the process of transition and ongoing journey within the Latvian public sector. The question being we can know where they have transitioned from, but what have they transitioned into?

Themes: - Cultural Differences in transition
Clusterisation

The culmination of this discussion is shown in Table 2 (Clusterisations of HRM practices and paradigms) which illustrates the typologies of these clusterisations. This informed many of the questions to be asked in on-line survey and linkages of these questions can clearly be seen when comparing the survey questions against these typologies.

Themes: Transition
Clusterisation

Exploration and discussion of Research in other post Soviet States

There was a period of dramatic political and economic change which involved lecturers and consultants from the west attempting to introduce ‘best practice’ HRM and philosophies across transitional countries (Taylor and Walley, 2002).

Dismissive and distrustful of any new models of HRM describing it as ‘a Westernised invasion of ideologies’ and their ideologies’ and associated practices. Even though it was generally felt that old style employment practices, which relied heavily on nepotism, personal politics, friendship and past affiliations to be fundamentally unfair, and even though they did feel a need for change, there was considerable amount of distrust of any newly introduced HR way (Taylor and Walley, 2002).

Reports of any ‘new’ ways of management being ‘hijacked by more traditional and fundamentally familiar elements and talk of manipulation of policies, such as performance appraisal systems, by traditional
forces in order to maintain the status quo. (Taylor and Wally, 2002).

Suspicion expressed of what was referred to as the ‘mind-set’ control aspects that were seen as underpinning the ‘new way’ and being seen as a form of ‘mind control’ and being related to socialist management practices rather than any western management thinking (Jankowicz, 1999).

Management viewed with distaste, as it reflects prior communist practice (Jankowicz, 1999).

Orientated towards pleasing or satisfying the needs of their superiors in order to achieve their rewards (Constantin et al. 2006).

Themes: - Trust Transition Convergence theory Residualism

This informs questions within the online survey.

The main research themes identified and the research framework are illustrated in these two tables.

Table 4 Main Research themes identified

\[
\begin{array}{c}
\text{Convergence Theory} \\
\text{Transition} \\
\text{PERIODISATION} \quad \text{TRUST} \quad \text{RESIDUALISM} \quad \text{SOCIAL CLUSTERISATION CAPITAL}
\end{array}
\]

Table 4 specifies the theoretical lens employed with regard to the focused literature review summarised in table 3. This specifies what has been achieved in the literature review by
informing the core phenomenon of interest and the gaps. More importantly Table 3 shows how the literature has actually served as a generative mechanism for the empirical work and how it has actually informed what has been done empirically according to the research framework and levels of research in table 5.

### 3.12. The Research Framework

Table 5 Levels of Research

<table>
<thead>
<tr>
<th>LEVEL OF ANALYSIS</th>
<th>ANALYSIS OF</th>
<th>SOURCE OF DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>MACRO</td>
<td>National Culture</td>
<td>Literature</td>
</tr>
<tr>
<td></td>
<td>Socio-political</td>
<td>Elite Interviews</td>
</tr>
<tr>
<td></td>
<td>Socio Historical</td>
<td></td>
</tr>
<tr>
<td>MESO</td>
<td>Latvian Public Sector</td>
<td>Literature Review</td>
</tr>
<tr>
<td></td>
<td></td>
<td>On-Line Survey</td>
</tr>
<tr>
<td>MICRO</td>
<td>Individual perceptions and views</td>
<td>On-Line Survey</td>
</tr>
<tr>
<td></td>
<td>Individual behaviours</td>
<td></td>
</tr>
</tbody>
</table>

Table 5 outlines how the research incorporates and implicitly integrates a “level of analysis” approach in the research as the theoretical arguments and the subsequent empirical work according to macro (national/cultural), meso (soctoral/organizational), and micro (individual).

### 3.13. Summary

The literature around periodisation provides an interesting and salient start to this review since it gives insight to work surrounding HRM from a Soviet perspective. It shows persistence in the role of HRM or the ‘cadre’ as low skilled, influenced by political-ideology, accountancy monitoring and control (Svetlik et al., 2007; Vanhala, 1995; Skorobagatov, 1981; Kamušič,
This is an important place to start, because as noted by Brewster et al., (2010) although we know where these former Soviet states have transitioned from, it is not clear where they are transitioning to (p.147). There is little work that considers this from a Latvian perspective. It cannot be expected that all former Soviet States will have changed radically, or indeed consistently (Brewster et al., 2010; Whitley, 1990). When changes have been as radical as these within the ‘macro’ environment, there may be little initial control of events.

Add to this the existence and reliance of social networks or ‘blat’ as a form of social capital which had a “durable network of institutionalised relationships” consisting of coping mechanisms, giving solutions and aid to each other within their own networks to system induced problems and these present two issues of interest (Lin, 2001; Wallace and Pichler, 2007). As described by Ledeneva (1998) it had developed into a quiet resistance against the official system and made life bearable. It was part of the fabric of ‘being’ and operating in a social system whether in a family or societal network. To what extent have the ‘bonding ties’ inhibited radical changes in management thinking through transition? Social capital is based on ‘trust’ particularly trust in social network, family networks and other societal groupings form a survival network based on commonality whether status or situational (Wallace and Pichler, 2007; Lin, 2001). These suggest behaviours, values and relative ‘comfort zones’ of behaviours and these are apparent in the periodisation literature and discussions on ‘blat’. There are also present clear values and understandings of what management and HRM are, what they stood for, how then has this ‘remnant’ of past behaviours transferred to today’s behaviours?
Mapping and studying changes to management within Europe is of contemporary interest to researchers, and as reported by various commentators, there is a paucity of literature and research within the individual Baltic States. The states in question are typically treated as an entity in themselves (Heuttinger, 2008; Vadi and Meri, 2005; Brewster et al., 2010). The review of the literature has done little to address these gaps. The work on Convergence theory has focused study on the convergence versus divergence debate, namely around whether systems within Europe are becoming more similar, or maintaining nationally and culturally-based dissimilarities (Brewster et al., 2004; Adler et al., 1986; Sparrow et al., 1994; Vanhala et al., 2006). The debate suggests convergence is inevitable, but divergence views cannot be ignored such as nationality, cultural and organisational context (Brewster, 2004; Vanhala, 2006) which corroborates this research. There are two theoretical foundations of Universalistic and Contingency thinking (Delery and Doty, 1996), universal truth or contingency approach.

The discussion around HRM gives form to understanding some argumentations and historical bias of the inception and development of people management, leading into invariable discussion of the importance of cultural perspectives. Here we explore universalist and prescriptive approaches versus a more pragmatic, situational based approach to managing people (Hofstede, 1991; Hofstede et al., 2010; Hofstede and McCrae (2004). There is some debate regarding the ideology of HRM being embedded within an Anglo-Saxon paradigm of how people should be managed. If we prescribe to the pragmatic, situational based approach then we need to consider the arguments presented in the Convergence versus Divergence debate (Brewster, 2004; Vanhala, 2006).

The literature on culture provides interesting debates particularly when discussing nationality or regionality and the different values, forms of identity and institutions being firmly rooted in
history, through occupations, wars and so on (Hofstede, 2010). Within this debate there is mention of the importance of identity, nationality and the distinctive psychological make-up of peoples of any one nation, composing a mix of attitudes, emotions, values, what motivates and what does not. All this it is contended is reinforced by language, family life, education, the state and by media (Goodstein, 1981; Hall, 1976). The work of Bollinger (1994) in Russian society informs us from a Soviet perspective.

The literature concerns Europeanisation, clusters of practice and adaptation or transferal of HRM into a European context. It explores critical differences and core assumptions between US ideological models and Europe (Brewster, 2004). It provides a backdrop to the study and a frame of reference and analysis when considering the conceptual framework for research. The questions are raised within this and other research of ‘how’ and ‘will’ the changes that have taken place in Europe cause the various streams of people management to converge into a single model of human capital? (Sparrow and Hiltrop, 1997; Brewster, 2004; Vanhala et al., 2006).

Employee behaviour is identified as an important element for exploration as it affects the shape of organisational transformation. Trust is an important element, along with the ‘old’ ways of dealing with social networks and ‘blat’. According to Pearce (1991) there has to be consideration of whether some behaviours that exist are tenacious cultural residuals from the old regime.

The literature review is pragmatic in nature, in order to participate in the current theoretical conversations. It enables the research to explore current parameters of conversations enabling
recognition of gaps in theorising as well as ways in which data can give a different, or more nuanced story (Bryant and Charmaz, 2007).

The following chapter considers and explores the research methodology of this investigation which is essentially a grounded mixed methodological pragmatic study.
4. Research Methodology

4.1. Introduction

The previous chapter presented background research and discussion of the theories relevant to this study as well as the analytical framework. The purpose of this chapter is to add to this by presenting how the work was carried out with an explanation of the research design and strategy. This study is based on the ontological assumptions that the practice of HRM, people management or personnel management is influenced by each nation’s cultural and political idiosyncrasies and historical contexts thereby and the convergence theory embodies these views, there was a need to identify and explore the most significant influences that have shaped HRM within a European context and the importance to understand this from an individual national level (Brewster et al., 2004). The research concerns a contextual paradigmatic view of HRM (Brewster et al., 2010; Brewster, 1999; Moreley, 2004; Brewster et al., 2004) and explores the contextual factors, or surrounding antecedents that shape HRM within the case study of the public sector in Latvia as it has transitioned from pre independence to the end of this study which was in 2012. The public sector as a case study was chosen as it is argued that there is a level of continuance from pre-independence to present times.

A pragmatic mixed methodological interpretive phenomenological approach is used which explores aspects such as behaviour, perspectives, experiences and feelings (Atkinson et al., 2001; Marshall and Rossman, 2006) as well as exploring the historical and cultural contexts of HRM. Using a case study of the public sector allows the researcher to explore an organisation that has continuity from pre independence to its more contemporary setting and enables this research to build upon theoretical models in a grounded theory approach (Marshall and Rossman, 2006). The research explores the macro, meso and micro environment to this case study which encompasses the interactions between state and society from a broad perspective
including the historical, individual ‘behaviours’ that are embedded in every day social practices and shape or constrain individual behaviour and perceptions. Therefore the epistemological question being an enquiry into the nature of the relationship between the knower or would-be knower and what can be known? The answer that can be given to this question is constrained by the answer already given to the ontological question and not just any relationship can be postulated. A ‘real’ reality is assumed, then the posture of the knower must be one of objective detachment or value freedom in order to be able to discover ‘how things really are’ and ‘how things really work’ (Guba and Lincoln, 2005). Therefore the epistemological position that the meaning of social action is subjective (Bryman, 2001) meant that the researcher should adopt a research methodology suitable for the interpretation of social action and this is associated with qualitative research (Neuman, 2003). Given the nature of the research, which is a case study, and the length of time the research took, accessibility to the organisation was an issue. Therefore, a pragmatic approach to research was needed which complements the use of mixed methodology (Remenyi et al., 1998). The intention has been to explore and seek to understand the holistic context of human resource management, therefore a ‘realism’ grounded theory approach has been used.

4.2. Research Aim and Objectives

“An exploration of the nature of transition of the Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia”.

The objectives of this research are to explore the following questions:-

a. Critically evaluate and explore the contextual factors affecting the practice of HRM and its development in relation to the management of the employment relationship.
b. To explore both the socio-political and socio-historical factors in order to compare and contrast with the development of prevalent cultural considerations both early post-independence and those prevalent at present.

c. To consider to what extent any residual behaviours and paradigms in relation to the pre-independence times are still apparent and how this has permeated into organisational practices.

d. To consider the value of this research from both an academic as well as an organisational perspective.

4.3. **Grounded Theory**

Grounded Theory methodology is recognised as a valid methodological approach when studying aspects such as social change, social interaction, perceptions and behaviour (Glaser and Strauss, 1967). While quantitative methods can be useful for testing a hypothesis, where theories are missing, or they are outdated, it is important to use a methodology that can ‘aid’ in developing new theories from empirical data (Bryant and Charmaz, 2007). Glaser and Strauss (1967) offer a methodological framework for ‘emerging’ theoretical work which supports the notion of allowing the research to continually evolve as a result of data collection, with questions being informed by the theory as it is emerging. It is therefore not a ‘static’ process, but rather a dynamic one. Grounded Theory is a systematic qualitative data analysis approach, allowing for flexible and versatile data analysis techniques which in the case of this research, has consisted of the collection and constant analysis of past historical literature, contemporary literature, elite interviews and a questionnaire survey. Grounded theory methodology approach involves the research in moving in and out of the data collection and analysis process. This is known as an ‘iteration’, with grounded theory involving multiple iterations (Bryant and Charmaz, 2007). The following offers a framework for this work.
The use of grounded theory prescribes an inductive way of generating categories based on empirical data and calls for the use of different coding processes, which implies abstracting and relating categories to each other in data analysis. This is the coding process (Strauss and Corbin, 1998) and throughout this research different categories have been identified which have enabled the data to be compared and analysed. Various conceptual frameworks have been developed using synthesis of background research, which has then informed the elite interviews which has then informed the survey/questionnaire, being analysed and further built upon as the data has been collected. According to Marshall and Rossman (2006) it can be “messy, ambiguous, time-consuming, creative and fascinating” (p.154). It has not been a particularly ‘neat’ process. But in the ‘true spirit’ of qualitative data analysis, it has been a search for general statements, relationships and themes. Researchers have warned against the use of grounded theory as an emergence procedure (Goldkuhl and Cronholm 2010) and they further warn that it does not necessarily provide a strict process in relation to the inductive way of analysing data. However, this research takes the view of Glaser (1992) that conceptualisations should emerge instead of being forced through with the use of pre-existing theories. Whilst a
theoretical lens of ‘convergence’ theory has informed, or guided this research’ the concepts, frameworks and theories have been allowed to be formed or discovered.

Similarly to Goldkuhl and Cronholm (2010) it is argued that the inductive way of working with data is a major strength when using grounded theory as it allows for theory to be developed or build upon. It is a specific style with a pragmatic approach to research allowing for the use of multiple data sources as shown in the above figure. Throughout this process this researcher has explored, identified various categories for data coding which have then enabled the data to be compared and analysed (Bryant and Charmaz, 2007). Glaser (2002) notes the aim of using grounded theory cannot be used to invent concepts, but to discover them in the material as they relate to latent patterns that are brought to light by carrying out constant comparative method (Glaser, 2002:2).

4.4. A Case Study Approach

Within this study there are many issues that have required consideration, including voice, agency, power, researcher sensitivity, need for protecting the identity of participants and how the research is represented. Cresswell, 1998:58 describes a case study as an ‘exploration of a bounded system … over time’ which can use ‘multiple sources of information’ resulting in different products or outcomes. A case study therefore is located in space and time on which data is collected and analysed in order to relate to a type of phenomena or to enable theory to be built (Hammersley, 1992:184). It is a particular type of phenomena that the research has set out to study. It is ‘an empirical inquiry that investigates a contemporary phenomenon within its real life context, especially when the boundaries between phenomenon and context are not clearly evident’ (Yin, 2003:13). Stake (2005) suggests that a case study is defined by ‘interest
in the individual case, not by the methods of inquiry used’ (p.43). Stake (2005) makes the point that when using a case study methodological approach’ all you perhaps need to do is to ‘capture’ the stories of the participants “that these are like shells on a beach, waiting to be picked up” (Stake, 2003:20). The commentary and data from the elite interviews are an example of this ‘capturing’ of the stories to be told in order to ‘aid’ and enhance understanding and build understanding of the phenomena that is the transition of the public sector.

The use of case study approach has been criticised as lacking rigour and objectivity when compared with other social research methods (Rowley, 2002). It has therefore been important to articulate the research design and the implementation. Eisenhardt (1989) notes the use of case studies are particularly suited to new research areas or those where there is little existing theory, or that which does exists is inadequate. It can enable theory building in little known areas and are useful for the ‘how’? And ‘why’? questions, exploratory, descriptive or explanatory research (Rowley, 2002).

Yin (2014) identified three conditions that need to be considered when contemplating using a case study approach. These are the type of research question posed, the degree of focus on contemporary as opposed to historical events and the extent of control the researcher has over actual behavioural events. When there are difficulties or constraints around access, then a history is the preferred method, direct observation of events was impossible, therefore past accounts and writings of commentators were valuable and essential (Yin, 2014). When studying more contemporary factors then the use of a case study methodology is useful.
According to Yin (1994:13) a case study is a design that “investigates a contemporary phenomenon within its real life context especially when the boundaries between the phenomenon and context are not clearly evident.

This statement by Yin (1994) emphasises that an important strength of cases studies is the ability to undertake an investigation into a phenomena in its context, in this case it is the public sector. It is not necessary to replicate the phenomena in a laboratory or experimental setting in order to better understand that phenomena. Case studies are therefore a valuable way of looking at the world around us and can be based on any mix of quantitative and qualitative approaches.

4.5. Research Strategy

A strategy has been described as a road map which acts as a plan for undertaking a systematic exploration of the phenomenon of interest, the research methods then being the specific tools for conducting that exploration (Marshall and Rossman, 2006:56). Yin (2008) proposed that the way to determine a sound research strategy is to first determine the research question and this is shown in the table below. There is a need to determine if it is seeking to describe the incidence of a phenomenon or to seek to explain a social phenomenon. Finally, is the phenomenon historical or contemporary? The author proposes that it is exploratory as well as being explanatory, in that it is seeking to explore and also to have some explanations of what is essentially a social phenomenon which is related to both the historical and the contemporary. Care is needed in matching research questions with the intended and eventual strategy. The work of Marshall and Rossman (1994) was useful in exploring this.
<table>
<thead>
<tr>
<th>Purpose of the Study</th>
<th>Research Question</th>
<th>Research Strategy</th>
<th>Examples of Data collection Techniques</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPLORATORY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To investigate little understood phenomena to identify / discover important variables to generate hypotheses for further research</td>
<td>What is happening in this social program?</td>
<td>Case Study</td>
<td>Participant observation</td>
</tr>
<tr>
<td></td>
<td>What are the salient themes, patterns, categories in participants’ meaning structures?</td>
<td>Field Study</td>
<td>In-depth interviewing</td>
</tr>
<tr>
<td></td>
<td>How are the patterns linked with one another</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EXPLANATORY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To explain the forces causing the phenomenon in question.</td>
<td>What events, beliefs, attitudes, policies are shaping this phenomenon?</td>
<td>Case Study</td>
<td>Participant observation</td>
</tr>
<tr>
<td></td>
<td>How do these forces interact to result in this phenomenon?</td>
<td>History</td>
<td>Historical Literature</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Field Study</td>
<td>In-depth interviewing</td>
</tr>
<tr>
<td>To identify plausible causal networks shaping the phenomenon</td>
<td></td>
<td>Ethnography</td>
<td>Survey / questionnaire</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Document Analysis</td>
</tr>
<tr>
<td><strong>DESCRIPTIVE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>What are the salient behaviours, events, beliefs, attitudes,</td>
<td>Field study</td>
<td>Participant observation</td>
</tr>
</tbody>
</table>
To document the phenomenon of interest

structures, processes occurring in this phenomenon

Case Study

In-depth interviewing

Ethnography

Document analysis

Unobtrusive measures

PREDICTIVE

Who will be affected?

Experiment

Survey questionnaire (large sample)

To predict the outcomes of the phenomenon

In what ways?

Quasi-experiment

Kenesics/procemics

To forecast the events and behaviours resulting from the phenomenon

Content analysis

In simplification of the above, the following is an outline of the research strategy:

Table 7 Simplification of the research strategy

<table>
<thead>
<tr>
<th>Research Phase</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Background Research</strong></td>
<td>To give a grounded understanding of the historical context.</td>
</tr>
<tr>
<td>• Background literature</td>
<td></td>
</tr>
<tr>
<td>• Accounts from pre-independence</td>
<td></td>
</tr>
<tr>
<td>• Historical accounts via academic work</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To explore previous understandings and socio-</td>
</tr>
</tbody>
</table>
The research took place over a number of years. The following gives the timeframe of the research.
Table 8 Timetable of Research

2007/2008 - Background literature and accounts from pre-independence from Baltic and other Soviet States – to give a grounded understanding of the historical context. This enabled the exploration of previous understandings and socio-historical and socio-political settings.

2008/2010 - A series of elite interviews to further expand on this knowledge and also to develop a framework going forward. This informed the research direction and also added to the theoretical concepts and frameworks identified and explored within the background study. This facilitated an exploration of the macro-influences upon the study giving in depth and causal explanations of patterns of behaviour and policy. During this time negotiations for access to the public sector organisation initial permission given to enter the workplace and observe, interview later rescinded following a change in government and security levels.

2008/2012 – Literature Review – Research Objectives further developed, a priori construction and relationship study.

2009/2010 – Elite Interviews carried out – starting with contacts made in prior research on diversity. This was purposeful sampling or snowball sampling (networking) as it was necessary to include people with experience of the phenomenon being studied. The first interviewee guided this researcher and initiated contact for the next interviewee enabling deeper penetration of knowledge, experience as well as seniority.

2010/2011 - Following the elite interviews (pilot study) an initial qualitative analysis carried out which then formed the basis for the in-depth case study.

2011 – Renegotiate access to the organisation due to change of government and security levels.

2011/2012 – Online survey/questionnaire carried out. Results harvested at the end of 2012.

Data was coded as it was collected which allowed for the development of emergent theory to explain data. Through the coding, the researched defined what was happening in the data and explored the meanings and connectivity of data. As argued by Charmaz (2014:113)
“Coding is the pivotal link between collecting data and developing an emergent theory to explain these data. Through coding, you define what is happening in the data and begin to grapple with what it means”.

4.6. Elite Interviews

Elites can provide an overall view of an organisation’s policies, histories and plans (Aberback and Rockman, 2002; Bennis and Nanus, 1985; Marshall, 1984; Odendahl and Shaw, 2002; Thomas, 1993; Dexter, 2006). This may well be from a particular perspective with regards to these commentators’ approaches to their research, for instance in interviewing religious or political leaders may be an obvious example as in the study by Bennis and Nanus (2003) in which they interviewed ninety (90) corporative executives, which might be argued to be excessive. Less obvious examples include interviews with gang leaders, union bosses or tribal chiefs. Those who have studied management would acknowledge that some leaders may well be camouflaged within the organisational context, and if the political and social history of Latvia is considered from the independence bedding-in phase, this may be worthy of more than just a passing consideration in future studies in this area. For the purpose of this research the profiles of the ‘interviewees’ is given below.

A characteristic of elite interviewing, as argued by Dexter (2001). In the standardised interview, the typical survey, a deviation tends to be handled statistically; but in an elite interview, an exception, a deviation or an unusual interpretation may suggest a need for revision, a re-interpretation, an extension or a new approach to be taken within the research focus or data gathering. When carrying out elite interviews it cannot at all be assumed as if in a typical survey that all persons being interviewed are of equal importance. For example, in interviewing members of the state legislature, most of the members may give this or that
answer, but it may be only a few members give the ‘insightful’ answer because they both know and can articulate how things actually were or are, or have actually been done. They may provide an insightful backdrop to a situation of history.

A main characteristic of elite interviewing, as argued by Dexter (2001) is that in the standardised interview, the typical survey, a deviation tends to be handled statistically; but in an elite interview, an exception, a deviation or an unusual interpretation may well suggest there is a need for revision, a re-interpretation, an extension or a new approach to be taken within the research focus or the ongoing gathering of data. When carrying out elite interviews it cannot at all be assumed as if in a typical survey that all persons being interviewed are of equal importance. For example, in interviewing members of the state legislature, most of the members may give this or that answer, but it may well be that only a few members give the ‘insightful’ answer because they are the ones who both know and can articulate how things actually were or are, or have actually been done. They may well provide an insightful backdrop to a situation of history.

Table 9 Elite interview respondent profiles

*Care has been taken not to identify these individuals*

Basic details of respondents in elite interviews

| Respondent 1. | AS | Educated at University of Latvia 1987 – 1993  
2003 to present day various posts within Government / Public Centre including Ambassador and within Chancery of the State President. |
Various Roles including Professor, lecturer, HR Manager and Executive HR Director |
| Respondent 3. | BS | Professor within University of Latvia 1999 – to present  
Senior research – University of Latvia 1990 – 2012 |
Various roles including working for United Nations Latvian Ministry of Welfare  
Private Sector Lecturer / Academic |
| Respondent 5. | GM | Educated within Latvia |
Various posts held in Industry and within the University of Latvia

**Respondent 6. HA**
Educated in Latvia
Stockholm School of Economics and University of Latvia
Chairman Owner of Large Private Sector Organisation

**Respondent 7. EM**
Educated in Latvia
Professor at BA School of Business and Finance

**Respondent 8. BS**
Educated in Latvia and US
Returned to Latvia early 90’s
Senior Management in Private Sector

(It should be noted that the extent of the bio-graphical data must maintain anonymity)

The above table does not give an indication of the ‘order’ in which these interviews were carried out. The next in the series of interviews relied on ‘purposeful’ approach, first gaining access to someone that would, it was felt, give a meaningful interview and insight into the phenomenon and being then introduced or recommended to the next contact, which enabled the ‘contact’ and ‘introduction’ to what could be difficult people to gain access to. This ‘snowball’ sampling can be used in studies where it is essential to include people with experience or insight into the phenomenon being studied (Bryant and Charmaz, 2007).

When interviewing elites there is an element of disadvantage. For instance, it may be difficult to gain access, as indeed it was. There is also a consideration of the “do-ability” of the proposed research design. Interviewing elites presents an element of disadvantage, not only that of accessibility, they are of course busy people who operate under demanding time constraints, but also there may well be a need to adapt the planned structured approach to interviewing, based on the wishes and predilections of the person being interviewed (Marshall and Rossman, 2006). They are probably used to being interviewed by press and other media and may well be very sophisticated in the way they manage the interview process (however, this is not the exclusive domain of the ‘elites’ and others may well possess this sophistication). There is the danger that the interviewee can turn the interview around and take control. Interestingly, Marshall and Rossman (2006) argue that elites often respond well to open questions that allow
the freedom to use knowledge and imagination and this presents an opportunity that needs to be exploited. Also, elites can place great demands on the ability of the interviewer to demonstrate and establish competence and credibility by displaying knowledge of the topic, or lack of knowledge by projecting an inaccurate conceptualisation of the problem or situation, or failure to utilise thoughtful questions. But this can be tempered with the recognition that elites can contribute insight and meaning to the interview through their perspective and of course background knowledge and understanding of the phenomenon otherwise unknown or understood by the researcher (Marshall and Rossman, 2006; Bennis and Nanus, 1985; Odendahl and Shaw, 2002).

Given the background of Latvia, as discussed earlier, it was deemed important the views of the people such as business leaders, government officials and academics be taken into account (Sparrow and Hiltrop, 1994; Dexter, 2006), and this type of interviewing leans heavily towards anthropological and applied anthropological research rather than from other professional groups. People in important, or exposed positions, are termed as elite and it is acknowledged that they may require VIP interviewing treatment upon topics which relate to their importance or exposure (Reisman, 1964). Reisman purports that it is about interviewing of anyone who may have enhanced knowledge or position, and stresses the word ‘any’ since this interviewee is given special, non-standardised treatment, which stresses the interviewee’s definition of the situation, encourages the interviewee to structure their account of a situation and lets them introduce a considerable extent of his or her own notions of what they regard as relevant, instead of relying upon the investigator’s notion of relevance.

A characteristic of elite interviewing (Dexter 2001) is in the standardised interview, the typical survey, a deviation tends to be handled statistically, but in an elite interview, an exception, a
deviation or an unusual interpretation may suggest there is a need for revision, a re-
interpretation, an extension or a new approach to be taken within the research focus or data
gathering. When undertaking elite interviews it cannot be assumed like typical survey that all
persons interviewed are of equal importance. For example, in interviewing members of State
Legislature, most members may give a certain answer, but it may well be only a few members
give an ‘insightful’ answer because they are the ones who both know and articulate how things
actually were or are, or have actually been done. They may provide an insightful backdrop to
a situation of history (Dexter, 2001).

The questions used were broad, open-ended questions which allowed the focus of the interview
questions to invite detailed discussions around the topic. By creating open-ended questions the
respondent was encouraged to give unanticipated statements which allowed the stories too
emerge (Charmaz, 2014).

4.7. Survey Questionnaire

Questionnaires, in the way they are constructed, their content, and the way they are
implemented, have a number of strengths and weaknesses that need to be discussed. One of
the strengths mooted is usually a familiarity with questionnaires by respondents, which enables
them to approach and complete them (Blaikie, 2001). To a certain extent this concerns
maintaining a distance from people being studied, and resistance to any form of personal
disclosure or emotional involvement by the researcher, and is largely practised in the belief it
will ensure that objectivity (Blakie, 2001). However, what constitutes objectivity, and why it
must be achieved is related to the epistemological assumptions such as whether the research is
from the positivism or critical rationalism approach that has been explicitly adopted. In this
instance the questionnaire is used as one vehicle to collect data, and is part of a mixed methodological approach and therefore the research in total cannot claim to be purely from the positivism or critical rationalism approach (Blakie, 2001; Marshall and Rossman, 2006).

Where it has not been possible for the researcher to be ‘completely native’ the use of questionnaires to reach a valid sample size to support any empirical explanations, then the questionnaire is a useful tool and Webb et al., (1966) describe this as using a ‘non-reactive research’ vehicle since the researcher is able and expected to observe or gather data without interfering in the on-going flow of everyday events. In deciding to use questionnaires to a sample of a population, to learn about the distribution or characteristics, attitudes or beliefs, the research makes one critical assumption, that a characteristic or belief can be described or measured accurately through self-reporting. In using the questionnaire the researcher relies on the honesty and accuracy of participants responses (Marshall and Rossman, 2006).

The strengths of surveys, including their accuracy, generalizability and convenience with their accuracy measurement being enhanced by quantification, replicability and control can be generalised to a larger population within known limits of error and they are amenable to a rapid statistical analysis which allows comparative ease of administration and management (Marshall and Rossman, 2006; Webb et al., 1966). Marshall and Rossman (2006) however indicate their weaknesses and argues they are of limited value in examining complex social relationships or intricate patterns of interaction, and their strengths could also be their weakness, as although controlling accuracy, a survey cannot assure without further evidence that the sample represents a broader universe.
In order to avoid weaknesses and build upon strengths, great care is needed in designing and implementing. It should strive for a relatively universal understanding of its contents and ideally a 100% response rate. The questions in the survey have grown from constant data analysis and identified themes and codification throughout the research process which captured the researcher’s emergent ideation of substantive and theoretical codes and categories (Bryant and Charmaz, 2007). These themes are represented within the chapters of the literature review and form the basis of the findings and discussion of this work.

A survey needs to strive for maximum response rate, the access afforded to this researcher at this stage was restricted to on-line survey with a link on the extranet for staff to follow, along with a message from the researcher explaining the research (questionnaire in appendix 1). Some 84 responses were collected which provided good statistical evidence.

4.8. Triangulation

There have been numerous debates on the merits or demerits of qualitative and quantitative methods (Webb et al., 1966; Douglas, 1976; Tashakkori and Teddlie, 1998). The idea of combining methodological approaches has a number of ‘handles’ associated with it, some of which are ‘multiple operationalism’ (Webb et al., 1966) ‘combining operations’ (Stacey, 1960), ‘mixed strategies’ (Douglas, 1976), ‘linking data’ (Fielding and Fielding, 1986) and ‘mixed methodology’ (Tashakkori and Teddlie, 1998). It is not the researchers intention to enter into the connected literature on these views or arguments, and this serves purely as an acknowledgement of their existence. It is also acknowledged that many of these combinations are argued to be not legitimate for ontological reasons, whilst others are considered appropriate when used with ontological sensitivity.
The concept of triangulation was introduced into the social sciences by Webb et al., (1966) and further developed and debated by Denzin (1970). The debate has been around the need for sociologists to employ multiple methods in order to analyse empirical events from sufficient angles. There are different types of triangulation, and Denzin (1970) has distinguished four forms including ‘data triangulation’, which entails gathering data through several sampling strategies with slices of data at different times and social situations, as well as on a variety of people ‘Investigator triangulation’ is when more than one researcher is used to gather and interpret data, ‘theoretical triangulation’, which uses more than one theoretical position when interpreting data and ‘methodological triangulation, with the use of more than one method for data gathering.

‘Methodological triangulation’ is the most common meaning of triangulation, according to Hammersley and Atkinson (1995:232) “there is a danger in adopting a simple minded view of triangulation, that is, that a combination of different methods and data will provide a more complete picture of some phenomenon, like taking photographs of an object from different points of view’. They note that ‘one should not, therefore adopt a naively ‘optimistic’ view that the aggregation of data from different sources will unproblematically add up to produce a more complete picture’. There is also the argument by Claikie (1991) that lip-service is paid to the use of triangulation, but in actuality few use it in its original conception of being a validity check, and that this, it is conceded, points to convergence being very rare. Also, it can mean many things to so many people, and therefore it arguably encourages a naïve view of ontology and epistemology.

Glaser (1992:443) poses the question of ‘how then can grounded theory accommodate critical theory …?’ Kushner and Morrow (2003) suggest that this can be done in the form of
'theoretical triangulation'. Within this research there has been ‘a constant grounding process at the level of data gathering and analysis, coupled with internal checks and constant comparisons in the terminology of grounded theory as well as the arguments which are based on ‘back and forth’ movement between questions posed. The argument is this gives a more objective and ‘correct’ position. But, as Bryant and Charmaz (2007) note that the position behind the process remains unclear when compared with existing descriptions, and although the strategy has potential it remains underdeveloped.

4.9. Use of Translation

The dictionary meaning of ‘translation’ is the process of changing something that is written or spoken into another language. Research is to do with making enquiry which involves people exploring and making sense of human action and experience (Reason and Rowan, 1981). This can involve a variety of approaches and methods. The elite interviews were carried out in the medium of English, as with most senior personnel, their English was excellent. The use of the on-line questionnaire needed different considerations as it could not be controlled. There is a certain randomness in who would be looking at and completing it, which is what was being aimed for. There was therefore a need to develop a ‘source language questionnaire’ which was fixed in English and finalised before translation began (Alwin et al., 1994).

The questionnaire (Appendices 1) was translated by a Latvian national and tested by two Latvian speaking nationals. It was found to be relatively straightforward and easy to understand. It was known that the translation would be needed and therefore a translator was identified from an early stage, payments and time schedules for translation was factored in (Harkness and Schoua-Glusberg, 1998).
The original meaning of the word translation is to “obtain … conceptual equivalence without concern for lexical comparability” (White and Braun, 1968:121). The process of developing a comparability of the interpretations or the meanings within qualitative research is very often influenced by researchers’ understanding and knowledge. It has to be recognised that questionnaire translation and its goals are to some extent under-defined and the criteria of the assessment remains unarticulated, and, it must be assumed, established on the basis of individual perceptions of ‘common-sense’ (Harnkess and Schoua-Glusber, 1998). The simplest and cheapest approach was to have one translator produce one translation in the traditional matter, by simply producing a translation to the best of their ability, which Sechrest et al., (1972) referred to as ‘direct translation’. The translator was a Latvian national and was paid a nominal fee for their service.

4.10. Limitations of the methodology

Grounded theory and its concept embraced in this research concerns action and interaction and the relationship of those to meso and macro social contexts in the pursuit of theory expansion or building, which is one of the key strengths of the methodology (Bryant and Charmaz, 2007; Straus and Corbin, 1990; Strauss, 1993). Systematic qualitative analysis creates its own logic and generates theory (Charmaz, 2014) and this aided the research in controlling the research process and increased the analytic power of this work (Bryant and Charmaz, 2007). To remain open to the emergence of theory can be one of the most challenging issues to those that are new to this methodological approach. It requires the researcher to enter the research field with no preconceived problem statement, and no interview protocols (Glaser, 1978). The extensive review of the literature review came part-way through the research, which called for the
researcher to remain open to exploring a substantive area and allowing the data to guide the emergence of the core themes.

The emergent nature of grounded theory building poses the question of when do you stop collecting data. As Bryant and Charmaz (2007) espouse, that ‘theoretical saturation’ can be an issue, however Glaser and Strauss (1967) purported stop when the ideas run out, when adding further data makes no difference. Theoretical sampling is conceived as an instrument for generating theory and not for investigation cases. However, some commentators do feel more consideration and refinement is needed to this methodology, as we can claim saturation but we cannot prove it (Charmaz, 2006). The nature of theory building comes with the chance that additional data might just ‘explode the theory’ (Glaser and Strauss, 1967:73). Hackman (1992) points out how this work was initially ‘shunned’ since it did not reflect mainstream research methods, and to achieve acceptance by staying close to the phenomena being studied, therefore research methodologies need to be based on the research question, and not vice versa.

There are some issues of ‘trust’ which may be a residual effect of the past and may be present now, which could have caused respondents to be unwilling to commit one way or the other to the survey giving neutral responses.

Chapter 5 presents the findings of the research overall and begins the process of discussion, which is further expanded in chapter 6.
5. Findings

5.1. Introduction

This chapter presents the data of a mixed methods pragmatic approach building upon theoretical models utilising grounded theory (Marshall and Rossman, 2006). It takes the view that the research question is of prime importance. It explores the macro, meso and micro environment of a single case study, the Latvian public sector. The focus of this research is transition and the main themes identified are that of periodisation, trust, residualism, social capital and clusterisation (table 4) Research aim and objectives are stated here again for ease of reference an understanding.

“To critically evaluate the nature of transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia”

The objectives of this research are:-

e. Critically evaluate the contextual factors affecting the practice of HRM and its development in relation to the management of the employment relationship in Latvian public sector.

f. To investigate both the socio-political and socio-historical factors to compare and contrast with development of prevalent cultural considerations both early post-independence and those present in Latvia.

g. To consider to what extent any residual behaviours and paradigms in relation to the pre-independence times are still apparent and how this has permeated into organisational practices in Latvian public sector.
h. To consider the value of this research from both an academic and organisational perspective within Latvian public sector.

This has been a single case study which has taken place over a long period of time, harvesting data at different stages it therefore can be argued to be a single case concerned with different points in time (Yin, 2014). Trends have been identified at differing periods over an elongated period of time. As a single case a background study carried out to minimize any chances of misrepresentation and to maximize access needed, these have been considered in the previous chapter.

The background study took place in the form of background literature and accounts from pre-independence from Baltic and other Soviet States (2007-2008) which gave a grounded understanding of the historical context and enabled previous understandings and socio-historical and socio-political settings (Marshall and Rossman, 2006). This gave greater understanding of the background of the case study being studied. What is of interest is the self-identification with Europe (Smith, 1990) and therefore a belief that they would cope well with the changes brought about by independence (McCauley, 2001) but also the report of Backaitis (1996:5) of a “warped understanding of the Western-type societal structure” believing that they would get all the ‘blessings’ of democracy but not lose any of the support structures that existed under Soviet rule. The work of Tung and Havolovic (1996) first brings up the question of ‘trust’ in authority, and in particular those entrusted with ‘personnel’ responsibilities, management and in particular the so called ‘red-managers’ and this is echoed by others (Rislakki, 2008; RT News, 2013; Felhûne and Mits, 2001; Purfield and Rosenberg, 2010).
Identified and discussed within the literature are the various periodisation’s depicting the differing ideologies and contextual paradigms existing prior to independence and these are shown in Table 1 and form the basis for theoretical development of these typologies.

A series of ‘elite interviews’ was carried out between 2008 and 2010 and the following represents these, considering first the time of independence and immediately following through to 2010. The ‘dialogue’ is presented under general headings as a ‘road map’ of the interviews. The view taken is that it is appropriate for people to tell their own story, which is the nature of elite interviews (Marshall and Rossman, 2006).

5.2. The time of Independence and immediately following

“…… the Soviet economy was already falling apart and it was just a matter of time [because we could just wait] ….. I mean proclaiming our independence for a year or two before the Soviet Union imploded economically….. before imploding politically which indeed happened in 1991 ” (ES)

“….. there was all these shortages of food – and it doesn’t matter if it costs next to nothing if it is not available [I mean things like that] it was not available in the shops, there was shortages in everything” (ES)

This gives some insight into the situation and conditions behind the decision to seek and declare independence. This respondent continued: -
“…… I would say at the beginning of the 90’s upon the restoration of our independence ….. I would say it was slightly chaotic ….”

“…… In most cases we had no public administration at all, the so call ministries were just branch offices of the soviet ministries in Moscow ….. In cases like the Ministry of Defence it didn’t exist at all…….”

This is supported by other respondents for example:-

“…… after 91 up to I would say 94/95 it was quite an empty period after ….. then you must it imagin it like the opening of wings ….” (AS)

“….Not so much of existing after 95 [HR] ….. it was a new development of a new kind” (G)

“…It was basically people who were interested in filing …. Meaning everything private research of the people ............ even now we do not know what was in these files .... We did not see ..... they reported to the manager of the public body......... we know now that it was very, very uh, interesting research ..... including all private things about the person, and it was nothing about the development of people …..” (G)

“ ... it maybe more about the ..... like working with the papers everyday not thinking strategically and nothing more, no skills, the persons were coming from military service
These comments speak of a time of a great deal of unrest, as well as a chaotic time with little or no direction which is unsurprising considering the ‘radical’ nature of the changes taking place (Taylor and Walley, 2002). The role of the ‘cadre’ is described quite vividly as having the role of monitoring and keeping dossiers demonstrating the connectedness to communist ideology and the nature of the work being routine and characterised by accounting and reporting as reported by various commentators (Svetlik et al., 2007; Skorobagatov, 1981; Tšižov and Tšurmantejeva, 1975; Kamušič, 1972 and Možina, 1975).

A particular telling and interesting narrative, from an anthropological perspective told of the militarisation of the economy, and in their own words:—

“The military, militarised the economy, it was producing quite a lot of weapons [military supplies] and less and less consumer goods, it was not sustainable, it was financed by much by the exports of raw materials and oil exports, with prices going down, the Soviet Union could not finance the war in Afghanistan, it was draining the economy, there were many things that were not [not good?] Exactly. It was one that that was not expected, the complete or near complete collapse of industry, but that industry was not sustainable anyway. Most of those advanced factories within Latvia, the large part of the production was military, they would produce on the one hand for example those telephone sets, which was one of two products for the whole of the Soviet Union, but at the same time they were producing the telecommunications systems for the military somewhere else….

And I mean ….. the cold war is over, the links with the rest of the Soviet Union are closed, and in many cases the system was that they were producing some components and they
were not knowing where they were going and not knowing in what kind of assembly they were being used. That was the kind of distribution network that existed in the former Soviet Union. Probably there were factories in Latvia that were producing components that were being used in ballistics but they did not know it and those components had no other use whatsoever” (ES)

Following independence there existed a period of chaos with a reported ‘purging’ of the system in the form of dismissing those that were considered to be unable or indeed liable to be unable to ‘fully’ embrace the new system and therefore there were questions with regards to their loyalty. This has been labelled as the ‘void period’ (1990-1991). During this time it was found that there were no formalised policies and procedures as far as managing people was concerned, it was also a very hard time as the ‘State’ sought to find its identify and to put into place a government and legislature along with the other functions of government. The Soviet support system was fast unravelling with regards to social support and a fast rising unemployment issue, which was completely ‘alien’ to this nation due to the organisations being traditionally over staffed and low tech and the overarching policies and philosophies of the ‘Soviet’ practices and support systems (Bakaitis, 1996).

5.3. The early years

“.... We established many areas of public administration from scratch, and in many cases we couldn’t take over the existing staff, as those we had in many cases, were completely disloyal to the new government and to the new parliament…… so in many cases we couldn’t just take over the existing staff” (ES)
“…. So we hire people from non NGO’s [non-government organisations] people with different backgrounds .... I mean .... In cases like the armed forces we had all sorts of anarchists, ..... we needed to do something about this ...” (ES)

And this set the scene to the background, a feeling of there being a lack of trust in all that was associated with the past régime. And so many exiles returned:

“... we had many Latvians returning [exile community] and many of them were prepared to take up some position within the public administration, including the senior ones and not least the language skills. Some of them were quite prominent” (ES)

“... a difficult time...” (BS)

“ ... we had to start from scratch and many fields that I can think of in modern times of personnel management .... Just were not there .... It was quite new to us” (BS)

“... They had no decision making things .... Something like that .... It was just papers in and papers out and this understanding of personnel and management means it was non-existent as far as I know” (AS)
Human resource management as such remained non-existent for a number of years, and even now it is debatable if this concept, or ideology of human resource management from a Westernised perspective is particularly accepted:

“..... it is only a word .... I don’t like human resource management, it is very technical and I don’t like the name” (G – ministerial, with the management of human resources as part of remit).

“...... OK, in our policy papers they use HR development system, but I hate it .... But this is not about people – Personnel is people, but human resources is resources, like computers...” (G)

The concept of human resource management was introduced into Latvia by mainly Western companies who established themselves within Latvia, bringing their ways of management with them. Late in the 1990’s formal associations of human resource managements formed, but these were mainly managers who worked for international companies, with a view of exchanging their knowledge and to learn from each other. At the time of the interviews, the membership was 250, mostly those working within the capital of Riga. But within the public sector, a programme was started to teach civil servants the different areas, including that of coaching others.

“.... In 1995, or something like that ... there was a project, a British Council project. People came from the United Kingdom, and one of them .... He started some kind of
feasibility study and to explain how our system works and how we could see this civil service managements, personnel management system in the future” (G)

“... the British Council promised us to have very good personnel managers [following this programme] ....”

“We developed a project of three stages. The first stage was that from Sunningdale School from England came a trainer in personnel management and they trained us ... we had some kind of competition between personnel managers here in Latvia ... we invited them who have a number English for training .... second stage .... People between twenty and twenty-five, who were trained in public administration by Sunningdale trained and after that we had the next competition between thirty five and we chose five to send to Sunningdale for two weeks to having training, and one of them was one of our trainers from our own school who then developed his own training skills to teach the next personnel managers” (G)

It was here that the question asked “have attitudes changed?”

“it was not a quick process....... the speed of the process very much depended on the organisation....... If the organisation had survived and already existed in soviet times, then in many cases it was as it was before and the changes were slower ..... the Western companies, as the established brought in their standards and the people had to do
it…….. they had to do it quickly because of the demands of the owners thinking, education and understanding of what human resources management was about” (AS)

“There were no human resource management posts at the beginning …. We copied the British system within the public services …. Something’s also were drawn from continental experiences as well – we separated the political branch and administrative branch and executive, so the ministers of course are all professional politicians and are appointed by parliament …..” (ES)

Labour law is a particularly interesting aspect, since it failed to keep up, or perhaps was just simply overlooked, with other more pressing issues considered first.

“Labour law was not changed until 2002, therefore what was in place was what had existed within Soviet times, it was people [employee] orientated and is even now”

“…… it is quite hard for employers, it is easier for employees …. The employer has to prove everything”

“…. There is an obligation to prove employer is right …. If the employee says the employer is wrong, it is then up to the employer to prove they are right” (AS)
Within Chapter one of this work and also within Chapter two the issues and difficulties around racial tensions have been discussed, and this has been very much supported here in that:-

“..... there was a barrier put up for Russian speaking to get citizenship, then obviously the ones that voted were Latvian, so....... You cannot participate in the elections, and therefore the members that get elected get elected by ...... well they are not representative of the whole nation ......” (GM)

They go on to say: -

“ ...... it is still quite difficult to get citizenship now, unlike Lithuania who in the early 90s gave citizenship to everyone, so there they started from scratch, so there were no violation of rights of persons and no segregation.......... the newer generation chose not to speak Russian, they speak Latvian because they learn it at school ........ the newer generation of Russian speakers, they learn Latvian, because they learn it at school, and Russian, a foreign language, French, German, so they actually should really have a better advantage, because in a small country like this you must speak Latvian, English and Russian for a majority of companies ..... but in the public administration ........”

5.4. Present Times

A question that came up was that of the continuing presence of ‘Blat’ and the non-monetary transaction between friends which was practised within the Soviet Union from about the 1930’s onwards (Ledeneva, 1998). This was essentially a form of bartering and dealer brokering in order to overcome shortages and deprivations of the time. But, as Ledenva pointed out, this
also originally affected many other practices such as legal and it is argued formed part of the system of ‘social capital’, this being a combination of bonding and bridging ties that exist within a network of ‘actors’ (Borgatti & Foster, 2003). Yet, the idea of ‘blat’ still existing brought out some interesting responses:-

“Does it still exist? .... Not in the same sense that it existed in the Soviet Union. But in a small country / society like Latvia, it is quite difficult to avoid in your professional contact either your family relations or some other acquaintances ....... in my case, I would say that I have many of my class mates from University in many high positions in different areas, I could just call them .... I mean it is the kind of social networking – I would say they would never ask me to do something that goes contrary to or in any way impedes my carrying out my professional duties, I would ask them to do something, it just facilitates information flow.....”

“... Then of course, we have in case of – probably in the case of recruitment, there is still the kind of subjective factor, this is the reference system – if there is a person whom I trust completely who is saying that a person x y or z is a good professional in their respective area, I would have probably more favourable look on him or her, rather than on somebody else who has no reference or reference that is less important for me, or tells less – this is one thing – so I can say that the so-called ‘blat’ system – first of all it was deficit driven – if there were shortages of everything then those favours were mostly of the material exchange.....”
“…. There was a kind of shadow economy which prolonged the life of the Soviet Union because in a way it tried to imitate a market economy – it compensated in a way – of course the next thing was that it was also very much controlled by the Communist Party – the blat system – and it involved the higher echelons of the Communist Party so – this one thing. Instead, I think what we have now is a kind of social networking, because also in case of the public administration, we have very rigid anti-corruption procedures”. (ES)

This was quite a strong reaction, and perhaps seeking to distance the present culture away from this system and practices. It does however; tend to show that there is still a strong sense of the ‘community’ or ‘network’ in play, being from ‘trusted’ sources.

Human Resource Management has perhaps changed considerably, however there is still strong evidence to suggest that the professionalization of this area is far from being recognised, particularly within the public sector. There are now policies and systems in relation to motivation, development, appraisal and more consideration of the strategic thinking that is needed in relation to managing people, but:

....it is very difficult to escape the responsibilities of top level managers in ministries because state secretaries are higher and our officials because they are responsible for everything including personnel management system institution and it depends how they work together…..” (G)
There are also the issues around the economic situation, and the role of HRM has of course been hit:

“…. If there are less people working for HR it shows that it is going more towards the administration ....” (AS)

But generally respondents reported that the role of the human resource management was not particularly considered to be a professional area and that most of the management and responsibilities laid with ministerial posts. The role of the HR person was predominately in administrative purposes.

5.5. Periodisation taken forward

The following figure seeks to further develop the work of commentators such as Svetlik et al., (2007); Skorobagatov, 1981; Tšižov and Tšurmantejeva (1975); Kamušič (1972); Možina (1975); Vanhala (1995); Kavran (1976) and Brekič (1983) in considering the ‘void’ period and the ‘emergent’ period.

Table 10 Periodisations within the Soviet Union / A synthesis of background research – pre Independence

<table>
<thead>
<tr>
<th>Period</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>1945 – 1960</td>
<td>Administrative-ideological period</td>
</tr>
<tr>
<td>1960-1970/80</td>
<td>Initiation</td>
</tr>
<tr>
<td>1970/80-1980/90</td>
<td>Pioneering</td>
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<tr>
<td>1990-?</td>
<td>Post Independence</td>
</tr>
<tr>
<td></td>
<td>• Staffing and administration</td>
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<td></td>
<td>• Pan-soviet interests</td>
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<td></td>
<td>• Centralised command economy</td>
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<tr>
<td></td>
<td>• Influx of Russian labour</td>
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<tr>
<td></td>
<td>• Mild period of thaw</td>
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<tr>
<td></td>
<td>• Moderate economic reforms</td>
</tr>
<tr>
<td></td>
<td>• Eastern block countries given more scope to develop local economy</td>
</tr>
<tr>
<td></td>
<td>• Increased efficiency and motivational systems</td>
</tr>
<tr>
<td></td>
<td>• Studies in personnel rare</td>
</tr>
<tr>
<td></td>
<td>• Reported to be the first inklings of modern HRM</td>
</tr>
<tr>
<td></td>
<td>• Labour costs disregarded with right to work a constitutional guaranteed right</td>
</tr>
</tbody>
</table>
Economy managed by communist Party

Organisations characterised by unitary administrative authoritarian standards

Influenced by political-ideological factors

Staffing characterised by accounting and reporting for various purposes of recruitment procedures

Application of strict working hours

Compulsory military service

Personnel department there to serve the state and to administer total control

Staffed by those with lowest qualifications

More of a demand for qualified workforce

Relative change in balance of power

Decrease in the instances of repercussions against workers

Mainly routine work connected to accounting activities

Staffing uncoordinated

Little or no employee planning, appraisals or qualification development for managerial staff

Personnel policy handled by the state

Introduction of enterprise works councils and commissions

Connectedness between personnel function and other business functions reported

Start of recognition of contribution to organisations aims

Focus of personnel function moving from specialists to the line managers

Personnel took role of advisors, lecturers and analysts

Still connected to Communist ideology

Adapted from the work of Svetlik et al., 2007; Skorobagatov, 1981; Tšižov and Tšurmantejeva, 1975; Kamušič, 1972 and Možina, 1975)

Based on the data from elite interviews the following period from 1990 to 1995 had the following characteristics and in adding to the above work proposes the ‘void’ period.
Table 11 Periodisation with the Soviet Union (a Latvian perspective) 1990 to 1995 and 1995 onwards

1990 – 1995 Post
Independence Based on research of author

‘VOID PERIOD’

- Period of chaos
- Purging of system to ensure loyalty
- Described as a ‘void’ with regards to any formalised thinking or existence of human resource management
- Open to Western influences, inviting consultants in to train and educate
- Move from labour control, record keeping and human accounting to concept of Personnel Management in mid 90’s
- Procedural
- Those that were exiled from the State start to return
- Still relatively low qualified

During this time, organisations were considering their positions, and how to compete in this ‘free-market’ economy, and with the public sector moving into a climate of public accountability, which meant there was a growing importance and consideration being placed on the management of the human resources. There was a conscious effort to move from labour
control and record keeping and human accounting. There was also some consideration with of the concept of ‘personnel management’ which did not exist, in the form, or the understanding of what was practiced within a Westernised context. Hereon is the question, of what did it, or has it, evolved into?

The practice of ‘personnel’ was reported by respondents to be still procedural and based on record keeping, however there were efforts to introduce more clarity of roles based on business and people needs as opposed to party needs. Those that were exiled from the State started to return, but in the early years of independence, those working within the ‘personnel’ function were still relatively low qualified and interestingly enough, given that these interviews took place in 2010. The term of HRM was greatly disliked by one ‘senior’ respondent, with policy making responsibilities at the highest level.

The period of ‘void’ which followed independence (1990-1995) had no semblance of order where HRM was concerned. With the ‘purging’ of the system, so many in authorities, both from the government and within organisations were removed and their loyalty was put into question. Despite reports by commentators, that it was believed that the former ‘red’ managers would embrace the new ethos of a Western-type society, (Balabkins, 1999), or indeed even that they would be allowed the chance to change, the belief being firmly that they could not, and also indicated the on-going mistrust of all that was related to the ‘old style’ of management. Many of the ‘red’ managers and those that were involved in the ‘cadre’ were removed from any positions of power. There were no formalised policies and procedures as far as managing people was concerned, and it was indicated by a number of senior respondents and by academics that it was a very hard time as the ‘State’ sought to find its identity and to put into
place government, legislature and other bodies that were needed to run the state and the supporting organisations. The situation with regards to overstaffing of the organisation, and the ability of many of the government run organisations to continue to exist was problematic at best, when you consider that many were fundamentally subjected to a ‘piecemeal’ methodological approach to Soviet industries, producing parts of the military hardware for the Soviet Government, with no one full ‘machine’ or item being made within one state, therefore on independence they had little commercial viability within the new order.

5.6. Main Themes identified

The literature research and these elite interviews informed the research going forward. They added to the typologies of ‘periodisation’ adding that of the void period with the main characteristics being a period of chaos, a ‘purging’ process and being open to Western influences. This added to the works of Svetlik et al., (2007); Skorobagatov (1981; Tšižov and Tšurmantejeva, 1975; Kamušič (1972) and Možina (1975). There was a move from labour control, record keeping and human accounting to the concept of personnel management in the mid 1990’s, the status was still relatively low in relation to qualifications. There is a lack of trust in all that is considered to be ‘linked’ to the past, yet, in considering the literature accounts and this elite interview data, there are various questions raised. To what extent has this ‘lack of trust’ shaped the HRM of today? How much of the residual behaviours and nature of management permeated into current practices and culture? Which is linked to the question on social capital and the possible continuing presence of ‘blat’. This ties in with the question around Western ideologies and understandings of practice, given the early presence of Western consultants, and the works of various commentators (Nikandrou et al., 2005; Larsen and Brewster, 2000; Brewster and Larsen, 2000; Mayrhofer et al., 2000; Kippenberger and Gould,
1998; Ignajatovic and Svetlik, 2002; Sparrow and Hiltrop, 1997) on the Europeanisation of HRM and the work about the cluster approach to classifications of HRM within Europe considering the main characteristics and ideologies (Ostroff, 2000; Becker and Huselid, 1996; Lee and Chee, 1996; Wright and Bosswell, 2002) (Table 2).

The main themes identified are all linked to Convergence Theory (Brewster et al., 2004) and the study of transitional journeys of human resource management in this case from the contextual paradigmatic view of HRM (Brewster et al., 2010; Brewster, 1999; Moreley, 2004). These are ‘periodisation’, ‘trust’, residualism’, ‘social capital’ and ‘clusterisation’, which give shape to this research. Periodisation has been explored and added to all ready with the addition of the ‘void’ period (Table 11) a consideration of later periodisations is considered later in this work. When exploring the work on ‘clusterisation’ of practices and ideologies of HRM from a Westernised as well as a European perspective the following sub themes have been identified ‘trust’, ‘strategic bias’ ‘strong management and control’ and ‘priority in training and development. The question to be pursued in all of this has to be “to what extent has convergence or divergence taken place and the clusterisation of HRM practices and paradigms” (Table 2 Clusterisations of HRM practices and paradigms) inform this analysis. The data from questions around these areas have been triangulated along with the data from elite interviews and literature research.

Background literature and accounts, literature research and the elite interviews informed the questions used in the online survey. The results are presented here with initial description with some commentary or posing of questions as they are presented by the data. Further discussion and evaluation is given in the following chapter. These findings are evaluated and compared to factors such as those by the work of Iganjatovic & Svetlik (2002), Sparrow & Hiltrop (1997),

5.7. Results of Online Survey

There were 84 respondents over a period of six months all of which were usable, which gave a considerable amount of time for people to participate. Access was negotiated with the government and managers, and this was the level of access granted, being the on-line survey (Appendices A). The results start with the usual bio-data.

Figure iii - Gender Split

<table>
<thead>
<tr>
<th>Respondents</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Male</td>
<td>19</td>
</tr>
<tr>
<td>Female</td>
<td>65</td>
</tr>
</tbody>
</table>

The above is self-explanatory and perhaps needs little to be said. There is clearly a big difference between male and female respondents. This was also noted by research carried out by Moss et al. (2008) which explored the phenomena of a high percentage of women within management in a European context. This was also noted in research by this researcher who having identified the high percentage of women within management and sought to explore the reasons behind and the uniqueness that this would bring to management.

Figure iv – Age spread of respondents
The figures as presented above show that there is a relatively small number of respondents over the age of 25 with 5 (6%) being in the 46-50 age bracket and 16 (19%) being aged 51 and above. It is thought that those over 51 are relatively senior, and may well be those that either survived or more likely those that returned to the State following independence as reported in elite interview data. However the statistics take a dip when considering those that are between 40 and 50 (14.3% in total) and again this may well support the reporting of the ‘purging’ and period of ‘void’ immediately following independence as identified in the background research and the elite interviews. These would have been between the ages of sixteen (16) and thirty (30) at that time. The much larger number being within the twenty-five (25) and under age group and those up to the age of thirty-five (35), which accounts for 50% of the respondents. A lesson to be taken forward here is that perhaps the age limit should have been taken up to retirement age in the snapshots. However, when you consider the range of this age bracket it is relatively low.
This shows that the length of service under five years is quite high, being 48.8% (41) between five and ten years 26.2% (22), 11 to 15 years 17.9% (15) and sixteen to twenty years being relatively low at 6.0% (5) and only 1.2% (1) at twenty years or more. The number of those serving over twenty years would tie in with the period of ‘void’ and the purging of the system.

If you add to this the statistics of age, 66.7% respondents being below the age of forty. Where then it has to be asked is the collective memory of the organisation during the occupation years?

Figure vi - Organisational Role of respondents
This shows a relatively good spread of respondents with 26.2% being managers with some duty of responsibility for the work of others, 65.5% being employees, supervisory being 7% and 1% ministerial. This indicates a relatively good spread of respondents across both the management and employees.

Figure vii - Ethnic Background

As perhaps expected those describing themselves as native Latvian is extremely high at 89.3% (75) with Russian Latvian being only marginally higher than other, 6% (5) and 3.6% (3) respectively. This may well feed into some interesting discussion as to the nature of diversity and equality and the consideration of attitude to Russian Latvian origin which has manifested itself in various ways (UPL.com, 2009; Purfield and Rosenberg, 2010). As noted previously, there are issues in relation to language (BBC News Europe, 2012) and reports of discrimination in that learning Latvian was a prerequisite for citizenship following independence. Add to this the report that 300,000 are without citizenship because of the unwillingness to learn Latvian by many Russian-speakers meaning they cannot vote in elections, hold public office or indeed work in government institutions (Purfield and Rosenberg 2010). As reported by RT News (2013) commented on the lack of citizenship being granted to those who were not citizens of Latvia before 1940 when the republic became part of the Soviet Union. Therefore 7,000,000
people of mostly Russian, Belarussian and Ukrainian origin were classified as non-citizens with limited civil rights, including the lack of a right to elect delegates to the national parliament.

What is interesting is that the article goes on to state that there is no discrimination. “If the Pro-Russian people have a problem with life in Latvia, they can go and live in Russia, where they are free to speak as much Russian as they like. The fact is that the pensioners who are being “discriminated” against, have lived in Latvia for a very long time, and have simply not bothered to learn the national language. I guess it is coming full circle now. Russia occupied Latvia by force for over half a century. The Russians that remain in Latvia (even after Latvia gained her independence) deny that there was ever an occupation, are barracking for a return to Russian as the national language, and would like to see the Russian flag flying from buildings in Latvia. Backlash? I fail to see what the Russians are doing to promote good relations with Latvia”. If anti-Russian discrimination is common in the Baltic nations then it may well be a backlash against the Soviet Union days.

Figure viii - Communication methods and perceptions in relation to communication
These statistics are interesting as they show a high preference to talk directly to employees in order to communicate. This is a big difference from the more formal attitude to communication of the in house news-letters, intranet and in house magazines which is a more demonstrable way of evidencing that communication does play. This may well be a subject area for future research or enquiry as to the nature of these communications and the level of information that is communicated in this way. Interestingly there is a relatively high number of employees that indicated that they were only told what they needed to know, that there was no need for supervisors to tell them everything and that they were actually not kept informed at all which may indicate a lack of trust, and is also indicative of a high power distance relationship. Because of the high preference to face to face communication it would be interesting to consider further the social capital aspects and their continuation. However this is for future research.

Figure ix - knowledge of distinctive department that looks after the administrative needs of people
There is a strong awareness of a distinctive department whose role is to look after administrative needs of people within the organisation. Interestingly though 3.8% actually disagreed with this statement. It could be argued that this is too small to really consider as it may well be disgruntled employees, it does however (no matter how small a number) which could raise concerns, and also may well be a consideration of those that feel strongly enough to comment and also to the number of Latvian Russians within the organisation, which has the exact same percentage of 3.8%.

Figure x - I am aware of there being a written mission statement which states the ministries aims and objectives

Almost half of the respondents strongly agree and recognise that there is a formality to the mission of the organisation, and certainly a large majority (76.1%) recognising this. However there are a considerable number of respondents who disagree with this statement (10.7%) who have actively disagreed or strongly disagreed. It has to be said that this question should have been quite black and white in terms of answering. Either they are aware or not, therefore it is argued that the neutral responses can reasonably be counted within the disagree statistics which would increase it to 28.8%.
Figure xi - Awareness of a formal strategy existing for the effective use of human resources in order to achieve targets

This is significant in that there is 25% who actively indicated that they were unaware of there being any formal strategy with regards to human resource management with 46.4% agreeing that they were aware of there being a formal strategy. Again, it is argued that the neutrals should be considered within the negative responses, which would make it over half of the employees (53.6%) who are unaware of there being any formal strategy in relation to the way they employed, trained and developed and valued, which would suggest a serendipitous approach to deployment and development along with engagement and involvement.

Figure xii - I feel I can trust those working in the Personnel Function
This was perhaps a controversial question, however it is felt by this researcher that it needed to be asked. It is of note that when taking the neutral responses into consideration then there is 25% who have either actively indicated or implied that they do not trust those entrusted with managing or controlling their records. However, there is 75% who have actively indicated that they have some level of trust. This does perhaps bring into question the level of faith that respondents may have had in their ability to give a negative response given the nature of the question. However, given the research background, it is again defended that this was a valid question to ask and will inform the discussion of the findings, particularly in looking at the nature of management from a cultural perspective, but also, of course in considering the model of HRM and those identified in the literature on ‘clusterisation’ (Brewster and Larsen, 2000; Larsen and Brewster, 2000; Mayrhofer et al., 2000; Iganjatovic and Svetlik, 2002).

Figure xiii - I always speak to my immediate superior when I have a problem with regards to work

The responses show that there is a high percentage of respondents that have indicated that they would speak to their superior if they had a problem relating to the work environment at 78.6%.
However there are still 21.4% who have given a negative or an implied negative response which is relatively high when considering the nature of the question. This may well indicate that there are comparatively low trust levels.

**Figure xiv - I never bring my personal worries into the workplace**

These statistics indicate a strong need to separate personal life and issues from the workplace with 9.5% strongly agreeing with this statement and 63.1% indicated either that they agreed or gave a neutral response, which would perhaps indicate a tendency to keep work and personal issues separate. Therefore the gross percentage of respondents giving the view that the two should remain separate is 72.6%. Some 27.4% however did indicate that perhaps their private lives did indeed flow over into their work lives. The overwhelming majority is that they are separate.
Figure xv - I feel I can talk to my immediate superior about anything

This would perhaps need to be considered in part with a previous question about talking to a superior about work issues. Some 38.1% of the respondents either disagreed or strongly disagreed that they were able to talk to their superior about anything. If this is added to the neutral responses then there is a rather large percentage of 71.4% who have either positively indicated or implied that they do or would not speak to their immediate supervisors or superiors about concerns whether they were to do with the work environment, task orientated or personal issues.

Figure xvi - I am able to obtain promotion based on my ability to do the job well
Only 2.4% of respondents felt that they were about to gain promotion based on their ability to perform their jobs well, which is perhaps quite a telling statistic. Even if you then add this to the 19% of those that agreed, giving a total of 21.4% who felt they could gain recognition or promotion meritoriously. Those that either disagreed or strongly disagreed were 39.1% with 39.3% choosing to give a neutral response. Which gives an indication that at least 78.5% of respondents were either convinced they could not gain recognition meritoriously or were unconvinced of their opportunity to progress.

*Figure xvii - There is equality amongst all staff when seeking promotion, training and development*

This question seeks to explore the perceptions of equality amongst the staff, particularly in the areas of promotion, training and development. This could be linked into areas of trust and also any residual features of the ‘blat’ or favour system, along with the ideology of the HRM practice versus the cadre system. Under half of the respondents indicated that they agreed that there is equality amongst all staff when seeking promotion, training and development, with only 12% strongly agreeing and 30% agreeing giving a 42% aggregate. Some 31% actively disagreed with 2% strongly disagreeing and 29% disagreeing. The 27% that chose not to
commit on this question is also quite interesting, and given the nature of the question could indicate a negative, which would give a 58% response either that they did not feel there was equality or that they perhaps did not trust the system to give equality.

Figure xviii - Performance Appraisal takes place regularly

This tends to go hand in hand with training and development and the opportunities for promotion. A considerable percentage of respondents indicated that they did in fact have regular appraisals, which is surprising when considering the high percentage that did not feel there was equality in opportunities for promotion, training and development. Some 83% indicated that the appraisals did in fact take place regularly, with only 17% disagreeing. The question then to be asked, is where this information goes, and to what extent this exercise is based on information to enable and facilitate training and development, which is linked to organisational efficiency and motivation, involvement and engagement. Or is it just about information gathering and control.
Figure xix - Performance appraisals are linked into helping me to be a better employee

![Performance appraisals are linked into helping me to be a better employee](image)

The previous question relates well to this question which explores perceptions of the purpose of appraisals. Only 38% felt that the appraisal system was linked into helping them become better employees with 30% either disagreeing or strongly disagreeing. The 33% who declined to agree or disagree would give an indication that 63% did not feel there was any connection between the process of appraisal and the actual act of enabling, training and development. This has implications for motivation, involvement and engagement and would perhaps point towards a negative perception of trust.

Figure xx - Performance appraisals take place when my superior feels it needs to happen

![Performance appraisals take place when my superior feels it needs to happen](image)
Linking into the previous sets of data it seems logical to ask if there was any correlation with how and when the appraisals were carried out and how they are triggered. Are they a matter or procedural regularity which are linked to organisational needs, or are they subject to the whim of those with power? Some 62% of respondents indicated that they disagreed with this statement with 14% strongly disagreeing and 48% disagreeing. However, 21% indicated that this was indeed the case and 17% choosing not to express an opinion.

**Figure xxii - My immediate superior is responsible for training and development**

![Pie chart showing responses to the statement that the immediate superior is responsible for training and development.](image)

Around 30% agreed that it was their immediate supervisor that was responsible for training and development with 37% actively disagreeing that it was their immediate line manager and 33% choosing not to comment giving the negative indication to this question.

**Figure xxii - The minister in charge decides who should receive training and development**

![Pie chart showing responses to the statement that the minister in charge decides who should receive training and development.](image)
There has been quite a strong response to this statement, with 72% indicating that they were indeed not responsible for their training and development which would indicate they are relatively remote. There may be some question here as to the relevance of asking this question. However, this may well have some significance within the discussion and conclusions. Around 8% of respondents however did agree that they did, with 20% declining to give an opinion, which may well be due to apathy.

Figure xxiii - The minister in charge decides who should get promotion

A slightly different response for this statement giving roughly a three way split. Therefore it could be argued that the response to this statement is inconclusive, however, there is insufficient weight to say that they do or they do not which could indicate that there is still a feeling that there is a central control mentality.
This question is looking at perceptions of or actual equality within the system, and indeed faith of there being fairness in treatment. Around 39% of the respondents felt that there was equality and possible opportunity for promotion based on a meritorious basis, whilst 23% gave a firm negative and a rather large percentage of 43% indicating that they were unwilling to respond to this question and perhaps were concerned about giving a negative response, when you consider that this question is actually quite straightforward and either they feel they are able to compete or they are not in a fair and equal basis with others.
This follows on well from the last question that looked at the feelings of equality when seeking promotion in perhaps looking at the reasons behind perceptions. About 37% of the respondents indicated that they did not need to please their superiors in order to gain recognition and reward which is not a large percentage given the nature of the statement, this compares with 41% who declined to give an opinion, and only 22% who were prepared or felt strongly enough to say that this was indeed the case. What is significant here is the number of respondents who declined to comment, with a rather large 41%, which may well link into areas of trust or apathy.

Figure xxvi - One can be a good manager without having precise answers to most questions that subordinates may raise about their work

Only 22% agreed with this statement that in order to be a good manager you do not need to have knowledge of, or be able to give the answer to every question or know how to deal with every situation. Some 45% however disagreed, perhaps indicating that they felt that their superiors should indeed have answers for all questions and in all situations which could link into a strong element or perception of control. The 33% of those who declined to reply may well link into the actual level within the organisation of the respondents. There are some similarities here perhaps with the ‘French’ idea of management that perceives that managers are intellectually qualified elites.
Figure xxvii - My superior is part of the team and therefore values our contributions

![Pie chart showing responses](chart1.png)

Only 11% actively disagreed with this statement, with 26% choosing not to comment, which might show that there is an element of disconnect between staff and management, or that there are very clear lines of status which could be interpreted as 37%. However, there is a relatively large 63% who agreed with this statement. This gives a 63/37 split. From an organisational perspective this 37% is still a large statement of discontent or disconnect.

Figure xxviii - It is not the place of those without authority to suggest ways in which work can be improved

![Pie chart showing responses](chart2.png)
Conversely 39% agreed with this statement, which in this case it would be reasonable to suggest that the neutrals could be added giving a 65/35 split. Which may well show a large respect or consideration of authority within ties into the work of Bollinger (1994) since there is a high power-distance, and also into the work of Mole (2003) who argued that the senior person would need to dominate meetings, and that it is not the employees place to contribute.

This also links into the Nordic model or clusterisation (Usiner, 1992) in which there is seen to be constrained logicality and order. There are also considerations of both the Nordic clusterisation by Ignjatovic and Svetlik (2002) where there is evidence of there being employee focus, but there is still a strong element of management focus which fits in with the Eastern clusterisation concept (Ignjatovic and Svetlik, 2002).

Figure xxix - There are opportunities for training and development in order to achieve my career aspirations within the organisation

Around 43% felt that they were able to progress and develop based on their aspirations in relation to their career with 57% either disagreeing or declining to comment. This again raises questions of trust and equality.
5.8. Consideration of Themes and Triangulation

It has been suggested that quantitative research can involve designs that effectively “disengage the researcher from the people and field they are researching” (Gray, 2014, p. 160). Quantitative research does indeed claim to concern subjectivity, but the reality, according to the qualitative mind set and belief is that it defines variables in the research in an arbitrary way. But the use of Likert type scaling does produce statistical data which provides an opportunity to consider some discrete statistical data. Responses to individual questions or statements have been considered previously. The following draws together some of the themes which informed the design of the questionnaire allowing an element of correlation in relation to association between data (Davis and Pecar, 2010). This produces some discussion here, but also provides opportunity to further develop in future research.

5.8.1. Clusterisation

The fact that a large number of employees are aware of there being a distinctive department that looks after the administrative needs in relation to their working lives and the organisation is not particularly remarkable. However, there is here a considerable number of people that are unaware of the existence of any formal strategy in or their performance appraisals being
linked into enabling them to achieve in relation to not only their own aspirations but also more notably the linkages with the organisational strategic needs.

This supports the responses within the ‘elite’ interviews, where the very terminology of referring to human resource management brought about that strong response in relation to it being about ‘personnel’, dealing with managing and dealing with various systems, paperwork and keeping databases up to date as well as any general maintenance duties needing to be carried out (G; ES). These roles are still considered as low skilled and of minor importance in relation to strategic purpose.

**Figure xxxi - Strong Management and Control (Clusterisation and Residualism)**

This is linked into discussions in relation to formal appraisal systems and training and development and also in relation to control and the existence of strong management. There is a large positive response in relation to any factors that may indicate strong control with the large responses being around the control element. This is particularly interesting when you consider that there is a comparatively small positive response in relation to performance appraisals taking place regularly, which could also be linked into the lack of strategic thinking
and bias, but also when considering the other responses, here it is easy to see that it is those with authority who have the most control in relation to who gets developed and who gets promotion, if you link this into the data in Figure xxxii which clearly shows that there is an element of actual or perceived inequality existing when training and development or promotion are considered, with the power being firmly with those in control. This further supports the argument put forward in this work and within this work and within the work of Ostroff (2000) that the ‘traditional’ system of management that focuses on practices which are aimed at hierarchical types of monitoring and control would resurface.

Here it can also be seen more clearly evidence of a system which is based on the old system of centralised management, weak trainers, and low involvers (Analou, 2004; Ostroff, 2000; Lee and Chee, 1996).

Figure xxxii - Priority in relation to Training and Development
These statistics and the comparison of statistics clearly indicates that there is comparatively little trust of and importance placed in the training and development, which is a characteristic of a Westernised model of human resource management. All of these statements received a higher negative response than that of a positive. According to the collective works of commentators such as Sparrow and Hiltrop (1994; 1997), Wright and McMahan (1992), Guest (1999), Trompenaars (2003) and Scholz and Muller (2010) the characteristics of Anglo-Saxon or Westernised HRM would have a strong element of importance placed in training and development with it being an integral part of management, which indeed ties in with the importance placed on the development of management with it being something that can be learnt rather than there being an ‘elite’ mentality in relation to those that can or do manage which again the work of Bollinger (1994) in relation to power distance and the work of Mole (2003) in relation to dominance of those in senior positions.

These aspects are also important and integral parts of motivation and engagement which would indicate low engagement and low motivation. The Westernised practices of HRM put a ‘high importance’ in relation to ensuring or working towards employees are motivated, feel valued, engaged with their work from an emotional perspective, wanting to go that extra mile (Farnham, 2010; Amah and Ahiazu, 2011; McShane and Von Glinow, 2003).
5.8.2. Trust

The above is also related to residualism and with clusterisation. This is an interesting comparison of data in that it clearly links in with ‘trust’ in the system as well as the perceived inequalities. This would also be relevant when considering aspects such as any importance placed on involvement and engagement of employees having any consideration of being important and would further add to the argument that the emerging practices within the Latvian public sector are not following the Westernised practices of HRM which put a ‘high price’ and ‘high importance’ in nurturing committed employees.
5.8.3. Residualism

There is evidence of a ‘high power-distance’ and dominance of senior ‘elites’ with it not being the employees’ place to contribute. In order to have an ‘engaged’ workforce, it would have to be considered of high priority by those that manage and would be linked into the attitudes and cultural beliefs and experiences in relation to management (Rollinson and Dundon, 2007; Farnham, 2010; Hofstede, 1980). The only statement which received a high positive response would support the view that there is still an institutionalised system of ‘grace and favour’ existing (Analoui, 2004; Ostroff, 2000; Lee and Chee, 1996) with ‘bowing’ to the needs and whims of superiors in order to receive rewards. This may also be what has been called here a ‘tenacious’ clinging to old ‘understanding’ of how to achieve or receive grace and favour (Wallace and Pichler, 2012).

As argued earlier in this work, there is a significant tension around the philosophy of management of people within the employment relationship, in that it needs to encompass significant patterns of individualistic and self-interested behaviours, and it was suggested that this is arguably inherited from the Communist regime and that it may be an inherent feature of the culture. It was put that this trait would have a significant impact in terms of institutional trust, and the importance or emphasis of the Westernised models of HRM considering the building of trust to be important, if employees display a lack of trust then it can present significant problems (Mills, 1998). These statistics show that there is an inherent lack of trust within the institution whether it be in relation to the management or the institution as a whole.
5.8.4. Social Capital

Ledeneva (1998) pointed out that the system of blat is something that scholars have ignored, despite the many studies carried out examining the Soviet Union’s informal ‘other economy’. But as Ledeneva (1998) pointed out, ‘blat’ is something that is natural, helping friends and family, a system of grace and favour or a form of ‘bartering’ and ‘dealer brokering’. The correlation shown in the above figure (which does not include the ‘neither’ statistics) supports the view that there is the existence of ‘grace and favour’ existing within the Latvian public sector whether it is covert or overt is something to be further explored in future research.

5.9. Validation of the Findings

The findings of the research were validated through the research process adopted and the triangulation of the results. This was achieved by the results be substantiated according to the
periodisations and themes identified from the literature, elite interviews and online survey, which showed good agreement and verification of the periods identified.

5.10. Summary

The findings have been presented thematically with discussion along the way which has been prompted in relation to the strength or significance of the findings. Main themes from the research have been considered in relation to a correlation of the data in order to test some of the findings of the research. The next section now will discuss the findings in more depth further expanding on the themes before then considering the research questions, aims and objectives in more detail within the conclusions chapter of this work.
6. Discussion

6.1. Introduction

The aim of this research was to explore the transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia, and the preceding chapters have set out to do this. The focus of this research is the contextual paradigmatic view of HRM (Brewster et al., 2010; Brewster, 1999; Moreley, 2004) examination of contextual factors, or surrounding antecedents of HRM (Brewster, et al., 2010) using the theoretical lens of Convergency theory (Brewster et al., 2004). Has convergence or divergence taken place, have they become similar to the US? Or the UK? Or can it be argued that they have taken on characteristics that can easily be compared with other European states? Or if there are deep-seated and fundamental differences indicating continuing divergence, or, no convergence in HRM practices against any of the above (Brewster et al., 2004:22).

That this study has taken place within a post-Soviet setting which means there is a paucity of research or data available, it has explored key factors’ that have affected the development of management would be keenly tied to this Post-Soviet factor. Therefore, a considerable amount of time was needed to consider factors of interest leading to a position where this comparison could be made, and all other factors could reasonably be considered. Being a pragmatic grounded theoretical study, the themes developed throughout the study. A ‘journey’ from being a Soviet controlled state of the cadre and the political ideology that clearly controlled many factors of both personal and work life to that which exists today. There was a need to understand and explore the nature of people management within the preceding years of independence.
The first level of the research was exploratory and aimed at investigating and gaining understanding of what are the contributing variables to explore salient themes. This process included background literature and accounts, such as Rislakki (2008) and the Symposium of the Commission of the Historians of Latvia called the ‘hidden and forbidden history of Latvia under Soviet and Nazi occupations 1940-1991’ (Sneidere, 2005). In parallel past ‘models’ or attitudes to people management from a Soviet perspective were explored (Svetlik et al., 2007; Skorobagatov, 1981; Tšižov and Tšurmantejeva, 1975; Kamušič, 1972; Vanhala, 1995; Kavran, 1976; Brekič, 1983 and Možina, 1975) identifying different ‘periodisations’ in the history of HRM (the cadre) and these have been brought together for ease of reference, considering the main characteristics in table 1 of this work (Table 1). This provides a framework for reference and analytical comparison of how ideologies and practices have changed during transition. Elite interviews provided more data for this analysis of ‘periodisations’ post-independence and also informed the questions asked within the online survey.

When presenting data from the elite interviews and considering the nature of the background to the research, it is the respondents and the actors that have ownership of this ‘history’ and therefore are privy to ‘inside’ information and heightened understandings of the intricacies and reasoning, experiences and feelings. Whilst it is difficult to defend this approach from a ‘validity perspective,’ it is difficult to measure, it can bring to light ‘underlying truths’ and is an attempt to perceive the World through seeking a rational understanding of reality (Nudzor, 2009 it allows a valid stance seeking to uncover “truths and facts conceived in terms of specified correlation and associations among variables” (Denscombe, 2002 cited in Nudzor, 2009:116). Also, as humans, we tell stories and make sense of the World and things that happen by constructing narratives to explain and interpret events (Andrews et al., 2008). The elite
interviews for instance, gave an opportunity to access and assess levels of knowledge, perception and awareness of what was being investigated, with the researcher having opportunity of being exposed to the language and its strength. This included any emotions present and also insightful commentary concerning events, as who best to tell the story but the people themselves? If they were not self-exiled at the time they would have lived through it, either as young people or early career, or would have had insight through their parents, older siblings, aunts and uncles.

There is clearly a paucity of research in relation to culture and the nature and practices surrounding management practices within the Baltic States (Heuttinger, 2008; Hofstede, 1984; Hill, 2002; Bollinger, 1994, Brewster et al., 2004) with them being treated as the forecourt of Russia (Heuttinger, 2008:359) and therefore not particularly noteworthy of any real research, unique or different to that of Russia (Bollinger, 1994). The main themes (Table 3) identified and informed areas that needed closer scrutiny when considering transition in this context, such as the possibility of residualism of behaviours and values, or as Pearce (1991) states, ‘tenacious cultural residuals from the old regime’ with the possibility that traditionalism as they know it would seep back in. Mills (1998) reporting a significant tension existing in the philosophy of management of people within the employment relationship which encompasses significant patterns of individualistic and self-interested behaviours and inherited from the Communist regime and this may well be an inherent feature of the culture. Other themes identified in the background research and literature are issues around ‘trust’, as well as social capital or ‘blat’ and the work on clusterisation (Table 3 General Map of Research showing main commentators, themes and source of ongoing research questions. of ideologies and practices.
The challenge for Latvian public sector organisations, according to McCaughrin and McCaughrin (2005) was to change the organisational behaviour practices from very familiar to unfamiliar. There were actions that took place which were considered to be necessary and were a considerable force at the time such as change in authority structures, appreciation and understanding of skills needed in order to have something that would be conducive to not only success, but in changing the way the organisation was managed, changing people’s perceptions, mind sets, expectations, attitudes to authority and of course the other way round, the attitude and actions of those tasked with authority. It is not however, as highlighted by much of this background research, that simple given where the country has journeyed from and the path they have travelled. The following section (s) continue the discussion related to findings of this research and structures the discussion to take into account some of the main themes and frameworks that have been identified within the preceding chapters.

6.2. General Discussion

To achieve the aim and the objectives of this research, the researcher explored the emerging philosophies and paradigms which underpin and practice and nature of people management systems within Latvia, which was predominately government and state owned run organisations. The intent was given to explore background research, to evaluate and discuss historical accounts, consider socio-political and socio-historical background, or macro background, then to explore and critically examine first and second hand accounts to build a suitable framework for investigation into perceptions, behaviour and ideologies which would be linked to actual practices within the organisation itself. The aim of this research, along with a complete consideration of these objectives will be considered here.

6.2.1. Background Research
A sequential approach to research and fieldwork required consideration of layers of research needed to explore and interrogate what is a complex area of study, particularly if those researching have little knowledge or understanding of that background. Latvia has a rich history, but also a troubled background, and the collapse of the Soviet Union, which began in the late 1980s was perhaps a “dream come true” for the peoples of Latvia who had never voluntarily joined Russia, this then enabled them to restore national sovereignty and independence. With all the Soviet States, at that time, the administrative systems existed based upon politics and loyalty and asserting ideological control over decisions relating to ‘people’ issues (Sootlas and Roots, 1999). This involved selective implementation of legislation that existed with promotional decisions based on supervisors’ opinions of those they managed (Tulik and Alas, 2003). There was the need to build a parliamentary democracy. The Latvians, like the Estonians and the Lithuanians, never recognised themselves as being fully incorporated into the Soviet Union, and there was talk of longing for its demise and for national independence. Historically and geographically, they related to the Scandinavian countries and saw no reason why they should be occupied by the Soviet Union (Alas and Rees, 2005; Tulik and Alas, 2003).

The management of people, and scope of what employees could or could not do was regulated and tightly controlled by the State (Poor and Lesion, 2010). All key positions within the public sector were closely monitored by the communist party and state bureaucracy. Management, and in particular personnel management [which was not recognised at all] was not considered as a profession, and decisions regarding promotion and training not based on any form of performance assessment but more on alliances, party allegiance and rank within the party (Pearce, 1991).
There was considerable ‘hope’ for a better future place in being ‘freed’ from the grip of the State, yet it has been reported that in general the Latvian people felt things would continue largely as they always had in relation to the positive factors of their existence that went with living under Soviet control but ridding themselves of the ‘binds’ of bureaucracy and Soviet control (Bačkaitis, 1996) not fully substantiated within this research. What cannot be disputed is that after independence, Latvia needed to become a small independent country.

6.3. Periodisation

6.3.1. The Dawn of Independence

It is clear that the transition and its preceding few years were chaotic and there was a period of ‘void’ existing with no formal consideration of ‘human resource management’ (Table 7) as well as the existence or rather non-existence of a formal function to do with public administration, which is perhaps to be expected, as previously all ministries were “branch offices of the Soviet ministries which were located centrally within Moscow”. Also, interestingly, “any consideration of the ministry or aspects such as defence, and therefore a means (or will) to protect ourselves from any future hostilities did not exist” (AS). Which may prove significant today as much is made of trust in being a member of Europe believing they will be protected from any further aggressive forces by NATO (Rislakki, 2008). This is of significance given the situation within the Ukraine and the Central Eastern region (Henry, 2014), again it is mentioned as a position of interest, but it is outside the remit of this research and needs to be left, for now.

The research data concerning the situation and conditions of human resource management have been documented and are illustrated within Table 6. This provides a framework of
‘periodisations’ within the history depicting organisational values and behaviours and the management of people and describes and provides a framework providing a typological illustration of the work of previous commentators at the time of independence. It illustrates various stages in the development [or more correctly, situational state] of what has been described as the ‘administrative-ideological period’, ‘initiation period’ and the ‘pioneering’ period (Svetlik et al., 2007; Skorobagatov, 1981; Tsižov and Tšurmantejeva, 1975; Kamušič, 1972; Možina, 1975). A common theme throughout these ‘periodisations’ is command and control, staffing and administration and a HRM which is staffed by those with the lowest qualifications being there to serve the State and to administer control, and this has been quite persistent throughout the ‘periodisations’.

It is difficult to compare anything with this period and it could also be called the ‘empty’ period where HRM or people management is concerned. The elite interviews brought reports of this state of chaos, or nothingness and priorities of the time. To form governance processes for the State, nothing else being considered. Survival was the predominate consideration with the establishment of new forms of governance which sought first to cleanse the system of those considered to be disloyal to the new order. There appeared to be a strong element of retribution and exclusion of those connected to the old ‘red’ management.

6.3.2. The Void Period

Upon independence reports indicated that the general populous felt or hoped it would be relatively painless and that ‘red managers’ would change to the new order and new ways with many of the injuries of the past healed (Cook, 2012; 2014; Balabkins, 1999). It would then, naturally, create new freedom of speech, civil rights, freedom of religion, and, it was hoped, miraculous healing and the righting of any wrongs inflicted over the pre-ceeding fifty years of
occupation. One respondent reported ….”The Soviet economy was already falling apart, and it was just a matter of time” (ES).

Before independence, human resource management as understood within Westernised civilisations and businesses was non-existent “it was basically people who were interested in filing .... Meaning everything [to do with control and monitoring] ..... as well as private research of the people .... Even now we do not know what was in these files”(G), within the public sector the ‘cadre’ was populated with those retired from military service or an active Soviet official, … “the persons were coming from military service like Soviet servant or maybe better ..... military person).” (G).

This void period was described as an ‘empty period’ by one respondent (AS). Accounts of ‘purging’ of the system taking place and those felt to be suspect where loyalty to the new order was concerned were ousted out. This, again concerns monitoring, controlling and rooting out undesirable elements. Therefore, the ‘will of the state’ was still the predominate ideology. The situation is likened to the ‘None’ system of Ostroff (2000) and certainly not to the Nordic or Northern Cluster classification of focus being development and training, employee focused and high on involvement (Usinier, 1992; Spyropoulos, 1996) (Table 2 Clusterisations of HRM practices and paradigms).

“We established many areas of public administration from scratch, and in many cases we couldn’t take over the existing staff, as those we had in many cases, were completely disloyal to the new government and to the new parliament” (ES)
The question to be considered now is “were all those in positions of power disloyal, or unable to pledge allegiance to the new order or was this a perception of those reclaiming their independence and therefore self-governance?” clearly there are issues of trust here.

“We had to start from scratch in many fields that I can think of in modern times of personnel management ..... they were just not there ... it was quite new to us” (BS)

“They had no decision making things .... Something like that .... It was just papers in and papers out and this understanding of personnel and management means it was non-existent ....” (AS)

This statement is supported by statistics from the on-line survey showing 99% of respondents had been employed within the public sector under twenty-one (21) years. Coupled with the figure 90.5% of ‘Latvian’ descent and only 6% Russian-Latvian there is some correlation and support in the ‘purging’ that took place. Russian-Latvian was considered the occupying nation even to the point of over-looking that in many circumstances these peoples were second or even third generational, and those that stayed with their ‘Russian’ mother tongue being further ‘punished’ or excluded with the prevention of obtaining or denial of the right of citizenship (RT News, 2009; Herzenhorn, 2012; COE, 2006; Feldüne and Mits, 2001).

The style of HRM practiced at that time was a ‘Matching Model’ of HRM (Formbrun et al., 1984) which matched tactics and management style to what was needed at the time. However, it was not that thoughtful or planned out and therefore could not be linked to this style of management. It had a ‘ruthless focus’ of people management based upon those within power focusing on a core strategy, ridding themselves of much of the past and the need to survive and
distance themselves, forming or reinforcing their own national identity. This period therefore could have been called the ‘ruthless focus period’, and therefore the ‘void – ruthless focus period’. As discussed above, in relation to any model of HRM, or any similarities with Westernised or European cluster of practices the answer would be no, as formalised considerations of HRM were not considered at all. Fitting in with the Ostroff (2000) system of ‘None’ HRM.

6.3.3. The Transition Period

The period of ‘transition’ (mid 1990’s onwards) was not about ‘instant’ or ‘rapid’ transformation and to think this had happened would be pushing boundaries of imagination and realistic probability. But in the late 1990’s managers who worked for international companies started to form formal associations of human resource management and began to formalise and professionalise the practice of human resource management. This ‘transition’ period is characterised with the move towards up-skilling those tasked with the job or role of management personnel and there was an emergence of human resource based subjects introduced and delivered within educational institutions. Although at that time there was no indication of a specific HRM qualification. There was a nationalistic bias restricting Latvian citizenship which continues today (Freeman, 2014; Orlov, 2015), however much of this could be postulating for external or internal consumption to gratify citizens seeking a strong national identity, retribution and to distance themselves from Soviet times as within the commercial environment, the Russian-Latvian population are still at the forefront of commerce, property and business ownership (Rislakki, 2008).

The term human resource management (HRM) started to be recognised, which was brought about by training of new officers and managers by external consultants from the UK in the mid 1990’s. This was on the basis of the Westernised ideology and understanding of what HRM
should be and the role it ‘should’ play within organisations. With this was the phenomena of
the mirror effect that takes place from the influx of continental organisations into the economy (ES). It must therefore be assumed that elements of motivation, team building and leadership
linked around the fundamental process of people management were covered!

The view of Torrington et al. (2008) concerning personnel and human resource management
being mainly about social justice, can ‘spark’ debate of whether or not there is justice built into
the system, be it societal or institutional (UPL.com, 2009; RT News, 2009: Herzenhorn, 2012;
Felhűne and Mits, 2001; Felhűne and Mārtiņš, 2001) particularly the situation of ‘statelessness’
afforded to Russian Latvian citizens, reported within news items along with low numbers of
Latvian-Russians represented within the public sector (Figure v – Ethnic Background).
However, if the view of Rislakki (2009) is taken into account, it is not the actual situation
within society in general or in business with the main business language spoken being Russian
with the real power base held by Russian speakers who control the majority of economic life
and property (Rislakki, 2008). Perhaps to have this view within public life is unrealistic, but
the statistics as collected within this research support the view that the public sector clings to
nationalistic positioning with only 6% indicating Russian Latvian origin and 90% Latvian (the
other 4% giving a neutral response).

It is difficult to undertake an in-depth comparative study against clusters of practice from a
UK, US or European perspective (Nikandrow et al., 2005; Brewster and Larsen, 2000; Larsen
and Brewster, 2000; Mayrhofer et al., 2000; Ignajatovic and Svetlik, 2002; Sparrow and
Hiltrop, 1997) as practices and ethos or cultures were still taking shape and still in the process
of settling down. There would have been an element of Westernised practices considered and
‘experimented’ with because of the influence of Western consultants’ training and coaching.
This is then cascaded down by those trained [train the trainer] and it is inevitable there would have been slippage and morphing into more traditional or recognisable ways of doing things as Taylor and Walley (2002) found within their study in Croatia. It is like a pupae at that time, shedding its skin and moving towards whatever it is to become.

6.3.4. The Emergence Period

During the time circa 2008 onwards (when this research commenced), the nature and form of people management and HRM developed in relation to its role within the organisation and the importance placed upon the acquirement of related skills. There was a growing awareness of what HRM meant and the nature or style of management along with the involvement within differing areas of management. This has been called the ‘emergence period’, still in transition, but with a picture of what it will become starting to reveal itself. There is evidence of underlying trust issues which may well be linked to the old cadre system and understanding of the role of management, which is persistent and will be difficult to eliminate (Tung and Hovolovic, 1996; Mills, 1998). Although the concept of HRM has been actively pursued [in name if not in spirit] it is interesting to note the words of one minister with HRM as part of their remit when asked to discuss human resource management and during a discussion in relation to this concept:

“It is only a word ... don’t like human resource management, it is very technical and I don’t like the name ... ok in our policy papers .... But I hate ..... but this is not about people. Personnel is people, but human resources is resources, like computers’” (G)

This may well be indicative of some of the mentality of pre-independence still persisting (Tung and Hovolvic, 1996; Heuttingers, 2008; Pichler and Wallace, 2009) and the work of Pearce (1996) explored the nature of this transformation from socialism to capitalism with key areas
where human resource issues could impact significantly on how change developed and what it would develop into. These were around areas of motivation, reward, promotion issues and ambiguities in accountability. These, it was argued, needed to be considered in relation to not only whether the more culturally embedded notion of HRM practices would emerge, but in the recognition that it is more complicated than what could be described as being a relatively simple question of is there convergence towards Western style or European HRM or not? Employee behaviours are perhaps needed to secure effective organisational transformation, or their version of effective organisation transformation need to be considered and as argued in this work, there may well be tenacious residuals from the old régime (Pearce, 1966; Alas and Rees, 2005; Tulik and Alas, 2003).

The area of discussion around motivation is linked with many aspects of organisational life such as management style. It can be linked into involvement, engagement or encouraging employees to give of their ‘heart and soul’ into making that organisation a success. The heritage of many years of occupation left Latvia with a divergent workforce involving differing attitudes towards changes both within society as well as within the organisation. Work related attitudes were informed during the occupation years and passed down to others within the family unit (Alas and Vadi, 2004). It was easy to transfer or introduce technology and the necessary change structures into place compared with changes that would be needed for what are culturally embedded practices, values and beliefs.

It is important that the value systems and perceptions of employees be explored. First in considering aspects such as how management is perceived and the data is interesting, with 53.6% being unaware of the existence of a formal strategy in relation to the way they are actually employed, trained and developed and how, or if, this is actually related to
organisational strategy or any needs of the organisation (Figure xi - Awareness of a formal strategy existing for the effective use of human resources in order to achieve targets). This would inevitably have links into whether they feel valued and reflects the arguments of Taylor and Walley (2002) since policies would perhaps be hijacked by the more traditional, or familiar elements of management from Soviet times. Some statistics from the statement relating to communication, support this view since there were 45% who indicated they were told by managers what they needed to know, with 11.9% feeling they were not kept informed and 3.6% did not actually feel there was a requirement to be told everything by their superiors (Figure viii - Communication methods and perceptions in relation to communication). Couple this with the, perhaps controversial statement of whether they trusted those who worked within the personnel function with 30% indicating either a neutral response or a negative response (Figure xii - I feel I can trust those working in the Personnel Function).

Along with this, there is a need to consider the result from the statement which brought a response of 40.5% with 32.1% declining to respond to never bringing their personal worries into the workplace (Figure xiv - I never bring my personal worries into the workplace, p.197) which indicates a strong tendency to keep personal life and work separate. This may be related to historical experiences of keeping files and dossiers of peoples’ private lives such as who they associated with, their political allegiance, friends or family connections being used against them in relation to considerations such as promotion, selection and reward rather than the ability to do the job (Tung and Havolovic, 1996).

Although the practice of HRM has moved forward considerably since independence the prediction made by Taylor and Walley (2002) that policies and declared practices would be manipulated by more traditional forces in order to maintain the status quo added to the view of
Jankowicz (1999) that within Central and Eastern Europe, given their history and experiences, managers were likely to view management and the very meaning of management with distaste, as it reflects the prior communist practice. This suggests a disposition of reluctance to embrace the role and responsibilities of being a manager. Alongside this are findings from Constantin et al. (2006) who carried out research within Romania and indicated since there was little encouragement for promotion or the advancement of employees these suppositions need to be considered in relation to data collected which indicated that only 2.4% of respondents felt able to gain promotion based on their ability to perform their jobs well with some 39.2% indicating that they were not (Figure xvi - I am able to obtain promotion based on my ability to do the job well). A further reinforcement of this view is that only 41.7% believed there was equality in promotion, training and development situations and 31% who felt there was no equality in factors of this nature (Figure xvii - There is equality amongst all staff when seeking promotion, training and development). Training and development is an important aspect of the Anglo-Saxon and other Westernised models of HRM with emphasis and belief in engaging employees and seeking ways of motivation (Sparrow and Hiltrop, 1997) and add to this the drive to encourage and promote aspects such as engagement and involvement amongst staff. This is not high on the agenda in ensuring a positive culture and is indicative of an element of command and control still being present.

6.4. Consideration of HRM ‘style’ in relation to Westernised practices and the ‘Clusterisation’ classifications within Europe

There are constraints on a universal management theory, or universal model or models of management practices concerning the practice of human resource management. It is however useful to seek recognition of practices or patterns of practices or attitudes across Europe. The Baltic States aligned themselves with a Northern European identity rather than of a Soviet
identity (Alas and Rees, 2005; Alas et al, 2007), yet there is little to confirm this in the public sector and the culture that persists and evidence suggests they have developed a unique cultural model of their own influenced by the power shift and the wish to distance themselves from the ‘Sovietization’ period of their history. The changes that have taken place though have arguably been influenced in part by the early contribution from Western consultants during the transition period.

When considering the question of alignment with Westernised ideologies and models it is considered that the changes and development of HRM within the UK and the US were more about political change and the ‘power shift’ from trade unions and a ‘firefighting’ style of management of the employee relationship, it was therefore associated with the decline in collectivism within Europe (Torrington, 1988). The Anglo-Saxon, or ‘Westernised’ conceptualisation of what constitutes HRM as presented in Table 2, which is based on the work of various commentators and shows the following generalisations.

Table 12 characteristics of Anglo-Saxon / Westernised HRM - 'The professional model'

<table>
<thead>
<tr>
<th>Characteristics of Anglo-Saxon / Westernised HRM – ‘The professional model’</th>
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<tr>
<td><strong>Strategic HRM</strong></td>
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<tr>
<td><strong>Formal appraisal systems</strong></td>
</tr>
<tr>
<td>Training and development is considered to be important and an integral part of management</td>
</tr>
<tr>
<td>Management is something that can be learnt</td>
</tr>
<tr>
<td><strong>Teamwork</strong></td>
</tr>
<tr>
<td><strong>Emphasis on motivation and involvement</strong></td>
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</table>
Communication and interpersonal skills important

Seek positive employee relations

Highly legalistic


It is recognised there are some constraints when considering if there is a ‘universal management theory’ or ‘set of practices’ (Wright and Boswell, 2002), but the concept of a ‘Westernised or Anglo-Saxon’ model or typology gives a basis for further discussion, particularly for the research question, and is a universal methodological framework when considering research questions of this type. One of the main characteristics of the Western ideology of HRM is that it has a strategic focus with an emphasis on supporting or being integrated into the fabric of all other policies and procedures of the organisation, and considered of strategic value. The following considers this more.

6.4.1. Strategic

Along with a consideration of the factors identified above, it is useful to relate to work of a number of other commentators when discussing this data. Pearce (1996) for instance, when exploring the transformation from socialism to capitalism talked of the key areas of consideration in any change process. These are motivation, reward, promotion and also a consideration of any ambiguities that may exist in accountabilities. When considering whether or not the systems as recognised and practiced within the Latvian public sector are strategic it is useful to consider the responses from the ‘elite’ interviews, where the terminology of human resource management versus personnel management brought about a strong response (G) espousing strongly about personnel and people and not about resource management. It was
further indicated within this interview and also another, the role of those working in personnel posts was about managing and dealing with appraisal systems, paperwork, and keeping databases up to date. Along with any general maintenance duties which needed to be supported (G; ES). This would indicate there is still a tenacious draw on considering the role as relatively low skilled and of relatively minor importance within the organisation and primarily being concerned with keeping records and modelling the roles and responsibilities of those carrying out these duties which is known rather than considering real strategic purpose or role of human resource management.

The process of appraisals is interesting, and perhaps supports the way personnel were organised during occupation and is reminiscent of the ‘pioneering period’ of 1970-1990 (Vanhala, 1995; Brekič, 1983) which is concerned with record keeping rather than real decisions concerning who receives training and development, or what they need training and development for being made by the minister in charge. Having come through the ‘void’ and ‘transition’ periods, and now some considerable time into the ‘emergent’ period, it could be argued that it is still developing and normalising, but the indication in some instances, is ‘known’ and arguably understood, is taking precedence and practices have in many ways reverted to type.

In considering the generalities of the Westernised or Anglo-Saxon models, the role of ‘HRM’ or ‘personnel’, is clearly not considered to be of strategic importance and therefore has no consideration at any ‘high decision strategic’ level, maintenance being the order of the day as evidenced by the responses within the interviews. What also supports this is the 25% who indicated they were unaware of any formal strategy concerning how human resources was linked to targets [with 28.6% declining to respond either way] (}
I am aware of there being a written mission statement which states the ministries aims and objectives. This indicates a shift away from management focus which was evident in the transition period, but this may be connected with the global economic climate which commenced in 2008 with the human resource management function being curtailed as stated by one respondent “…. We have had HR reductions, the redundancies were managed by the HR department, but they were then made redundant” (AS) and interestingly, there was talk of the possibility of having a shared service centre for the public sector in the future, which again indicates a low strategic focus. If there is a persistence in considering the role of low strategic and low value then they would reasonably be the first to go.

6.4.2. Formal appraisal systems and training and development

It is clear that appraisals are carried out and there are formal processes in place as indicated in the 83.3% who responded positively to this question (Figure xviii - Performance Appraisal takes place regularly). However, conversely only 36.9% responded positively to whether or not appraisals are linked into helping them become a better employee! (Figure xix - Performance appraisals are linked into helping me to be a better employee) which would indicate there are issues that can be related to motivation, involvement and engagement. The purpose of any performance appraisal system should be interlinked with developmental factors such as training and development and promotion opportunities (Farnham, 2010). Yet 40% indicated there was no equality amongst all staff in relation to these factors (Figure xvii - There is equality amongst all staff when seeking promotion, training and development) compared to 41.7% who felt there was, this is supported by the 29.7% who felt performance appraisals were not particularly linked into enabling them to improve in relation to their jobs or indeed in relation to the organisational needs (Figure xix - Performance appraisals are linked into helping me to be a better employee), and the 22.6% who felt they would have more chance of achieving recognition and reward if they were to ‘please’ their superiors (Figure xxv - If I please my
superiors then I am more likely to achieve recognition and reward). This may point to a control as identified in Ostroff’s (2000) ‘traditional’ system of management which tends to be focused on practices which are aimed at hierarchical type monitoring and control.

6.4.3. Management can be learnt

This goes hand in hand with the attitudes towards training and development and the opportunities which are afforded to employees to advance. Along with this is the attitude to management or authority. Only 43% felt they were able to progress and develop based on their career aspirations (Figure xxix - There are opportunities for training and development in order to achieve my career aspirations within the organisation). Additionally the data for performance management (Figure xix - Performance appraisals are linked into helping me to be a better employee) shows 63% did not feel any connection between the process of appraisal and the actual act of enabling, training and development with 29.7% actively disagreeing that performance appraisals were linked into helping them to be better employees. This illustrates a tendency to control training and development as it is firmly held by the ministerial powers to bestow gift and favour. It may be firmly linked into the needs of the ministry in question, but it is definitely within the ministerial gift to give or not Figure xxii - The minister in charge decides who should receive training and development and

Figure xxiii - The minister in charge decides who should get promotion). Along with this is the 25% who felt they were unable to compete equally with others for promotion and a rather large 39.3% who declined to answer this question. This is contrary to the Westernised ideal of placing importance on meeting training needs and ensuring employee relations with developing people and emphasis on involvement and engagement (Sparrow and Hiltrop, 1997; Farnham,
2010; Marchington and Wilkinson, 2012). Nor is it indicative of there being any similarity with the Nordic or northern clusterisation ideal which is employee focused in relation to development and training and involvement (Ignajatovic and Svetlik, 2002).

The views on how management is perceived would tend to support the French model or ‘clusterisation’ which considers management to be ‘elite’ individuals who have well developed powers of analysis rather than the ability to communicate and motivate and the presence of formal hierarchies (Sparrow and Hiltrop, 1997) along with the Germanic, which bases cultural tradition on formal authority and a rather masculine form of management, authoritarian yet “hands on” (Sparrow and Hiltrop, 1997) with 45% indicating their managers should have answers for all questions and all situations which may link into a strong element of the perception of control (Figure xxvi - One can be a good manager without having precise answers to most questions that subordinates may raise about their work, ) and 39.3% indicating that it was felt it was not the place of those without authority to suggest ways in which work can be improved which shows a large respect or consideration of authority and this also supports the work of Bollinger (1994) of a high power-distance, and also the work of Mole (2003) who argues the senior person would need to dominate and it is not the employee’s place to particularly contribute. Here however there are links into the Nordic model of clusterisation (Usiner, 1992) as there is a constrained logicality and order and arguably a strong element of management focus which supports the Eastern clusterisation concept (Usiner, 1992).

6.4.4. Teamwork

This is the relationship element of management linked to teamwork, and when asked a direct question of whether or not their superior was part of the team and whether their contributions were valued a rather large 63% responded positively in relation to this statement ( 
Figure xxvii - My superior is part of the team and therefore values our contributions, ) with 78.6% indicating that they would speak to their superior if they had a problem relating to the work environment (Figure xiii - I always speak to my immediate superior when I have a problem with regards to work), and this is arguably predictable given the above discussion on the high power-distance relationship, with deference to authority and managers being there to make decisions, so it is perhaps related more to the lack of autonomy in their jobs. Relate this to the 39.3% who indicated that it was not the place of those without authority to suggest ways in which work can be improved (Figure xxviii - It is not the place of those without authority to suggest ways in which work can be improved) would again fit with the management focus found in the Eastern clusterisation (Ignajatovic and Svetlik, 2002).

The true concept of teamwork is for all team ‘members’ working towards the good of the organisation and the interest of employers and the organisation are seen to be the same and therefore, everyone works as a team. This requires cooperation and coordination of effort by working together which needs to be actively encouraged (Farnham, 2010) and part of the cultural ‘natural’ element of the organisation. The fact that 39.3% indicated it was not the place of those without authority to suggest ways in which work can be improved (Figure xxvii) with 26.2% declining to respond either way in this category would suggest that cooperation, or the input of them as individuals is not particularly wanted or encouraged. But there appears to be a certain constrained logicality and order since it gives indication that is employee focus, but there is still a strong element of management focus which again fits with the Nordic clusterisation concept (Svetlik, 2002).

6.4.5. Motivation, Involvement and Engagement

Motivation is an important element of involvement which takes a high priority within the Western concept of HRM (Farnham, 2010). It also forms a large basis of the unitaristic view
of HRM being intrinsically linked to involvement and engagement. It is difficult to measure motivation, apart from undertaking a staff satisfaction type surveys measuring attitude and ‘happiness in the job’, which was not within the remit of this work. It is stated here that it does however, have some bearing when considering data and also considering the style of management and culture that exists. If we consider how motivated and engaged the respondents are, how they feel, are valued or are able to compete equally in aspects such as promotion and development, we see that 25% of the respondents felt they could not compete on an equal footing for promotion (Figure xxiv - I am able to apply and compete equally with others for promotion) [with 39.3% abstaining from commenting) and 31% feeling that there is no equality amongst staff when seeking promotion, training and development (Figure xvii - There is equality amongst all staff when seeking promotion, training and development) with 27% actually abstaining from commenting. The westernised practices of HRM put a ‘high price’ and ‘high importance’ on those committed employees who are encouraged to be involved and to participate, feeling ownership and responsibility to the success of the organisation (Amah and Ahiazu, 2011; Farnham, 2010; McShane and Von Glinow, 2003; Sparrow and Hiltrop, 1997).

These findings support the work of Constantin et al., (2006) and Analoui (2004) in their research within Romania who argued that management style was traditional with reliance on hierarchical type monitoring and control and therefore based on the old system of centralised management, weak trainers, and low involvers (Analoui, 2004; Ostroff, 2000; Lee and Chee, 1996). There was little evidence of any sophistication or integrated human resource policies. Also, within state organisations, there was a characteristic of ‘bowing’ to the needs and whims of their superiors in order to receive rewards, which is arguably reminiscent of the ‘blat’ or traditional system. In support of this view is the finding that 22.6% felt if they pleased their
superiors they were more likely to achieve recognition and reward (Figure xxv - If I please my superiors then I am more likely to achieve recognition and reward) with 40.5% abstaining from giving a view.

6.4.6. Communication and Interpersonal skills

There is an attempt to communicate information ‘needed’ or deemed to be ‘needed’ which is demonstrated in Figure viii - Communication methods and perceptions in relation to communication shows that the most prominent method of communication was by word of mouth and this is by far the highest occurrence. This is closely followed by in-house newsletters and intranet. The issue here is a high score is given to the view that management tell them what they need to know (45.2%). Within the Anglo-Saxon or Westernised concepts of HRM, a sophisticated communication policy and practice are considered of great importance (Sparrow and Hiltrop, 1994; 1997: Marchington and Wilkinson, 2012) deemed to encourage and support involvement, motivation and engagement. It may be some other method of communication should have been included on this list of choices, however, it still does not take away the fact that this element of being told only what they need to know is high.

6.4.7. Legal

Systems within the Anglo-Saxon and the Western concept or models of HRM are highly legalised with a codifying of certain elements of the employment relationship rather than leaving it to employer choice, which gives a ‘bottom line’ of behaviour allowable and sets down the forms of ‘penalty’ should employers fall below this minimum standards of behaviour. An in depth analysis and consideration of legal provision in relation to labour law has not been carried out within this research, however, a comment by one of the respondents was interesting and may be of interest in relation to future research:-
“.. labour law has not changed since Soviet times and to be honest it was very much employee orientated and even now it is quite hard for employers, it is easier for employees, the employer has to prove everything, it has the obligation to prove employer is right, if employee says that the employer is wrong it is enough for employer to need to prove they are right” (AS).

This appears to be a return to the Soviet system of obligation to provide employment for all citizens and may be something that will change rapidly within Latvia within the near future.

6.5. Trust

Under the old régime the ‘cadre’ were the ‘eyes and ears’ of the communist party and as such a major disseminator of party doctrine. Selection and reward was driven by politically motivated criteria as opposed to the ability to do the job. Files and dossiers of personal life were maintained and used in relation to decisions around promotion, development and selection of individuals (Mills, 1998; Rislakki, 2008). Given past experiences and feeling of unfairness, it is perhaps expected that the management group, particularly with the public sector, could not be the same as under the old régime. This may well be political reasoning and the will of the people as well as deep rooted mistrust, which manifests itself in the data presented, described and discussed above. Therefore, as Tulik and Atlas (2003) argued a view that the control dominated Soviet era had not left a shadow on the practices of management would be oversimplistic. As the results have indicated, there is an element of “reverting” to type, particularly in the control of training and development, hierarchical management practices. There is an indication of a residual mistrust in authority and management and perhaps an element of
acceptance this is the way it should be. Since only 30.9% felt they could talk to their immediate superior about anything (Figure xv - I feel I can talk to my immediate superior about anything), 21.4% felt they could receive promotion based on their ability to do the job well (Figure xvi - I am able to obtain promotion based on my ability to do the job well) and 31% indicated there was no equality in relation to promotion, training and development (Figure xvii - There is equality amongst all staff when seeking promotion, training and development).

A high percentage indicated that they were told what they needed to know (38%) with some observing they do not keep them informed at all (10%) (Figure viii - Communication methods and perceptions in relation to communication) there is also evidence of a high power-distance’ and the dominance of senior ‘elites’ where employees are not encouraged to contribute (Figure xxviii - It is not the place of those without authority to suggest ways in which work can be improved). They show an inherent lack of trust where management is concerned similar to conditions found by Taylor and Walley (2002) in their research where they espoused new style type policies, even when put into place, were hi-jacked by more traditional and fundamentally familiar elements used in a subjective and personal way.

6.6. Residualism

Earlier in this work it was noted by Tulik and Alas (2003) that the control dominated Soviet era must surely have left a shadow on the practices of management and this has been further raised by other commentators in one way or another, such as Mills (1998) who argued that an employment relationship that encompassed significant patterns of individualistic and self-interested behaviours being inherited from the ‘communist regime’ era may well be an inherent feature of the ongoing culture of management (Mills, 1998). Mills ponders on this being an
issue for factors such institutional trust, and this has been discussed above. Clearly there is a fear factor at play at the possible continuation of some of the ‘old ways’ which is evident in the lack of Latvian Russians within the workforce and the ongoing discussion of the Russian language from public, civic and business life (officially) which presents many interesting debates and areas for further study both from an anthropological as well as a socio-political perspective (Rislakki, 2008; RT News, 2013; Felhûne and Mits, 2001; Purfield and Rosenberg, 2010; Freeman, 2014; Beard, 2014).

The work of Taylor and Walley (2002) is interesting too when discussing the collapse of the communist regime when they commented and data points towards the continuing existence of a central control mentality for instance 33% indicating the minister in charge decides who should get promotion and 31% declining to respond to this either positively or negatively (Figure xxii - The minister in charge decides who should receive training and development and Figure xxiii - The minister in charge decides who should get promotion). Under half agreed that there was equality when seeking promotion training and development (42%) with 31% disagreeing. This demonstrates a high power-distance relationship and leans towards the old style of employment practices which relied heavily on nepotism, personal politics, friendship and past affiliations (Taylor and Walley, 2002).

When looking at the results of the on-line survey, the amount of ‘declining to comment either way is interesting, with the possibility of either distrust in the questionnaire and who would get to see the result or as in some survey analysis could be indicative of a negative response, but could equally be attributed to as undecided or don’t know and therefore does not have a value attributed to it (Baka and Figgou, 2012). But given the nature of the questioning it is still of interest and worthy of further debate and exploration in future research.
6.7. Social Capital

The existence of ‘blat’ and its linkages to social capital is something that has been ignored by scholars (Ledeneva, 1998) and in this research little that has been explored has noted or recognised the connectivity. ‘Blat’ is described as a ‘bartering’ or ‘dealer brokering’ in the name of friendship of helpfulness (Ledeneva, 1998) and here the connectivity is stated as ‘bonding’ and ‘bridging’ ties that are still present in an institutionalised sense (Borgatti and Foster, 2003) focusing on social networks and informal relationships (Lin, 2001).

Trust is an important element in all these findings, you might say unsurprisingly, and as Wallace and Pichler (2007) point out, it is a particularistic trust. The very existence of this ‘social bonding’ allowed what was a bankrupt system to survive, where it should have failed sooner than it did.

……..the Soviet economy was already falling apart and it was just a matter of time [because we could just wait ..... (ES).

Evidence is that it was strongly embedded in organisational and societal life. The data suggest it still exists albeit as ‘grace and favour’ particularly in questions on equality when seeking promotion, training and development with only 42% indicating equality existed with some 31% that it did not with 27% declining to answer either way (Figure xvii - There is equality amongst all staff when seeking promotion, training and development) and feeling that they are able to obtain promotion based on ability to do a job well with only 22% agreeing, 29% disagreeing
and 39% declining to give an opinion either way (Figure xvi - I am able to obtain promotion based on my ability to do the job well).

6.8. Convergence v Divergence

There is ongoing debate as to whether these transitional states are converging or diverging in respect to HRM and this work adds to that debate (Brewster et al., 2004; Sparrow et al., 1994; Tregaskis et al., 2001; Moreley, 2010; Kerr et al., 1970; Adler et al., 1986; Vanhala et al., 2006; Gooderham and Brewster, 2003; Rowley and Benson, 2002). Convergence it has been said, is inevitable with convergence towards the US or Western frame of reference and understanding of HRM. Divergence on the other hand, take note of inevitable differences of national culture, socio-political and socio-historical differences (Brewster et al., 2004; Moreley, 2010). Brewster et al., (2004) drew attention to different propositions, one of which is that “Deep-seated and fundamental differences between European countries mean either continuing divergence, or, no convergence in HR practices among European organisations” (Brewster et al., 2004:22), and these results support that viewpoint.

In exploring this question, westernised models and Europeanisation, or the so called 5th model were critically evaluated and synthesised (Table 12) which considers ideologies, behaviours and values (Ignajatovic and Svetlik, 2002; Sparrow and Hiltrop, 1997; Lee and Chee, 1996; Ostroff, 1992; Becker and Huselid, 1996; Brewster and Larsen, 2000; Larsen and Brewster, 2000; Mayrhofer et al., 2000; Keppenberger and Gould, 1998; Usinier, 1992; Hofstede, 1980; Scholz and Muller, 2010; Vuontisjärvi, 2006; Guest, 1990; Trompenaars, 2002). These works form frames of reference, which have been referred to throughout this discussion.
There are elements identified that can be likened to any one of these ‘clusters of practices and ideologies’, but there is a definite uniqueness (divergence) or ‘draw to the past’ (residualism) present, for example the role of HRM is not given a ‘strategic’ value such as in Western or Anglo-Saxon framework. It is about personnel and people (G) and predominately administrative, record keeping role (G; ES), about maintenance duties to support (G;ES) which indicate that ‘tenacious draw’ to familiar territory with the role is considered to be low skilled and of minor importance.

6.9. Concluding

This chapter has discussed the findings of the research relating and critically evaluating them in consideration of the main frames of reference generated by the different levels of research activity. The following chapter concludes the research considering the main findings, their contribution to knowledge, and to other researchers, any limitations and as well as consideration of future research direction.
7. Conclusions

7.1. Introduction and summary of the study

The conclusions reflect on the discussion bringing this to a resolution, reviewing the research and present the main findings, contribution to knowledge and research methodology and consider research limitations.

The research used grounded theory as the most appropriate methodological approach and systematic qualitative data analysis allowing for a flexible and versatile data analysis strategy (Bryant and Charmaz, 2007; Glaser and Strauss, 1967; Strauss and Corbin, 1998; Marshall and Rossman, 2006). There has been little research from a Latvian perspective with the country considered an extension of the Soviet Union and the Baltic States of Lithuania, Latvia and Estonia “systematically ignored” and considered as the “forecourt of Russia” (Heuttinger, 2008). In this research the Latvian public sector is considered with ‘honest’ observation and study which provides a ‘snapshot’ and ‘insight’ into the development of a phenomenon through time.

The research question investigated “What is the nature of transition of human resource management ideologies and paradigms against the backdrop of larger scale dynamic developments in the Latvian public sector?”, and the objectives were:

a.) To critically evaluate the contextual factors affecting the practice of HRM and its development in relation to the management of the employment relationship in the Latvian public sector.
b.) To investigate both the socio-political and socio-historical factors to compare and contrast with development of prevalent cultural considerations both early post-independence and present in Latvia.

c.) To consider to what extent any residual behaviours and paradigms in relation to the pre-independence times are still apparent and how this has permeated into organisational practices in the Latvian public sector.

d.) To consider the value of this research from both an academic and organisational perspective within the Latvian public sector.

These are reiterated for ease of reference and to inform the following.

The theoretical lens of the study was convergence theory based on the works of Brewster et al. (2004), Adler et al. (1986), Sparrow et al. (1994), Vanhala et al. (2006) and Moreley (2010). The main themes identified during research are shown in Table 3 which further shows main commentators as well and emerging themes.

### 7.2. Main Findings

The following presents main findings from the study and is considered thematically.

#### 7.2.1. Periodisation (through transition)

The aim of this research has been to critically evaluate the nature of transition of HRM ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia. The study has been a diachronic journey through transition following independence. The early research into periodisations prior to independence from the Soviet perspective has been the frame of reference to considering the nature of change immediately following and onwards (Table 10). For ease of reference they were *Administrative-ideological (1945 to 1960), Initiation (1960-1970/50) and Pioneering (1970/80 – 1980/90).*
7.2.1.1. Periodisations identified

This research identified three further periodisations following independence which are illustrated in the following table:

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<th>Periodisations post-independence</th>
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<td><strong>1990 – 2005</strong></td>
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<tr>
<td>Independence based on research of author</td>
</tr>
<tr>
<td><strong>2006 – 2008</strong></td>
</tr>
<tr>
<td>‘Transition Period’</td>
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<tr>
<td><strong>2008 – onwards</strong></td>
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<tr>
<td>Emergence Period</td>
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### ‘VOID PERIOD’

- Period of chaos
- Purging of system to ensure loyalty
- Described as a ‘void’ with regards to any formalised thinking or existence of human resource management
- Open to Western influences, inviting consultants to train and educate
- Move from labour control, record keeping and human accounting to concept of Personnel Management in mid 90’s
- Procedural
- Those that were exiled from the State start to return
- Still relatively low qualified

- Administrative
- Data-driven
- Western Consultants training
- Move from administration to management
- ‘Personnel Policy Phase’
- Starting to consider HRM strategy
- Skills and training becoming increasingly important
- Consideration of good practices
- Emergence (slow at first) of HR based subject areas being delivered within educational institutions
- No HR specific qualifications
- Questions start to arise of unequal status for those of Russian-Latvian origin
- Employee orientated labour laws
- Nationalistic bias in relation to restricting Latvian citizenship

- Administration driven (probably due to global economic conditions)
- Data-driven
- Status rising but still relatively low
- Low strategic importance
- Traditional based systems of management (Ostroff, 2000)
- Management centred
- Weak trainers but growing in importance
- Low involvers
- Hierarchical type monitoring and control
- Still emerging
Following independence the ‘void’ period was characterised by what has been described by one respondent as a ‘purging’ of the system. Those in a managerial position under the ‘old regime’ were removed. No semblance of order existed, particularly where HRM was concerned and those who were in positions of authority were removed as their loyalty was questionable. There was labour control, record keeping and human accounting mentality. During this time, those exiled from the country started to return. Management policy (or lack of it) was quite ruthless as a consequence.

From 1995 to approximately 2007 HRM was in ‘transition’, eager to learn and trying to find a place. Western consultants provided training in HRM and best practices, and this could also be called the ‘personnel policy’ phase. With the input from these consultants the ideology of strategic bias was introduced, though not fully embraced. This period is characterised with up-skillling within the workplace but in the Latvian public sector there was a nationalistic bias demonstrated by restricting Latvian citizenship to ‘non-Latvian’ speakers. HRM was growing in recognition from a Westernised perspective in their eagerness to build systems to move forward.

From 2008 onwards systems and attitudes begin to normalise, or find familiarity of shape and ideologies. The ‘emergence’ period (a settling down period) reveals a system of HRM or people management which is inextricably drawn back to familiar values and territory though the status of HRM has risen it is still considered of low strategic importance with a traditional base of systems it is management centred with weak training and low involvement centric. There is also an element of hierarchical type monitoring which maintains a power distance relationship between employees and management.
7.2.2. Trust and Residualism

Throughout this work the question of trust has been raised time and time again. The two themes of trust and residualism are inextricably linked. Residual mistrust in the system and in authority is still underlying, policies and practices have been largely ‘hi-jacked’ by the more traditional and familiar ways much as Taylor and Walley (2002) found in their work in Croatia and Capital (2004) in Romania. Tulik and Alas (2004) posed the question whether or not the control dominated Soviet era would have left a shadow on the practice of management along with Mills (1998), and these findings indicate that where the Latvian public sector is concerned the answer is yes.

Data suggests there is still a control mentality in people management encompassing recruitment and selection, training, development and promotion with a high power-distance relationship which may well rely on nepotism, personal politics, friendships and past affiliations (Taylor and Walley, 2002).

7.2.3. Social Capital

Findings are inconclusive, but it does identify an interesting and essential area of study for the future. The findings of low trust and residualism of behaviours have left an environment which is a fertile ground for the continuation of the reliance of the ‘blat’ mentality, which is socially ingrained behaviour of grace and favour. However, patterns of ‘social capital’ and ‘social bonding’ vary across societies and there is research still to be done and much to be debated (Halpern, 2005). There are inextricable links to trust and with a high power-differential and ‘low trust’ environment the traditional trusted social network system has a greater likelihood of surviving and bridging those gaps of inequities and fairness.
7.2.4. Convergence v Divergence

In considering this various clusters of practice, ideologies and models of HRM were explored. These included Western, Anglo-Saxon and European. These allowed consideration of whether there had been convergence or divergence. The overall theoretical lens of this research has been convergence versus divergence (Brewster, 2004; Moreley, 2010) and the findings support the contingent theorists’ view related to cultural differences. But according to Vanhala (2006) and Brewster et al. (2004) the question of convergence or divergence cannot be considered as opposite sides of the same phenomenon, but as interwoven. The Latvian public sector has developed its own unique cultural model which has been influenced by the power shift and the wish to distance themselves from the ‘sovietisation’ period of their history. They have reverted to ‘traditional’ forces based on understanding and familiarity resilient to ‘soaking’ in too many Westernised concepts and ideologies. There is persistence in considering the role of HRM as low skills and of low strategic value. This work therefore supports the divergent argument although it is not as planned as management considering cultural differences it is linked to nationality and nationalism, cultural, trust and residualism with a persistence of past behaviours and ideologies.

7.3. Contribution to Knowledge

“Thou shalt not wit with statisticians nor commit a social science” (W.H. Auden, 1946).

The world we live in as researchers, commentators, academics and citizens is without frontiers of the unknown. There are civilisations that are pooling together and converging cultures and also as history [and the present day] has taught us there is a fragile peace between countries and states which can be marred by various occurrences such as wars, ethnic divisions,
dictatorial excesses and governance collapses. One of the best hopes for survival, it is argued, is the development of our knowledge about social aspects such as ‘natural systems’ and the way people behave within them (Bastow et al., 2014).

This research has provided a rich textured description of “lived experience” (Welman and Kruger, 1999) and considers the socially constructed nature of reality (Flick, 2002), seeking patterns and regularities moving from the general to the specific building theories along the way (Bryant and Charmaz, 2007; Charmaz, 2014).

As with all intellectual development these findings now form the basis of future activities having added further to works of past researchers and commentators in the years post-independence and synthesized as a frame of reference (Skorobagatov, 1981; Tșižov and Tșurmantejeva, 1975; Kamušič, 1972; Možina, 1975; Vanhala, 1995; Kavran, 1976; Brekič, 1983). This research proposes three further periodisations (Table 3). All findings presented are from a Latvian public sector perspective, which gives not only a ‘view’ into the national picture but also the organisation. All the Baltic States have been systematically ignored being treated as the forecourt of Russia, and the earlier research supports this as all considered it from a Soviet perspective to cover all of the Soviet regions. This research has built on and considered it from the Latvian perspective, albeit the public sector within Latvia, which now gives a frame of reference for comparison and further research.

There is little known about HRM within Central European States and gaining knowledge and empirical data has significance to aid understanding and support future research. These States are a ‘test bed’ of many arguments by social commentators, academics and researchers and provide real opportunities for future research especially as any model or understanding of the
region disappeared and therefore it leaves the field open for a variety of alternatives of management and HRM to be tried, tested or to ‘morph’. Even when considering simple dichotomous models, the different ex-communist states have made different decisions how they manage employees and have developed their own version of HRM based on surrounding antecedents such as familiarity, imbedded national context, social-historical and socio-political experiences and understanding. The dichotomies presented in this research provide a ‘snap shot’ into the Latvian public sector.

The research question is “What is the nature of transition of Human Resource Management ideologies and paradigms against the backdrop of larger scale dynamic development in Latvia” (within the public sector). The definition of public sector from the Latvian perspective is a functional one, composed of State, local government institutions and other organisations that are subject to public rights (public entities)\textsuperscript{12} There have been three definite contributions to knowledge which add to the body of knowledge of HRM within a post-Soviet context. These are summarised as follows:

\textbf{7.3.1. Convergence v Divergence}

In adding to the works of commentators (Brewster et al., 2004; Adler et al., 1986; Sparrow et al., 1994; Vanhala et al., 2006; Tregaskis et al., 2001; Kerr et al., 1970; when considering the question of convergence versus divergence, the Latvian public sector are diverging and developing their own unique cultural model reverting to ‘traditional’ and ‘familiar’ ways being resilient to ‘soaking’ up other cultural influences. They have maintained their nationally and culturally-based ideologies and there is greater divergence than convergence.

\textsuperscript{12} \url{http://opa.eu/eiro/studies/tn0912027s/lv0912029q[accessed 25\textsuperscript{th} January, 2012]}
7.3.2. Periodisations

Following independence, and to further build on earlier works (Svetlik et al., 2007; Skorobagatov, 1981; Tšižov and Tšurmantejeva, 1975; Kamušic, 1972; Možina, 1975) on periodisations of HRM, those of ‘void’, ‘transition’ and ‘emergence’ have been identified and therefore added from a Latvian public sector perspective (table 13).

7.3.3. Trust and Residualism

There is residual mistrust underlying and the control dominated Soviet era has left a ‘shadow’ on practices of management which has a control mentality. There is a high power distance with policies and practices ‘hi’jacked’ by traditional understandings of HRM. This adds to the body of knowledge from a Latvian public sector perspective (Tulik and Alas, 2004; Taylor and Walley, 2002; Mills, 1998).

7.4. Policy Implications

This research provides opportunity for the Latvian public sector to ‘start’ holding a ‘mirror’ up to itself and gain understanding of how their version of HRM has come about and to consider attitude to management of people. It is not suggested that any model or ideology should be adopted, but transition will continue the ‘morphing’ process into their own identity and style of HRM continues. A basic understanding of their own organisational management may prompt senior management and ministers to consider behaviours desired from themselves and employees and how they might adapt or modify these. They have a number of issues to consider, not least developing and cementing national identity which is true to national identity and diversity.
7.5. Limitations of Study

This research has been carried out over a number of years which has been affected by life changes as well as changes in government and a need to renegotiate access to the organisation. There were issues of ‘trust’ which is evidenced in the data, and the appearance of a questionnaire, asking probing questions, no matter how well the ground has been prepared can be seen as suspect.

A major issue of grounded theory is ‘when do you stop?’ (Bryant and Charmaz, 2007), when is there ‘theoretical saturation’ and the answer had to be stop when the ideas run out (Glaser and Strauss, 1967), when adding further data makes no difference. As put by Bryant and Charmaz (2007) “Like a sponge which can hold no more water, the theory needs no more elaboration or refinement”, theoretical sampling is conceived as an instrument for generating theory, and not for investigating cases, but this needs more refinement when considering emerging ideas. But how do you prove saturation as we can claim it, but not prove it (Charmaz, 2006), and there is always a chance that additional data may actually ‘explode the theory’ (Glaser and Strauss, 1967: 73).

7.6. Future Research

This research now forms the basis for further research. This region of the World is important and of interest to social commentators. The theoretical lens of this study has been convergency theory and more research needs to be done on divergent forces which shape individuality such as heritage, culture, influences of religion, post-communist reformation of political frameworks and other antecedents. This study provides a diachronic ‘snapshot’ with rich narratives of an organisation in transition which inform future research.
The thematic discussions have identified a number of areas for future research such as questions around residualism, trust and social bonding. The continuing presence of ‘blat’ and its various guises plays a large part in society and in organisational life which in the past have provided solutions to system induced problems. There is much to be explored here particularly in considering how the ever presence of these behaviours will ‘stifle’ or ‘aid’ societies in transition economies and will further add to the work of Halpern (2005), Von Oorschot and Arts (2004) and Kaarianainen and Lehtonen (2006).
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**APPENDICES**
Appendices 1 – Online questionnaire

I am a doctoral student at the University of Glamorgan, South Wales, United Kingdom and as a part of my doctoral studies I am exploring the transition of Human Resource Management (Personnel Management) within Latvia since independence within the public sector. I would be extremely grateful if you could take the time to answer some questions giving as honest opinion as you can to each. I assure you that confidentiality with regards to any data or information, and I can assure you that this process is anonymous.

This is an important study in the development of Management of Human Resources (Personnel) within a European and in particular a Latvian context and I thank you most sincerely in anticipation that you will participate.

Bio data

Please tick which is relevant:-

1. Male   Female
2. Age
   a. Under 25
   b. 26-30
   c. 31-35
   d. 36-40
   e. 41-45
   f. 46-50
   g. 51 and over
3. Which ministry do you work in?
4. How long have you worked for this organisation?
   a. Under 5 years
   b. 5-10 years
   c. 11-15 years
   d. 16-20 years
   e. 20 years and over
5. Which best describes your role?
   a. An employee
   b. A supervisor
   c. A manager who has a duty of responsibility for the work of others
   d. Ministerial responsibilities
6. Which best describes your background?
   a. Latvian
   b. Russian Latvian
   c. Other (specify)
7. Please tick any of the following that apply
   a. Our supervisors keep us informed by
      i. Speaking to us directly
      ii. Intranet
      iii. In-house news-letters
      iv. Noticeboards
v. In-house magazines
vi. They tell us what we need to know
vii. They do not keep us informed
viii. There is no requirement for our superiors to tell us everything
ix. There is no requirement for our superiors to tell us anything

On a scale of 1 to 5 please indicate your reaction to the following statements:

8. We have a distinctive department looking after the administrative needs of people within this ministry
9. I am aware of there being a written mission statement which states the ministries aims and objectives
10. I am aware of the formal strategy existing for the effective use of human resources in order to achieve our targets
11. I feel I can trust those working in the Personnel Function
12. I always speak to my immediate superior when I have a problem with regards to work
13. I never speak to my immediate supervisor about anything
14. I am able to obtain promotion based on my ability to do the job well
15. There is equality amongst all staff when seeking promotion, training and development
16. Promotion and development depends on having the right connections within the organisation
17. Performance appraisals take place regularly
18. Performance appraisals are linked into helping me to be a better employee
19. The minister in charge decides who should receive training and development
20. My immediate superior is responsible for training and development
21. If I please my superiors then I am more likely to achieve recognition and reward
22. One can be a good manager without having precise answers to most questions that subordinates my raise about their work
23. My superior is part of the team and therefore values our contributions
24. It is not the place of those without authority to suggest ways in which work can be improved
25. There are opportunities for training and development in order to achieve my career aspirations within the organisation

Latvian translation
Es esmu Glamorganas Universitātes doktorante Lielbritānijā; pašlaik es pētu Cilvēkresursu vadības (Personāla vadības) evolūciju valsts uzņēmumu sektorā Latvijā kopš valsts ieguva savu neatkarību.
Es būtu ļoti pateicīga, ja Jūs atbildētu uz dažiem jautājumiem sniedzot godīgu atbildi. Es varu Jūs apliecināt ka visa informācija ir konfidenciāla un šis process ir absolūti anonīms.

Šīs cilvēkresursu vadības (personāla vadības) pētījums ir ļoti svarīgs Eiropas un it īpaši Latvijas ietvaros un es sirdsīgi pateicos ja Jūs varētu piedalīties šajā aptaujā.

Lūdzu atzīmējiet atbilstošo atbildi:

1. Vīrietis  Sieviete
2. Jūsu vecums
   a. 25 un mazāk
   b. 26-30
   c. 31-35
   d. 36-40
   e. 41-45
   f. 46-50
   g. 51 un vairāk
3. Kurā ministrijā Jūs stradājat?
4. Cik ilgi Jūs stradājat šajā organizācijā?
   a. 5 gadus un mazāk
   b. 5-10 gadus
   c. 11-15 gadus
   d. 16-20 gadus
   e. 20 gadus un vairāk
5. Kas varētu vislabāk raksturot Jūsu lomu?
   a. Darbinieks
   b. Supervaizers
   c. Menedžers kurš ir atbildīgs par citu cilvēku darbu
   d. Ministra pienākumi
6. Kas Jūs varētu raksturot Jūsu izcelsmi?
   a. Latvietis
   b. Latvijas krievs
   c. Cits (Lūdzu raksturot)
7. Lūdzu atzīmēt atbilstošo atbildi:
   a. Kādu metodi izmanto Jūsu priekšnieki lai informēt darbiniekus?
      i. Runājot ar mums
      ii. Intranets
      iii. Ziņu vēstules
      iv. Pazinojumu dēļi
      v. In-house žurnāli
      vi. Viņi stāsta mums to, kas ir nepieciešams zināt
      vii. Viņi nedalās ar informāciju
      viii. Viņiem nevajag mums visu stāstīt
     ix. Viņiem nevajag neko mums stāstīt

Lūdzu norādiet Jūsu reakciju uz šādiem apgalvojumiem 5 ballu sistēmā.

1 2 3 4 5
9. Esmu paziņots par rakstīto organizācijas misiju kura raksturo ministrijas mērķus un uzdevumus.
10. Esmu informēts par oficiālu stratēģiju kura pastāv efektīvai cilvēkresursu izmantošanai un palīdz sasniegt mūsu mērķus.
11. Es varu uzticīties tiem, kas stradā personālā vadība.
12. Es vienmēr ļūdzu darba problēmu par manu priekšnieku.
13. Es nekad nedalos ar savām personīgām problēmām darba vietā.
14. Es varētu parunāt par visu ar manu priekšnieku.
15. Ja es pildīšu savu darbu labi, es varētu dabūt paaugstināšanu.
16. Visiem darbiniekiem ir vienlīdzīgas tiesības uz profesionālo apmācību, attīstību un paaugstināšanu.
17. Paaugstināšana un karjeras izaugumus iespējas ir balsītas uz sakariem organizācijā.
18. Organizācijā regulāri tiek izmantota darba rezultātu novērtēšanas sistēma.
19. Darba rezultātu novērtēšana palīdz man pilnveidot manas darba praksmes.
20. Darba rezultātu novērtēšana tiek organizēta tikai pēc priekšnieka uzskatījuma.
21. Mans priekšnieks ir atbildīgs par karjeras attīstības un apmācības jautājumiem.
22. Atbildīgais ministers izlema kādāda darbā atbildēt aprēķinātu jautājumu.
23. Atbildīgais ministers izlema kādāda darbā atbildēt aprēķinātu jautājumu.
24. Es varu vienlīdzīgi sacensties ar citiem darbiniekiem par paaugstināšanu.
25. Ja iepriekšējā priekšnieks, man ir labākas iespējas lai dabūtu atzinību un atlīdzību darba vietā.
26. Labam vadītājam nav jāzīnāt precīzas atbildes uz vairākiem darbinieku jautājumiem.
27. Mans priekšnieks ir daļa no mūsu komandas un augstā vērtē mūsu ieguldījumu organizācijā.
28. Šajā organizācijā Jūs nevarat ieteikt kā uzlabot organizācijas darbu, ja Jums nav atbilstošas autoritātes.
29. Šajā organizācijā ir attīstības un apmācības iespējas kuras palīdz man sasniegt manus karjeras mērķus.