HRM CONFIGURATIONS IN PROJECT BASED ORGANIZATIONS

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Abstract: The dominant conceptualization of SHRM is unitarist and assumes intra organizational homogeneity of practices. It has been argued that HRM implementation is likely to differ in parts of the same organization. We use four projects within a single organization in the software services industry in India as case studies to test our arguments. The findings indicate that HRM configurations at the project level are emergent, often opportunistic and are shaped by both the HRM systems of the firm, the project contingencies and managerial behaviours of the project managers. The co-existence of different configurations within an organization challenges the dominant paradigm and raises questions on how organizations manage the divergence within.

Key words: HRM configurations, Project organizations, software services industry, India

1. Introduction

This paper seeks to examine the nature of HRM configurations that exist in project based organisations. The dominant conceptualisation of SHRM is unitarist and while it assumes inter organisational HRM heterogeneity it assumes intra organisational HRM homogeneity (Guest 2011; Paauwe 2009; Storey & Salaman 2005; Delery and Dotty 1996; Storey 1989). Surprisingly, this theorisation has not been empirically examined particularly in the context of project based organisations.

Given the objective of the study to explore different HRM configurations in one and the same organisation and the nature and the extent of such differences, the Indian software services industry was chosen as the context for this study and the key reason is that Indian software firms embody the characteristics of project organizations. The economic interest commanded by Indian software services industry and the dynamic nature of the firms within the industry with a range of projects that vary in uniqueness and strategic value, make them an interesting context for this study (Athreya, 2005).

The notion that HRM may vary radically within one and the same organisation has been gaining credence. Some researchers have argued that HRM implementation is likely to differ

in parts of the same organisation (Bowen and Ostroff, 2004). Indeed, Guest (2011, p. 8) argues that large organisations might have 'highly differentiated internal labour markets' which are likely to have differentiated HR policies, as opposed to overall set of HR practices. Nishii *et al.* (2008) empirically demonstrated differences in actual practices across 18 departments of a single supermarket chain. In this regard it is worth mentioning that extant studies examined job types as the basis for the potential differences. However, it is arguable that in a project based organisational context, projects would better serve as the unit of analysis since they are the building blocks of knowledge intensive project firms. Our study extends the current theorization by providing evidence of differences in HRM configuration across four projects in a single organization, thereby supporting the need for more research on HRM at the level of subunits, departments, work groups and projects. We then address the issue of how firms handle HRM heterogeneity.

In this regard, a synthetic analysis of the literature on project management and Indian software industry suggests that these projects are characterised by several contingencies and these contingencies exert an influence on the way HRM policies are formulated and implemented at the project level: criticality, complexity, uncertainty, urgency, type of the project (development or maintenance); nature of contracts whether it is a fixed price or time and material model (see, Howell *et al.* 2010; Ethiraj *et al.* 2005; Bredin and Soderlund 2007; Archibald and Voropaev 2003).

2. **HRM in project organisations**

Despite the increased adoption of project forms of organisation, specific papers on HRM in project based organisations are sparse (Turner, 2010). Although in recent years, several project management researchers have made repeated calls for more in-depth studies of HRM in project-intensive firms, scholarly research interest in this area has been limited save a few

studies (Heumann *et al.* 2007; Soderlund & Bredin 2006). In particular, HRM in knowledge intensive firms has been highly under-researched. Bredin and Soderlund (2013) analysed the HR quadriad that consist of HR specialists, line managers, project managers and project workers as a framework for the examination of HRM in project based organisation. They found that HRM quadriad offers prospects for analysing HRM at the operational level by incorporating the contextual, collective and configurational nature of projects. In their study of six project based organisations, they identified two factors which have a significant impact on the design of HRM quadriad: the nature of the project work both intra-functional and inter-functional and project participation. Whilst HRM policies are developed at the organizational level, it is the project managers who implement the HRM practices and procedures in their projects. We extend the literature on HRM in project organizations by drawing on Lepak and Snell's conceptualisation as the basis for potential differences in HRM configurations in project based organisations and address the call for more research on HRM practices in project organizations (see Guest 2011; Paauwe 2009).

3. HRM practices

HRM researchers such as Guest (2011) have argued that HRM may vary significantly between organisations. In more recent years, there is a growing trend among SHRM researchers to theorise SHRM as a bundle of practices implemented in combination rather than as independent practices irrespective of whether they adopt universalist, contingency and configurational perspectives (Delery and Dotty 1996; Huselid 1995). However, such theorisation by mainstream researchers delineate either a single or the very least a dominant HR configuration and postulate firm-wide homogeneity in practices (see Paauwe 2009; Youndt *et al.* 1996).

In a study, Lepak and Snell (2002) advanced a grid with dimensions of human capital characteristics (high and low uniqueness) and employment modes (high and low strategic value) and proposed four HR configurations. The quadrant with high uniqueness and high strategic value is termed 'commitment based' HR configuration. HR in this configuration is core to the firm and the focus is on internal development and long-term employee commitment. The quadrant with high strategic value and low uniqueness is termed 'productivity based' HR configuration. The employees in this configuration are capable of making critical contribution to the organisation and they possess easily transferable skills. However, employee skills are not unique and they are not a source of differentiating competitiveness. The quadrant with both low strategic value and low uniqueness is called 'compliance based' HR configuration. The value added by HR here is low and employee skills are generic. The work in this case has limited scope, purpose and duration and Lepak and Snell (2002) argue that they are ideal candidates for outsourcing. Finally, the configuration with high uniqueness and low strategic value is termed 'collaborative based' HR configuration. Firms in this quadrant draw on the knowhow of external employees who provide expert services. They also argue that this occurs through a process of co-production process in which both employees and external workers contribute to specific outcomes (also see Sharma 1997; Parkhe 1993). Professional employees such as R & D experts and investment bankers fall in this category. In short, HR is unique but of insufficient strategic value. Although Lepak and Snell (2002) implied the presence of more than one HRM configurations in a single organisation, they considered neither potential presence of all the four configurations existing in one and the same organisation, nor its implications. We use the projects in the software services organizations in India to examine whether the four configurations could exist within the same organization. The Indian software industry is chosen as the context for the study.

4. Methodology: Given the exploratory nature of the study we have adopted an inductive theory building approach. A single project based organization was chosen to reflect the project complexity of the Indian software services industry.

The research site for the study consisted of a mid-size software services company headquartered in India named Harmony Systems (all names and places are pseudonyms). Harmony Systems is a publically listed company in the software sector which employs over 10, 000 people. Harmony Systems provides IT services to its clients, most of whom are non-Indian multinationals. We collected data through a range of methods: interviews, focus group discussions, follow up emails, internal documents of the organization, press releases and analyst reports to arrive at a list of projects representing the quadrants identified for the study. The research team shortlisted twenty projects ranging from low to high based on strategic value. Another round of shortlisting was done by the research team based on the uniqueness of the project. This was arrived at based on discussions with a cross-section of key employees who had spent long years in the software services industry. Four projects that respectively fall into the four quadrants advanced by Lepak and Snell (2002) were identified.

Table 1. Project Quadrants (Lepak & Snell 2002)

Uniqueness	***Strategic value***	
	Low	***High***
High	Collaboration based HR configuration (Project: Stase & Stade)	Commitment based HR configuration (Project: Elegant)
Low	Compliance based HR configuration (Project: Development International)	Productivity based HR configuration (Technostar)

This process took the research team about two months and data collection was done over the next 9 months during 2012. We have conducted in-depth interviews with fourteen informants in Technostar, thirteen in Elegant, eleven in Stase & Stade, seven in Development

International. We have also conducted one focus group discussion each in the three projects except DI.

5. Analysis

Drawing on multiple case theory building (Yin 2003; Eisenhardt 1989), we used within case and across case analysis. We began by writing up the individual cases at the level of the projects by two authors who did the data collection. The other three authors reviewed the cases to provide independent views and thereby several nuances relating to across case analysis were developed. We did within case analysis by identifying the emerging themes, developing the preliminary concepts and providing rough theoretical explanations. This was followed by across case analysis where pattern matching, iterative exploration of the emerging concepts and certain distinct conjectures around possible theorizing were attempted.

6. Research site and cases:

Harmony Systems was started by a set of professionals who had rich experience in the Indian software services industry. The HR practices adopted by Harmony Systems have been claimed to be unique and they often featured in the public press and HR professional journal. Firstly, their first HR head was a business manager who had an interest in HR and this tradition is since followed. Secondly, at the time of inception of the organization itself, the founders had articulated values and integrity in workplace. Thirdly, the founders believed that the term '*HRM'* had an exploitative connotation and therefore, a more generic term "People" or "employees" is used within the organization.

Fourthly, the organization invested heavily in building an intranet portal for the 'people function' department at an early stage of inception. Fifthly, in the early stages of its inception in 2005, Harmony Systems set up a full-fledged Learning and Development platform

management process with accountability lying with the operating and business managers. Sixthly, in 2006, a separate campus recruit learning and development process was created.

In our interviews with the HR team, there was a great deal of pride in the manner in which several HR systems like the Competence framework and Performance management systems were developed in-house. There is a competence framework which maps an employee on knowledge, skills and attitudes needed across technologies and platforms at various levels in the organization.

7. 1 Case study 1: Technostar: Introduction and key features:

Technostar is a £7 billion networking infrastructure and ICT services company and is a part of an £18 billion turnover group. It is one of the largest projects within Harmony Systems and it contributes significantly to gross margins. Harmony Systems has been providing software support to Technostar for seven years and in 2010, it was given a long term contract of five years to provide technical support to Technostar and its customers. The project employs 450 people and the numbers are expected to triple in the next year. Harmony Systems manages the infrastructure, application packaging software and IT support for both Technostar and its customers in three categories: workspace management; security services provided to address the IT security and round the clock technical support for end-customers.

7.1.1 HRM practices and processes: Technostar

Our analysis throws light on the HRM configurations at Technostar**.** The selection on this project is the trade-off that managers make between cost and contractual obligations, motivated arguably by the need to improve productivity. Since the project contract contains obligations on the skill level, the project managers follow a targeted process for recruitment and selection. In the early stages of the project, recruitment was predominantly done from the external market. Since it was a five year project, they decided to invest on developing employees from within through campus recruitment.

"When we started this engagement, we selected employees who were available and trained them on customer specific technology. The visibility and pressure is very high because we are delivering technical support online to mission critical customer applications. Many employees could not handle this pressure and it was a challenge for me." (Programme Director, Band C8)

Given the security involved, there is a background verification process which takes 6 to 8 weeks and. There is a structured induction with an emphasis on technical inputs conducted by team leaders.

Our analysis uncovered a great deal of emphasis on multi-skilling by project managers to ensure timely delivery and to avoid the penalties in the contract.

"*In the Technostar project, everybody in a team gets to work on all applications. If one is on leave, somebody else should complete the work. If you say you don't know a particular application, the manager will immediately ask team members to give you a chance. Thus, everybody knows everything in this project",* (Senior Project Manager, Band C8)

Our observations and discussions suggest that the project has a structured knowledge management practice (KM) to build employee capability and enhance productivity. There is Knowledge Transfer (KT), wherein an expert in the most recently joined team member and a team leader provides inputs to new joinees and a reverse KT.

"*I can train the people who join new, then they are given opportunity to work on the project, and they take over from you; if you want to learn some other technology within the project, you can switch easily. You can ask your manager, they will conduct special training sessions for you; you can get certified and move to another domain.",* (Senior Software Engineer, Band C2)

Our observations suggest that the project team has developed an internal Wiki which documents all the problems encountered by them with potential solutions. Furthermore, our observations suggest that Wikis are made use of by employees for fixing problems. It is mandatory that every employee has to submit three Wikis in a year.

Our analysis also suggests that the plan for career management is also developed with the intent to securing efficiencies. There is deliberate encouragement of multi-skilling through job rotation within the project. Managing client relationship is considered key to career

growth. Generally employees are moved to other projects in Technostar or other projects within Harmony after three years.

The unprecedented emphasis on performance management is a clear theme which permeated interviews at all levels and this is distinctly different from the process followed by Harmony Systems. There is evidence for a manager led goal setting in the project. The system itself generates prompt feedback on individual performance such as successful completion of technical support, time taken to close the complaint and the ability to meet the SLAs. There is also evidence of a structured managerial monitoring of individual performance Our analysis suggests that managers were tough on the ways they managed poor performance and we found evidence for putting poor performers on 'performance watch', monitored and "asked to leave if there was no improvement" (Senior Project Manager, Band C5).

Our analysis suggests that employee appreciation and recognition schemes were specifically designed in the Technostar project to elicit more productive behaviours. Many employees mentioned that managers consistently recognised and appreciated employees for both their 'in role' and 'extra role' behaviours and most have received 'pat on the back' and 'smileys'. Our analysis suggests that there are also team awards and this is done systematically.

> *"...There is an annual best project team award within the project. Every team makes a presentation to the senior leaders in the team on what we do differently and they listen to the presentation and the inputs for award come from the presentation",* (Technical Leader, Band C4)

In short, our analysis suggests the presence of a productivity based HR configuration advanced by Lepak and Snell (2002) in that there is a highly personalized managerial style in which all HR systems are tailored to enhance productivity as evidenced by a cost minimization approach in selection, systematic knowledge management process, systematic training, extensive use of recognition systems and most importantly a rigorous individual

oriented performance management system with clear, measurable and objective performance criteria.

7.2 Case study 2: Elegant Automotive IT: Introduction and key features

Elegant Automotive IT (EAIT) used to cater to the IT requirements of Elegant Automotive, a global automotive manufacturing company based in Europe. Harmony was chosen as its third party services provider in December, 2000 for the development of business enabling solutions such as Dealer Management system. EAIT has a clear understanding of the requirements of its internal customers and this allows the project team to plan the IT services implementation meticulously. The project staffs 230 people in 55 sub teams. The project uses the agile software development methodology wherein software solutions are developed through collaboration between self-organized teams.

7.2.1 HRM Practices and processes: Elegant Automotive IT

Our analysis reveals that selection process is carried out by a team of Harmony managers and technical managers from Elegant. Employees self-select from the internal pool of Harmony on the basis of their keenness to develop expertise on the domain and this generates a potential ground to develop commitment.

For induction, senior managers evolve a customised training schedule for each new comer who is given an induction manual and a video kit. Every new comer is allotted a senior for coaching and this process is termed 'shadowing'. The client also takes an active interest in this. The unique process of induction, arguably, generates high commitment.

> *"The handholding that senior people gave me, when I joined Harmony was absolutely fascinating. We were fresh out from college and shadowing developed us profoundly. ...Many of my batch mates who joined other companies already changed jobs ...When I am learning so much from experienced hands, why should I think about a move?"* (Senior Software Engineer, Band C2)

Our analysis suggests that there is an emphasis on developing employee skills which is client directed and focussed and this was described by many employees as enhancing their loyalty.

Microcamps' is a forum to share knowledge wherein the project team meets every Wednesday to discuss a challenging project issue.

> *"'Microcamp' is a root-cause analysis of the small bugs. For example, somebody has done a small mistake, and specifically instead of coding as less than and equal to, they have coded it as 'less than'. Because of this small mistake, there is a big problem. He/she will identify the problems and its implications on the project."* (Technical Leader, Band C5)

Furthermore, the project has an internal portal where the best practices and videos on knowledge transfer are uploaded. Our observations show that a great deal of technical help is provided through the portal. We observed that employees are eager to volunteer in the technology talks on Wednesdays. This leads to heightened commitment in that it upgrades expertise of technical professionals.

We observed that technical training is a continuous process in Elegant; and 'stand up' meetings and reverse knowledge transfer done by the freshers are cases in point. We have observed that such instances of involvement generate high commitment and for instance, employees were seen spending their break time in groups and employees staying back late to help in a crucial delivery.

The project has a set of commitment oriented career practices. There is an emphasis on long career within the project and for instance, 35% of the project team members have spent more than 5 years on the project. The observations suggests that many senior project managers introduced initiatives for employee retention and one manager confided to us that one initiative is to get customers to reward employees for staying long in the project. Analysis of archival documents suggests that promotions occur from within the project.

Our analysis shows that there is a project and technology specific performance management mechanism. The goals are agreed at daily at the 'stand-up meetings'. The end of the day reviews make non-performance rather explicit and facilitates quick and specific feedback. In our informal meetings we queried the rather obtrusive controls and the analysis of employee

responses revealed the surprising appreciation of the feedback mechanisms by the upward rising professionals in a resurgent economy who see this opportunity for skill development as a stepping stone to the world of opportunities. Furthermore, employees prefer a system driven feedback process to managerial control. Clearly, this enhances the commitment of the young employees (average age 27) who equate their professional worth with technical expertise.

> **"***If you commit mistakes, you don't have to wait till end of the module to detect them….There is much less contribution from managers and Team Leads, because Team Leads also do what I am doing. Manager also has a limited role to play".* (Software Engineer, Band C2)

Our analysis uncovered a range of initiatives to reward employee contributions and they, arguably, generate commitment. Although they are within the general framework of the Harmony Systems, managers introduced many innovative ones. For example, managers invite project team members to lunch or coffee after successful completion of projects. The research team observed extensive instances of 'shining star' awards.

Our observations suggest that the project managers draw some of the practices from the client organization and they create commitment, collaboration and bonding amongst these young employees. Some such practice include an hour's play on Friday, bowling, trekking, and 'Fica' (coffee) meetings .

> *"On Thursday mornings, we go out and have coffee. A lot of work related issues are sorted in these meetings. In fact we inherited it from Elegant Automotive IT. They follow this regularly and so do we…On Friday evening we play game for an hour. On Tuesday we have a Team Lunch. When I came here, I started it. You also discuss your personal problems. This way we bond with one another".* (Technical Manager, Band C5)

It is evident that HR practices at the project are similar to commitment-based HR configuration propounded by Lepak & Snell (2002). Evidence for commitment range from observable team activities to hardcore teamwork in which the output of the team is a synthesis of the output of the team members at Harmony and Elegant. The young workforce

in a rather conservative society find these systems attractive. Indeed the HRM configuration has emerged at the interstice between the architecture of HRM policies of Harmony, the practices adopted by the project managers and the systems of Elegant. In particular, the 'hybrid' HRM configuration at Elegant has been influenced significantly by the client organization. While Harmony systems promotes fun at the workplace, FICA and team lunch are practices adopted from Elegant Automotive IT. The special system for career planning in the project complements that of Harmony Systems. All these integrate into a commitment based HR configuration. The work is high on both uniqueness and strategic value.

7.3 Stase & Stade: introduction and key features:

Stase & Stade is a government of India agency which outsourced the design, development, testing, integration, maintenance and support of a software application which would be accessed by the entire Indian population and the application had to be developed through an open source technology. It was a unique client for Harmony Systems in that all others were large multinational corporations. The project was of national importance and had attracted a great deal of media attention. The contract followed a fixed price mode. The project had two phases – application development; and implementation and application maintenance. The technology group of the client guided the project team regarding design of the technical architecture and the implementation team consisting of bureaucrats looked after the commercial aspects of the project.

7.3.1 HRM practices and processes: Stase & Stade

The HR practices in Stase & Stade evolved in response to the changing needs of the project rather than as a set of policies and practices crafted by the central People Function team. Our analysis suggests that recruitment was highly targeted and was entirely from within. The selection decisions were made by technical specialists of Harmony and only star performers

were selected. Our analysis reveals that many accomplished employees from overseas operations such as the US came back to India to join this project because they had an intense desire to do a creative project that would have direct and positive societal and national impact on India.

> *".....I had a desire for contributing something to India. When this proposal was mooted, suddenly it dawned on me that this is the opportunity. I left he project that I was doing in US and took up this challenge",* (Chief Architect, Band C8).

Furthermore, there was a contractual obligation that ten percent of the tem would be high performers in Harmony. Therefore, the project can be seen as an alliance of competent technical professionals (Lepak and Snell 2002). Many technical experts were keen to join the prestigious team and the first seventy people were exclusively volunteers. The induction was personally supervised by the architect and was done on a case by case basis.

Our analysis highlights that there was no formal training but project followed an intense mentoring process. This took several unstructured forms such as brainstorming on design principles and 'one on one' discussion for improving the final quality of the application. The research team observed many in-depth freewheeling technical deliberations, which many argued were highly motivating.

> *"The project raised many unanticipated scenarios and often we were clueless about the solution. We huddled together and discussed and discussed till we reached a solution".* (Technical Leader, Band C6)

The collaborative mode of HRM is evident in knowledge transfer. Unlike the other projects there were no formal mechanisms for knowledge transfer but it was done through individual 'one-on-one' meeting and on a case by case basis.

Similarly, there is no evidence for any formal career management schemes, but it was more of an alliance of technical professionals. Coaching and mentoring were made use of for developing employee careers. This has further strengthened this alliance of skilled technical professionals.

The HR practices relating to performance management were flexible within the team. For instance, daily or weekly time sheets were done at the end of the month in the project. The 'compensatory off' policies enhanced work flexibility. Our analysis laid bare the high degree of perceived collaboration that characterised the performance management process. However, despite such collaboration amongst a league of technical experts within the team, the consequence for non-performance was instant removal from the project. However, it was interesting to note that as the project deadlines approached, the perceived flexibility was replaced with high level of tracking, monitoring and review. Indeed, three different entities tracked the project with different perspectives – client organization on delivery schedules and technical robustness; project managers on cost, time lines and escalation and the project team on world class software development measures. Our analysis uncovered evidence for conflicts between these three entities.

We uncovered evidence for many forms of employee recognition. We observed that word of mouth recognition often reached senior management and they sent congratulatory emails to the team members. In the first week of the project, Harmony Systems, for the first time, announced a team bonus for successful completion of the project and it was evidently based on collaboration. Several members told the research team that that peer recognition and technical architect's appreciation were constant sources of motivation. One team member pointed out:

> *"In this project the opportunity for an individual to be recognized is very high. This is because the project has very high visibility and it is tracked by everybody. The Architects and Leads encourage talent and find ways of fixing problems. If you are doing a good job, everyone knows and recognises this*", (Test Leader, Band C4)

It is evident that the project followed a collaboration-based HR configuration conceptualised by Lepak and Snell (2002) which is high on uniqueness and low on strategic value. The extent of collaboration was best exemplified by the observation of long hours put in by the employees. HR practices of Harmony Systems were adapted to the unique requirements of

the project. It is clear from the analysis that the Chief Architect and the senior managers played a central role in evolving the HRM processes at the project level. The waiver of several centralized HR practices along with the strong and active role of the architect and senior managers leads to a unique configuration of an emergent, opportunistic, and technology identity embedded collaboration based HR systems and practices at the project level.

7.4 Case study 4: Development International (DI): introduction and key features

Development International (DI) is a large global not-for-profit organization that has offices in over 47 countries. DI focuses on issues related to poverty, women's right, food rights, climate change and education. Harmony Systems has been responsible for the maintenance and enhancements of the sponsorship application software for DI for over six years. Donors can register online and the entire process is managed through a software application. DI has also outsourced some of their intranet applications to Harmony in recent years. It emerged from the interviews that the software application is itself a legacy system and the developers need to use freeware due to budget constraints at the client end.

In the projects, the DI team in Harmony has to resolve the complaints of the users at DI,. There is a service level agreement and a time line for resolving complaints. The delivery manager conducts weekly meetings with the project manager for a status update and work plan for the week. There is also a detailed monthly review of the project. Customer demands are few; the work flow is highly routine and there are fairly standard protocols to fix bugs. The project has a manager who works on this project 50% of her time in Harmony Systems. The project consists of only young software engineers with experience of 1 - 2 years.

7.4.1 HRM practices and processes: DI

Our analysis suggests that DI follows the HRM practices of Harmony Systems. Since it is a relatively routine project on an obsolete technology and it is vulnerable to high employee attrition. The compliance mode is evident from the HRM practices.

The recruitment of DI team is most often from the internal talent pool of the organisation. Indeed employees are allocated to this project on their request. Our analysis suggests that The research team observed that the project follows the training and knowledge management practices as laid down by Harmony. A senior member of the group provides KT for an hour each day to a new member. One respondent mentioned:

> *"If they have some experience, the KT is adapted accordingly. We have the relevant documents uploaded in the system. In our team, the senior gives me a KT and in about a week, I will give the reverse KT. Many times all the team members and the project manager join the reverse KT session to provide clarifications",* (Programme Manager, Band C5)

Our analysis suggests that the induction of employees is a well structured module following the framework laid down by Harmony Systems. The new comers are assigned work by the team leader after this training. When a new employee faces a problem, they can ask a senior to take over the complaint.

Our observations suggest that a great deal of informal training and learning that occur on the project. There is an informal understanding that a particular team member who fixes a change request shares details with the team. This helps to leverage the diverse skills and experience of the team members.

> *"This project has a good blend of people, both experienced and new, with different skill sets from different projects. We are a small team and so we hold informal discussions with the team members who are working on different change requests."* (Project Manager, Band C5)

Our observations reveal that knowledge management practices which are followed in larger projects are followed in this small project. It is arguable that such a formal KT process, when

followed in a small team, leads to a far deeper sharing of tacit knowledge. A respondent claims:

> *"Since Harmony Systems is a CMM certified company, our project follows the processes strictly. We have a project harvesting process where at the end of the project, we capture the learnings, best practices on the project and the innovations that were introduced by the team."*(Senior Software Engineer, Band C2)

The in-depth interviews suggest that the centralized career planning system has been adapted to the project. It is a widely held belief that an employee needs to spend only two years on this project, before they are moved to another one. There is evidence for this move, some at the insistence of employees and some initiated by managers.

The DI project follows the standard SLA deliverables in Harmony Systems which are indeed more stringent than those of DI. The researchers also observed that there is regular tracking of the project progress. With regard to the reward and recognition, the project follows the standard process stipulated by Harmony. For instance, the researchers found evidence for 'pat on the back'. There is limited career growth prospect within the project.

It is clear from the above that there is evidence to suggest that the project follows a compliance-based HR configuration propounded by Lepak and Snell (2002). The recruitment and induction process, knowledge management practices, and performance management and career planning systems best exemplify the compliance with the process of Harmony. The HRM practices of Harmony Systems have been adopted to suit the requirements of a small sized project. Clearly, the project is low on both uniqueness and strategic value.

8. **HRM configurations and project contingencies: discussion**

The key research question for the study was the existence of different configurations of HRM at the project level in one and the same organisation. As is evident from the cases, the quadrant in which a project falls contributes towards creating unique HRM configurations at a project level. These configurations are an outcome of the interaction between the HRM

systems at the firm level, the project characteristics which impact performance at the project level and the implementation of the HR systems by the project managers within a project. Tables 2 - 4 summarize the differences in HRM practices at the level of the projects driven by project contingencies resulting in differing HRM configurations.

Table 2: HRM Configurations: Procurement Systems

Practices	**Productivity-based** (Technostar)	**Commitment -based** (Elegant)	**Collaboration –based** (Stase & Stade)	**Compliance based** (Development International)
Recruitment	Dominantly external	University / college campuses Average age 24	Star performers Internal targeted	Internal pool
Selection	Highly targeted selection process and done by project managers. Background verification process compulsory	Selection done by both client and Harmony managers. Self-Selection by employees	Decisions made by technical specialists of Harmony and only star performers selected. Commitment to staff the project with high performers	Internal Resource allocation process on request.
Induction	Matter of fact and targeted induction conducted by the Team Lead, on the job and need-based technical inputs, new comers have flexibility to select the degree of difficulty of their jobs	When new members are inducted, the senior members discuss and arrive at a customized training schedule for each newcomer. Induction manual and a video kit containing all the critical domain and technology knowledge provided to the newcomer. Shadowing for newcomers, Client is also actively involved, Internal project portal to share news and information related to the project.	Conducted by senior members on the project collaboratively. Customised based on the individual role requirements.	Structured module for new comers such that the newcomer can start after the self-training. Team leader assigns the module to work to the newcomer. Intranet within the organization: a source of comprehensive information.

It is clear from the table that there are a range of differences between the HRM practices in the four projects. With regard to recruitment and selection, the differences are substantial. In S & S, recruitment is from the star performers in the internal pool, in Elegant it is mainly campus recruits, in Technostar recruitment is from the external market and in DI it is done on the requests from employees. Selection decisions are made by technical specialists in the case of S & S, both client and Harmony managers in Elegant, Harmony managers in the case of Technostar and self-selection in DI. There are distinct practices with respect to induction

in the four projects. Induction in S & S is done by technical professionals collaboratively; there is customised programme for each new recruit or group of new recruits in Elegant; the focus of induction in Technostar is technical and there is a structured module in DI.

Table 3: Capability Enhancing systems

Practices	**Productivity-based** (Technostar)	**Commitment -based** (Elegant)	**Collaboration –based** (Stase & Stade)	**Compliance based** (Development International)
Knowledge transfer	Collaborative, informal and individual one on one meetings and sharing.	Knowledge transfer is a continuous and day to day process. Daily stand up meetings & reverse knowledge transfer done by newcomers to the entire team.	Knowledge transfer is clearly productivity based and imparted by the most recently joined member of the team along with a senior team lead; The project team has built an internal wiki consisting of all the problems that they have encountered & the solutions; Every employee has to submit 3 wikis yearly	A compliance focused & structured knowledge transfer by a designated person with a reverse KT by the newcomer
Training	No formal training but collaborative mentoring and "learning by doing and asking".	Training directed by the client Every Wednesday technology talks Expert members on teams members conduct structured 'micro camps'	Structured and productivity based training for newcomers & coaching by seniors on critical work flows Provision of advanced technical training & high investment	Standard technical training laid down by Harmony followed with an emphasis on compliance.
Career Management	No formal career management	Evidently commitment-based career practices: Emphasis on long career within the project. Domain understanding and contributing to customer value: key to career growth Promotions from within the project.	Multi skilling and deliberate job rotations within the project. Most employees moved out after 3 years	Clear and planned career moves out of the project after 2-3 years. Extremely limited career growth within the project.

There are remarkable differences between the projects on career management: no formal career management systems in S & S but clarity on technical career though coaching and role models; emphasis on long career in the project and promotion from within and high regard for domain expertise in Elegant as opposed to multi-skilling and job rotation within the project, focus on expertise in different technologies and customer relationship and moving people out of the project in three years in Technostar; and emphasis on the standard process in Harmony in DI.

Although the differences are moderate with respect to knowledge transfer and they are distinct in the four projects: highly flexible and one to one grooming in S & S; daily systems driven employee focused initiative in Elegant; Wikis and led by the most recently joined member in Technostar; and the standard process laid down by Harmony in DI. In the case of training, the differences are vast: there is no formal training in S &S; micro-camps, technical talks, and client directed and volunteer initiatives in Elegant; technical training and certifications and coaching by seniors on critical work flows in Technostar; and standard technical training in DI.

Table 4: Motivational Systems

Practices	**Productivity-based** (Technostar)	**Commitment -based** (Elegant)	**Collaboration –based** (Stase & Stade)	**Compliance based** (Development International)
Performance Management	based, ad-hoc & intermittent tracking and monitoring; & non- performers moved out soon enough in the project	Self and system driven monitoring with minimal managerial involvement Goals well-structured and jointly done between the client and the team, Daily reviews Employees receive open feedback from client and team; feedback often supplemented by supportive managerial interventions Managerial control replaced by customer, self and systems control	Manager driven & detailed goal setting for the project and individual with clear evidence for the emphasis on productivity. Highly quantitative output targets. Deliveries tracked on a daily basis Feedback to all members of the team on a weekly basis Non-performance handled firmly.	The PMS of Harmony systems applied with all the processes of goal setting, review, evaluation and feedback followed up routinely.
Reward and recognition	Group rewards and top management recognition	Managers invite the project members to lunch or coffee on successful completion of mile stones Shining star awards Meetings with "senior leaders" in the organization Client engaged in developing a recognition mechanism	Transparent, manager driven & instant process of rewards. Contribution to the Wiki as an informal recognition Proactive identification of problems by members recognized by managers More smileys given to team members	Focus is on adherence to 1Harmony practices: eg. Pat on the back
Socialization	No joy or fun events	Range of social processes such as FICA and team lunch Joy activities – Trekking, hour's play on Friday, bowling	Fun committee co-ordinates social activities Managers accommodate changes in shift work allocation	Follows the Harmony process in letter. One annual get together at the project level Birthday celebrations

The differences are even more pronounced with respect to performance management. There is an ad-hoc and highly flexible performance management process in S & S and the non-performers are instantly moved out of the project. Interestingly in Elegant, there is a self-

managed systems and customer driven performance management process and there is a mechanism for daily feedback. On the other hand, there is a manager driven, quantitative metrics based and detailed performance management system in Technostar. Managers take active interest to put the low performers in the development process and then move them out if they do not show improvement. DI is the other extreme in that it applies the standard process laid down by Harmony Systems. There is moderate level of difference with respect to reward and recognition: group rewards and recognition in the case of S & S; range of commitment focused rewards such as meetings over coffee and lunch, 'meet the senior minds' programme and recognition for those stay long in the project in Elegant; instant rewards such as 'smileys' and structured managerial driven awards such as the one for the best team in Technostar; and Harmony specific awards such as 'pat on the back' in DI.

Our analysis clearly demonstrates the presence of multiple configuration of HRM in one and the same organisation. In a way this questions a critical assumption of SHRM – homogeneity of HRM practices within the firm. Therefore, rather than one HRM strategy, this calls forth HRM to be sensitive to the multiple particularities of the complexity that pervades organisations. This has tremendous implications for both theory and practice. This way our study affirms the conceptual assertions of Bowen and Ostroff (2004); Guest (2011); and Lepak and Snell (2002).

9.1 Productivity based HRM configuration: Given that HRM has been conceived as unitarist, the analysis raises the question: 'what are the key reasons for the divergence in HRM practices?' Our analysis suggests that in this rapidly growing organisation, managers are given a great deal of empowerment and this partly contributes to different configuration of HRM practices. Furthermore, the technology and the practices followed by the client also add to the divergence. In deed in knowledge intense firms often the inadequacies of top management to provide operational directions on technical issues, leads to high

empowerment for managers (see Alvesson 2002). We adopt the framework advanced by Lepak and Snell (2002) to analyse the difference in HRM configurations. When strategic value is high and uniqueness is low, adherence to standard process is facilitated by definitive processes. High strategic value from a financial perspective necessitates decisiveness leading to an emphasis on efficiencies. Furthermore, the critical nature of services provided (round the clock services to customers) and the penalty clauses built into the contracts have led to the development of a strong productivity based HRM configuration as evidenced by a sharp performance management system. This is supplemented with enabling and transparent managerial practices that ensure individual and group accountability. As the analysis indicated, the depth of managerial experience on the project has arguably enabled managers to do this.

9.2 Commitment based HRM configuration: High strategic value and high uniqueness prompt managers to adopt a commitment mode in HRM practices. Uniqueness implies indeterminable challenges and strategic value entails urgency in decisions and together they make a case for a commitment based HRM configuration. Furthermore, this has also been influenced by the client's philosophy of self managed work teams, the nature of the agile software methodology, and the large staffing of young engineers. Indeed the managerial style complements the intended behaviours of the client. This commitment based configuration is drastically different from that of Technostar which is essentially driven around individual productivity and performance.

9.3 Collaborative HRM configuration: Low strategic value and high uniqueness lead to the adoption of a collaborative HRM configuration since confront complex and indeterminable issues can be, best, addressed in a collaborative mode and efficiency lever will not yield fruits. Indeed our analysis reveals that the HRM configuration in Stase & Stade project is drastically different from the others in that they were fully adapted to the unique requirements

of the project and many of the standard practices were waived. The Chief Architect and the senior managers who had long association with Harmony Systems designed and implemented the HR processes instantly in the project and it is apparent that the approval of the top management was implicit. It can be argued that they were acting as 'substitutes and complements' to the formal HRM systems of Harmony. This had led to the development of an emergent, personalized and cohesive work culture and collaboration oriented HRM practices at the project level.

9.4 Compliance based HRM configuration: The case of 'Development International', on the other hand, confirms the dominant discourse wherein centralized HRM systems force projects to adopt an HRM configuration which mirror the larger organizational HRM architecture. Low strategic value and low uniqueness naturally lead to a reliance on tested and standard processes, thus creating compliance based HRM configuration.

Given the assumption of homogeneity in HRM practices inter-firm, this raises the interesting question: 'how are these differences contained in Harmony?' Harmony has arguably evolved and developed through a vision wherein vision preceded strategy. The vision is also associated with Harmony values which are driven through extensive socialisation. The presence of many managers with considerable number of years of experience in Harmony makes the permeation of these values extensive. Being a knowledge intensive firm Harmony presents many forums for sharing practices and learning about them. There are technical certifications which takes the integration forward. Furthermore, the presence of a highly aspiring set of middleclass professionals who equate career growth with working with the leading technology organisations in the world and getting to know their ways of working make this process smooth.

It is interesting to consider the implications of these distinct HR regimes on the organisation. We argue that there could be conflicts, synergies or hybridisation which results from the presence of these four distinct configurations on organisation. Our analysis suggests that there are conflicts in this case with respect to performance management systems and reward and recognition with the former capturing the highest divergence. The productivity based configuration in Technostar prompts managers to get rid of non-performers especially in the face of demurrage clauses in the contract. Although this option is available in Harmony Systems, it is seldom used. The result is that Technostar managers are often referred to as 'outsiders who do not understand the culture of Harmony'. This option is rarely exercised in S & S and in DI, this case generally does not arise. In the case of Elegant, the system and self driven mechanisms make this process subtle. With respect to reward and recognition too, conflicts are evident. In S & S, there is a group bonus as opposed to an individual focussed reward and recognition system in Technostar. The team based reward structure followed in Elegant is opposed to the individual based reward and recognition systems in Technostar.

However, interestingly, there are synergies between the different configurations with respect to recruitment and selection and induction in that these processes lead to the selection of the most appropriate people through the permutations and combination of practices. There are also examples of hybrid practices in career management, training and knowledge transfer wherein the practices such as extensive use of intranet, KT and reverse, and mentoring and coaching have been developed by taking from the best of the different configurations.

In conclusion, the analysis presented above indicates that HRM configurations at the project level are emergent, idiosyncratic and opportunistic. They are indeed driven by line managers who use their prior experience on projects, customers and technology to adapt the HR practices at the project level. While the literature on devolution of HRM documents the futility of their efforts due to unintended consequences (Nehles *et al.* 2006; Truss 2001;

Khilji and Wang 2006), our study shows that this cannot be generalised. In particular prior research has shown that the HRM devolution fails to materialise due to a host of factors related to the line mangers (Nehles et al., 2010b). It is clear that in Harmony, the line managers tend to broker their own practices at the project level to elicit outcomes that are favourable to the organization primarily because of their long tenure in the organization, and because they are entrenched in the organizational culture.

10. Implications for practice:

The co-existence of different HRM configurations across projects within the same organization raises interesting issues for practitioners. First, it seeks to challenge the potential for organisational and cultural integration through a set of overarching, homogenous HRM practices. Indeed, such homogenous HRM practices are intended to reinforce a set of shared values which would not only integrate but provide meaning and direction to managerial and employee action. The complexities and multiple particularities of present day organisations challenges HRM homogeneity in that it calls upon HRM managers to envision organisation as a set of organisations and to craft HRM strategies appropriately.

Secondly, a dominant assumption in HRM literatures has been employee centrality in the design of HRM systems (Brockbank and Ulrich 2012; Lengnick-Hall & Lengnick-Hall 2002). However, the findings of this research highlight the centrality of project managers in evolving an HRM architecture that would elicit appropriate employee behaviours. If this is the case, the HRM departments need to sharpen line mangers' capability to develop appropriate HRM architecture and implement them effectively.

The study though has a few caveats. The context of this paper has been knowledge intensive software firms and the application of the findings to other sectors calls forth empirical examination. Secondly we have chosen an exemplar organisation where there is a great deal of managerial continuity because of the senior managers who stayed with the organisation. It

is likely that the nature and extent of the HRM configurations would manifest differently in other contexts. The third one would be the potential use of objective measures to triangulate the qualitative findings. Furthermore, frameworks other than Lepak and Snell (2002) can be employed to analyse the differences.

Our study answers the call of previous researchers to examine the role of line managers in HR strategy implementation by providing empirical evidence to explore this. Future researchers might adopt multi-methods studies to provide more insights into the behaviours of line managers. Research might benefit from exploring more comprehensive frameworks for analysing the ways project mangers impact on HRM practices implementation.

11. Conclusion

As is evident from the study, the HR configuration at Stase and Stade project demonstrated a collaboration based, 'emergent', 'expert-centered', 'sculpted' HR configuration, the configuration on the Technostar project was more productivity oriented, 'opportunistic', metrics focused and individual performance driven. This is reminiscent of the dominant hard model of HRM in the existing literature (Legge 1984). In contrast, the Development International project's HR configuration with its vertical and horizontal fit with the Harmony Systems epitomizes the current dominant notions of strategic HRM (Delery and Doty 1996), while the Elegant demonstrates a commitment based, self-managed, team based, collaborative employee focused and client driven HRM configuration. Hence we argue that different HRM configurations co-exist at the level of the projects within an organization.

HRM configurations at the project level are emergent. They are often opportunistic and are shaped by both the HRM systems of the firm, the dimensions of strategic value and uniqueness and managerial behaviours. The co-existence of different HRM configurations within an organization based on the project contingencies challenge the dominant paradigm

of homogeneity in the field of SHRM. Thus, this corroborates the conceptual assertions of Bowen and Ostroff (2004) and Guest (2011) who questioned the assumption of homogeneity of HRM practices within the firm. This has implications for both theory and practice.

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