

“Understanding the role of motivational theory and high-performance work systems in human resource management”

Student Name:
Student Number:

Professor:
Course Code:
Date:

Executive Summary:

This analysis seeks to understand the role of Human Resource Management (HRM) in the context of the large multinational computer, technology and software corporation Microsoft. As such, this analysis attempts to understand the policy changes implemented by the organization in the late 1990s, through the lens of several major themes and trends within Strategic Human Resource Management (SHRM). From here, this analysis will contextualize the policies of Microsoft within wider developments in the practice and theory of high-performance work systems in HRM, as well as the motivational factors associated with employee and management well being. This analysis will conclude by offering several policy suggestions for increased employee and management well being in HRM, particularly relating to the correlation between of high involvement management and levels of anxiety.

Introduction

Employee motivation and retention strategies are important aspects in the field of Human Resource Management (HRM). The theory and methodology underlying HRM has evolved significantly over the past century, undergoing considerable transformation particularly over the past two decades. This has been driven by a number of important and interrelated developments affecting both internal and external operations, with many scholars and managers enacting HRM policy changes arising from the need to remain competitive in a global economy.

This analysis will review a case study by Chakraborty and Gupta entitled *Employee Motivation and Retention Strategies at Microsoft Corporation* (2010), contextualizing the findings of this report with wider trends in the field of HRM. In so doing, I seek to accomplish several objectives in this review. First, due to the fact there have been several comprehensive and traditional reviews relating to motivational theory and employee retention published elsewhere, I do not wish to simply duplicate these. Instead I will attempt to provide a more focused analysis of the field, zeroing in on the case study by Chakraborty and Gupta (2010), using this study of Microsoft to articulate key directions for future work. Relying largely upon previous studies and reviews, I will then extract key areas of inquiry and use these to consider the effectiveness of pay as a method of motivation and review changes to HR strategy and practice accordingly. Next, I will articulate a number of important concepts and issues in the organizational sciences that contain relevant integrative potential with HRM to produce innovative and auxiliary streams of research. Some of these have already been developed, while others are more recent and only employed in theory, but it will be shown that firms and organizations

Reference List

- Appelbaum, E., Bailey, T., Berg, P., and Kalleberg, A.L., 2000. *Manufacturing Advantage: Why High Performance Work Systems Pay Off*. Ithaca, NY: Cornell University Press.
- Barling, J., Kelloway, E.K., and Iverson, R.D., 2003. High-Quality Work, Job Satisfaction and Occupational Injuries. *Journal of Applied Psychology*, 88, 276 – 283.
- Bailey, T., 1993. *Discretionary Effort and the Organization of Work: Employee Participation and Work Reform Since Hawthorne*, Teachers College, Columbia University, mimeo.
- Beer, M., Spector, B., Lawrence, P.R., Mills, D.Q., and Walton, R.E., 1984. *Managing Human Assets*. New York: The Free Press.
- Butler, J. E., Ferris, G. R., & Napier, N. K., 1991. *Strategy and human resources management*. Cincinnati: South-Western.
- Brown, C. W., & Ghiselli, E. E., 1952. Industrial psychology. In C. P. Stone & D. W. Taylor (Eds.), *Annual review of psychology*, vol. 3: 205–232. Stanford, CA: Annual Reviews, Inc.
- Chadwick, C., & Cappelli, P., 1999. Alternatives to generic strategy typologies in strategic human resource management. In P. Wright, L. Dyer, J. Boudreau & G. Milkovich (Eds.), *Research in personnel and human resources management, Supplement 4, Strategic human resources management in the 21st century*: 11–29. Greenwich, CT: JAI Press.
- Chakraborty, B., Gupta, V., 2010. Employee Motivation and Retention Strategies at Microsoft Corporation. *Centre for Management Research*, Case Reference no. 410-033-1.
- Ferris, G., Hochwarter, W., Buckley, M., Harrell-Cook, G., Frink, D., 1999. Human Resources Management: Some New Directions. *Journal of Management*, 25, 385-415.
- Gerhart, B., 2007. Horizontal and Vertical Fit in Human Resource Systems, in *Perspectives on Fit*, eds. C. Ostroff and T.A. Judge, New York: Lawrence Erlbaum, pp. 317 – 348.
- Griffin, M.A., Neal, A., and Parker, S.K., 2007. A New Model of Work Role Performance: Positive Behavior in Uncertain and Interdependent Contexts. *Academy of Management Journal*, 50, 327 – 347.

- Harrell, T. W., 1953. Industrial psychology. In C. P. Stone & D. W. Taylor (Eds.), *Annual review of psychology*, vol. 4: 215–238. Stanford, CA: Annual Reviews, Inc.
- Kalleberg, A.L., Marsden, P.V., Reynolds, J., and Knoke, D., 2006. Beyond Profit? Sectoral Differences in High-Performance Work Practices. *Work and Occupations*, 33, 271 – 302.
- Shartle, C. L., 1950. Industrial psychology. In C. P. Stone & D. W. Taylor (Eds.), *Annual review of psychology*, vol. 1: 151–172. Stanford, CA: Annual Reviews, Inc.
- Wood, S., Menezes, M., 2011. High involvement management, high-performance work systems and well being. *International Journal of Human Resource Management*, 22, 1586-1610.