Acquaintance, meritocracy and critical realism: Researching recruitment and selection processes in smaller and growth organizations

Scott Taylor *

International Management and Organization Group, Birmingham Business School, University of Birmingham, Birmingham B15 2TT, UK

Abstract

Organizational growth inevitably involves expansion in employee numbers, and hence recruitment and selection. To achieve this, prescriptive human resource management (HRM) texts tend to recommend processes that are founded on complex job analysis and time-consuming techniques such as advertising and testing. This approach to people management is informed by functionalist, often positivist research. In this review I argue that this version of HRM is of little use or meaning to small firm managers as they recruit and select. I suggest that analyses of recruitment and selection based on detailed qualitative, interpretive research provide a more meaningful basis for scholars and practitioners to understand recruitment and selection processes in smaller firms. The article concludes with a proposal for future research that draws on critical realism, with the aim of bringing practice, analysis, and legislation into one reflective iterative process to work towards more socially just methods of recruiting and selecting staff for smaller, growth organizations.

Keywords: Recruitment and selection; Small firms; Critical realism

1. Introduction

This review is guided by four main considerations. First, that recruitment and selection are a priori central to the management of human resources in growing firms. It is an unusual firm that increases its financial turnover or sales without having to recruit new members of staff, often urgently. Second, that small growth firms are most often characterised as such by economic or financial measures, and that such measures are often transferred to assessment of the efficacy of HRM practices. However recruitment and selection is a managerial practice that has effects beyond the firm, with particular implications for social justice. I suggest that conventional approaches to gauging the success of recruitment and selection procedures neglect the societal obligations of managers and employees to work towards social justice through equal opportunities. Recruitment and selection form the permeable border between society and organization, or labour market and labour process (Jewson & Mason, 1986). I therefore argue for an alternative form of measurement that involves balancing internal demands for employee ‘fit’ and external, societal demands for fairness.

* Tel.: +44 121 414 6697.  
E-mail address: s.taylor.2@bham.ac.uk.
Third, that the literature drawn on illustrates the paucity of data and analysis that would enable us to better understand recruitment and selection in small growth firms (cf. Bartram, 2004; Cardon & Stevens, 2004). Despite recent in-depth studies of entrepreneurial activity and identity and what sometimes seem to be annual calls for more research in smaller organizations (e.g. Bartram, 2004), we still find a very small number of published studies that analyse recruitment and selection in smaller organizations. For this reason I also examine theory and data from ‘other’ organizational contexts, with the aim of theory building for the smaller organizational context. Finally, this review explores the well-recognised problematic of the continuing gap between rhetoric/science and practice (or academic and practitioner) in recruitment and selection (see Carroll, Marchington, Earnshaw, & Taylor, 1999; Klehe, 2004). These considerations guide the review towards an attempt to develop theory in this area in the concluding section.

The rest of the paper is organized as follows. As Marlow (2006-this issue) notes, issues of definition plague research into HRM and small firms. The plethora of terms in use reflects the wide variety of different concepts and activities being studied. The short first section is therefore oriented towards establishing borders around what can be reviewed under the broad notion of recruitment and selection in small growth firms. From this I move on to explore the key issues and controversies in the study of recruitment and selection, and the conceptual materials that scholars have used to understand the varieties of practice found and the structural or cultural conditions that practice happens within. Normative–prescriptive frameworks contrast with an extensive literature that provides conceptualisations of recruitment and selection practice in organizations of all types; the deviance from good practice prescription in the empirical evidence informing these analyses is notable. In particular I argue that the means of recruitment and selection recommended by prescriptive HRM texts, with their emphasis on predictability of outcome, quasi-scientific procedures, and reliability, may be read as encouraging managers to transform individual subjects into objects (Townley, 1994). Such an approach is however unlikely in the smaller organizational context, where social embeddedness in local and kin communities tends to be strong. Within this section I also review the small number of accounts of recruitment and selection in smaller organizations. The analyses emphasise the situational rationality underpinning practice, the recruitment of family members and the mobilisation of looser ‘ascriptive ties’ (Granovetter, 1974) that bind non-family social networks. This section concludes by noting how practices in smaller organizations tend to be seen as deviant according to prescriptive norms of ‘good HRM’, and are hence largely excluded from consideration of how to affect practice.

The final section draws implications from the review for theory and practice, and suggests potentially fruitful research directions. This last section is framed by the issue of theory building that may provide a more robust way of engaging with well-known and established recruitment and selection customs in smaller firms, to the potential benefit of academic understandings of smaller organizations, managerial practice, and social justice.

2. Human resource management, size, recruitment and selection: contested concepts

The publication of this special issue indicates both the need for further attention to the topic of HRM in small growth companies, and reasons why such attention has not previously been paid. As many note empirical exploration of managerial engagement with HRM is not common, in contrast to considerable evidence of the four people management practices often taken the core HR functions (recruitment and selection, payment systems, performance appraisal, and training/development). From previous reviews of this area, it appears that the most common approach is to collect data about the four core functions, then compare the activities with normative descriptions of good HRM practice. As we might expect, this results in an unfavourable depiction of people management practice in smaller organizations; the reasons given for this apparent backwardness include poverty of economic and human resource, pressure to produce, lack of flexibility, lack of attractiveness as employers, and owner–manager resistance (see Cardon & Stevens (2004) for a comprehensive review of empirical work in this tradition).

This review seeks to present an alternative approach to the question of smaller, growth organizations and HRM. Since the formal emergence of HRM as a scholarly topic in the early 1980s, its progress has been punctuated by reflections on how it can or should be conceived. A number of authors present schema or typologies of activity (Legge, 2004; Storey, 1992); some concentrate on the relation of people management to strategy (Boxall, 1992; Fombrun, Tichy, & Devanna, 1984; Gratton, Hope-Hailey, Stiles, & Truss, 1999); others focus on HRM as a cultural phenomenon (Guest, 1990; Legge, 2004); yet others locate it as discourse through which we can understand societal shifts in our understanding of work and management (Townley, 1994). In short, HRM is seen as a practice-based and linguistic phenomenon that is culturally embedded in particular times and spaces. Taken together these analyses
provide a rich and detailed account of HRM, empirically informed and theoretically grounded, that acknowledges its complexity and contestation. Above all it takes us beyond functional, comparative analyses of people management practices in growth organizations that portray them and managerial actions within them as lacking or deviant. This paper attempts to build on these senses of HRM and to engage with practice as we find it, by presenting accounts of recruitment and selection found within descriptive or normative accounts of HRM alongside theorised accounts of practice.

In addition, the stated intent of this special issue is to understand HRM in small growth firms. If we were to consider only articles or books that deal with recruitment and selection in such a context then it would be a short review indeed, a problem common to reviews of people management in smaller or growth organizations (Cardon & Stevens, 2004). Thus the studies reviewed below are chosen according to two broader criteria. First, it is important to consider analyses regardless of empirical setting that contribute to theory building; and second, analyses that do not necessarily take normative or prescriptive HRM as accepted good practice that managers and employees in smaller growth organizations should aspire to (Heneman & Tansky, 2002). If we are to build meaningful theory in this area, I would suggest it is crucial that we acknowledge and engage with the key issues and controversies in recruitment and selection practice in organizations broadly defined, rather than only engaging with studies that emphasise organizational smallness and growth.

3. Recruitment and selection: prescriptions and continuing controversies

Recruitment and selection is traditionally the first substantive section of HRM textbooks and courses, following on from theory and historical background. It is given prominence as the first step in building an organization or forming an employee. As well as a ‘tools and techniques’ managerial activity it is often framed as crucial in terms of enacting strategy (How many people do we need? What skills mix is necessary?), and ensuring socialization (What ‘type’ of organization do we want? How do we encourage individuals to become employees?). Research informing such representations is predominantly descriptive or positivist, often determinist (in the sense that employee or managerial agency is given a minor role, or managerial reports of the existence of a structure is assumed as evidence of practice), and concerned largely with the use and efficacy of techniques such as interview, psychometric testing, or biodata analysis. Such treatments encourage managers to aim towards an ideal (or idealized) rational–legal (Jewson & Mason, 1986) recruitment and selection process, in which a flow chart leads from job analysis to appraisal, each stage informing others to ensure a rational calculation of employee numbers, selection methods, and performance measures.

Such attempts to achieve rational–legal calculability, manageability, and predictability in HRM theory and people management practice are problematic on two grounds (Rose, 1990; Townley, 1994). First they construct a powerful set of norms that are not grounded in understanding of practice or social science theory. Qualitative accounts of selection have consistently shown that managerial agency allows for interpretation and contestation of norms; in other words, tools such as interview and psychometric testing are filtered through managerial politics, individual preferences and prejudices, organizational or local cultures, and instrumental demands (see Collinson, Knights, & Collinson, 1990; Silverman & Jones, 1976 for especially detailed accounts of these dynamics). Second they ignore almost entirely the ‘implacement’ (Casey, 1993) of smaller firms and the pronounced effects of locale and ‘ascriptive ties’ (Granovetter, 1974) on HRM. Both of these objections to the prescriptive, functionalist approach apply equally to all organizations, but are particularly relevant in the small or growth context.

Instead of assessing the rational or legal effectiveness of recruitment and selection technologies, we might consider HRM more broadly. For example, scholars have argued that other key issues and controversies run through analyses of HRM and recruitment and selection: efficiency, control, and the difficulty of orienting practice towards social justice are often cited. The first two problematics, as Legge (2004) notes, have been central to the management of people for as long as managers have been present in organizations. The latter is also common across all organizations, but is a particular academic and policy concern for smaller or growing organizations (Marlow, 2002). In recruitment and selection practice the construction of formalised selection frameworks and norms of acceptable discrimination (Jewson & Mason, 1986) may be seen as an attempt to enable managers to navigate between efficiency, control and social justice. An early example of such a system is found in Blackford and Newcomb’s (1914) early people management textbook (Jacques, 1996). In their advice on how to achieve the perfect fit of person, organization and job, they argue that selecting on the basis of managerial opinion is ‘utterly unscientific and unreliable…’; and that managers are ‘liable to be turned this way and that by the most inconsequential of considerations’ (1914, p. 45). In place of this
unsatisfactory state of affairs, these authors propose that physiognomy and the physical self provide the key to ‘unlocking the inner secrets’ of the individual seeking employment, and therefore should inform the selection process. Managers are advised to assess nose, forehead, chin, habitual facial expression, digestion, skin texture, and elasticity of muscle (Blackford & Newcomb, 1914, chapter 7). The underlying philosophy of this process is that ‘everything about a man [sic] indicates his character’ (1914, p. 176), and as much information as possible should be collected to inform a decision — their list also includes religious belief and marital status.

Taking ‘heredity and environment’ as bases for granting or denying access to an organization and job is now legally unacceptable. The argument presented by Blackford and Newcomb, particularly in relation to skin colour and its predictive properties, could be seen as a product of its time and place. However it is important to note that the book is based on what was then seen as a sound scientific set of ideas and tests, which ‘proved’ the premises underlying the suggested practice. Although eugenics is no longer recommended to managers, I would argue that opening a contemporary HRM textbook provides similarly framed guides to gathering predictive information on prospective employees. The criteria for decision making have changed, but the use of language and scientific rationales is remarkably similar. Two primary concerns in going through this process are discrimination (often indirect; that is, caused inadvertently through the procedure rather than consciously by the person conducting the process), and the possibility of the selection process being skewed by the initial recruitment phase. These two concerns are explored through cautionary legal cases, where the use of informal methods of recruitment is shown to lead to prosecution for discrimination against certain groups. Textbooks often emphasise that a strong procedural framework is a safeguard against legal challenge, and hence that a job description, staged application process, and clear personnel specification should all be backed up by a long-term evaluation process, to learn and make the next round more effective. Once those recruited are into the selection system, they may be subject to an individual or panel interview, psychometric testing, role-play activity, biodata analysis, written and verbal exercises, repertory grid analysis, or (bringing many of these techniques together) assessment centres. The aim of these techniques is to produce reliability, performance prediction, and a form of fairness. This last reflects the fact that the structural conditions of recruitment and selection are unique in that they encourage managers to conform to ethical norms and social values. This, in combination with contemporary western societal emphasis on the sovereignty of the individual (Bauman, 1997) and her right to fair treatment, means that any disjuncture between norms and observed practices may be challenged. If training or appraisal in use do not match the good practice norms of HRM or societal expectations of equity, it is unlikely to cause much comment; if recruitment and selection do not conform, there is a significant likelihood of legal challenge and public scrutiny of the organization and manager.

However increased legislation and the dissemination and application of techniques that draw on the behavioural sciences (Townley, 1994) have not made recruitment and selection methods in use entirely objective or just. In addition to the functionalist literature rooted in sociological or psychological positivism that informs prescriptive HRM texts, there is a considerable body of work that takes a more interpretive approach with the aims of understanding rather than prescribing. Scholars in this area are concerned with the organizational and social dynamics that recruitment and selection support or reflect (e.g. Marchington, Carroll, & Boxall, 2003), rather than the managerial efficacy of activities. Researchers prefer to focus on the accomplishment of the difficult, ambiguous and complex process which selection in particular can be (Jenkins, 1986). This approach encourages focus on issues other than the performative impact or efficacy of specific recruitment and selection techniques, addressing wider debates and locating this managerial activity as a social process that has effects within and beyond organizations (Ram, 1994). There is considerable evidence that organizational entry remains conditioned by contacts, family ties, extra-functional norms, social indicators, and particularist (Jewson & Mason, 1986) means of discrimination. Jewson and Mason (1986) also argue that discrimination takes a variety of forms: biological determinism (gender, race, or nationality), particularism (personal characteristics), or patronage (selecting people who fit in socially). Other studies suggest that selectors can go to great lengths to gather information excluded in a legal selection process, through subterfuge, gossip, or personal social networks. This may be seen as a means of increasing the efficacy of selection as a screening device, defended by some managers in terms of economic rationality (Collinson, 1988; Ram & Holliday, 1993). Scholars taking a more interpretive approach also often note that HR professionals have less influence on selection criteria in practice than in theory (Collinson, 1988; Lupton, 2000; Silverman & Jones, 1976). This common finding makes clear that structural conditions and expectations of rational action need not be followed by managerial agents; indeed they are often actively avoided, undermined or ignored. Even in the largest of organizations, with internal structures and specialist staff to implement and monitor legal frameworks, race (Jenkins, 1986), gender and domestic circumstances (Collinson, 1988), and disability (Woodhams, 1999) continue to inform recruitment and selection practices.
The role of organizational agents in discriminatory selection processes has been widely analysed, in seeking to clarify "who controls selection" (Collinson, 1987). Line and senior managers interpret societal and organizational rules through their own implicit and ambiguous criteria (Collinson, 1988) of acceptability in many times and contexts (Bresnen et al., 1985; Granovetter, 1974; Jenkins, 1986; Jewson & Mason, 1986; Silverman and Jones, 1976; Wilson, 1995). Further, agents interpret structural conditions in the search for value congruence between organization, existing members and new entrants (Chatman, 1991). Such interpretations may be appropriate and sensible within the organization, but difficult to defend legally or morally (Silverman & Jones, 1976).

This section has outlined a number of key issues to consider when approaching the area of recruitment and selection in smaller entrepreneurial organizations. Our definition of HRM, as Marlow (2006-this issue) emphasises, is key; if we look for normative HRM in smaller organizations we are unlikely to find ‘it’. Consideration of HRM as a temporally and spatially embedded discourse comprising practices and language is potentially a more fruitful approach. In addition, the interaction of structural conditions and organizational agents is central to understanding the practice of recruitment and selection. This approach, hitherto only found in research that takes large organizations as an empirical context, could easily be extended to analysis of recruitment and selection in smaller and growth organizations. The next section reviews work that indicates the potential of such an approach for studies of people management processes in smaller and growth organizations, by reviewing a small number of studies that do so.

4. Recruitment and selection in smaller or growth organizations: key concepts

Recruitment and selection (or staffing) is said to be the best represented area of research into people management in smaller, growth, or entrepreneurial organizations (Cardon & Stevens, 2004), with more scholarly work conducted than other functional aspects of HRM. It has been argued however that much work in this area carries an implicit comparison of practice with norms developed in larger organizations, and that informal practices are presented as inefficient and illegitimate (Cassell, Nadin, Gray, & Clegg, 2002; Hendry, Arthur, & Jones, 1995). This is, as we have seen, problematic to say the least when we remember the nature of recruitment and selection in larger organizations. The aim of this section is to explore key concepts that have been applied to understanding recruitment and selection in smaller organizations, with particular emphasis on the interplay between structures (such as legislation or HRM) and managerial or employee agency.

Three classic studies illustrate the potential of this approach, in which scholars engage with practice in smaller organizations on its own terms rather than in comparison with normative prescriptions. Ingham (1970) proposed the notion of the ‘self-selecting’ small firm employee, drawing on Goldthorpe et al.’s (1968) category of a ‘non-economistic expressive’ orientation to work. Ingham (1970) argued that employees in small organizations may be less well-paid than their peers in large companies, but that they accept this in exchange for relative freedom, moral involvement, and variety of work. The notion that people actively chose smaller organizations for these reasons was key. Although often criticised Ingham’s agency-focused analysis pointed towards the possibility of applying theory with sensitivity to the particular context of smaller organizations. Building on his work, Bechhofer and Elliott (1978) argued for the inclusion of the wider organizational context, a more structural approach. They suggested that it significantly affects the ability of managers to recruit in smaller organizations. Smaller firms were thought to receive employees who had been shaken out of larger companies, absorbing excess labour in bad times and then acting as ad-hoc recruitment agencies in better times. This dynamic, it was subsequently argued, helped to explain the difficulties found in smaller organizations with recruiting and retention of skilled workers in particular (Johnson, 1991). However this representation of practice implied in turn that small firm managers and employees were largely passive, reacting to labour market conditions and large organizations. In a further turn Curran and Stanworth (1979) argued that both of these studies imply that managers in smaller organizations are subject to the demands of large companies, doomed simply to follow the labour market or the preferences of individuals. These authors reintroduced managerial agency in particular, proposing that the process of recruitment and selection in a small firm is a means of reinforcing owner–manager control, selecting people rather than qualifications or experience. The owners of smaller organizations are gatekeepers, controlling entry and making decisions on the basis of personal preferences, prejudices and existing conditions.

As well as illustrating the interplay of agency with a variety of structural conditions, these studies emphasise that the absence of formalised people management procedures does not mean that recruitment and selection in smaller organizations is an unstructured process. Applicants do not have to be constituted through documents and formalised scientific discourses in order to be constructed as employees. This is supported by Kondo (1990), who explores the
dynamics of managerial control in Japan in a supposedly informal small family business. Selection is structured by local social and kinship networks; young people with local–social obligations to the owner–manager and the firm, beholden to family members already within the organization, are recruited. This approach helps to perpetuate the ie, or household context and spirit, in which the company was founded. The owner–manager maintains, at least discursively and publicly, a parental culture and family orientation. In addition she can acquire organizational members of whom she has first and second-hand personalised knowledge. Through such recruitment and selection, Kondo argues, owner–manager control of the organization and some control of the local context can be maintained simultaneously. Thus owner–manager agency operates within the surrounding structural and cultural conditions.

This theme has been explored by a number of researchers in the small or growing firm context, such as in smaller professional firms (Scholarios & Lockyer, 1999). The social capital (Bourdieu, 1986) provided by kin and fictive kin relationships allows access to opportunities, information, material resources, and status (Rose Ebaugh & Curry, 2000). Such networks are known to be key to finding job opportunities (Granovetter, 1974), but the system also aids in maintenance of the social conditions of work. It allows for maintenance of cultural continuity, financial support, and social support among members of the same sub-cultural group (Rose Ebaugh & Curry, 2000). Recruitment through extended family networks is common; Dick and Morgan (1987) write of one small organization that employed 69 members of one family over an 80-year period, for an average of 13.8 years each. As well as maintaining managerial control it can also benefit owners and companies economically (Boissevain et al., 1990; Ward, 1987), for example by retaining profits within the family structure (Rowlinson, 1988). Family members are often said to be more reliable with more of a stake in the organization than outsiders, minimising the need for close supervision and management (Ward, 1987; Wilson, 1995). However, family members may also be an imposition on an owner–manager, unnecessary in economic or organizational terms, bringing incompetence and resisting managerial aims. It may even be more difficult to manage family members than professional employees, with a confusion of roles and norms permeating relations between the owner and relatives (Ram, 1994).

Two key points emerge from these studies. First, the prevalence of practices which are presented as deviant or non-rational according to current norms of good HRM practice, but which are also found in larger organizations. This leads us to the issue of whether smaller organizations should be conceived of as sites in which to test theories and principles of HRM (Baron, 2003; Cardon & Stevens, 2004). This review suggests that there is a significant gap between the ought of recruitment and selection and the is of practice in all sorts of organization. It is this disconnect, rather than the practical difficulties that managers in smaller organizations face in attracting staff (cf. Cardon & Stevens, 2004), that the final section explores through proposing a research direction that would encourage a closer examination of the second key aspect of the studies reviewed in this section, structure and agency in the recruitment and selection process.

5. Implications for theory, research and practice

5.1. Implications for theory

For it is part and parcel of our daily experience to feel both free and enchained, capable of shaping our own future and yet confronted by towering, seemingly impersonal, constraints. Those whose reflection leads them to reject the grandiose delusion of being puppet-masters but also to resist the supine conclusion that they are mere marionettes then have the same task of reconciling this experiential bivalence, and must do so if their moral choice is not to become inert or their ‘political’ action ineffectual. (Archer, 1988, p. x).

If, as this review and others (Barber, Wesson, Roberson, & Taylor, 1999; Heneman & Tansky, 2002) suggest, the application of what is currently presented as good practice HRM or models of strategic HRM in smaller organizations is highly problematic, then we are left with the issue of what to make of previous work and how it might inform future research and practice. I would suggest that rather than focus on the technical or economic efficacy of practices, we might explore the ethical or ‘political’ effects of this managerial activity. It is clear that recruitment and selection processes can be highly discriminatory, in ways that would be seen as unjust by most contemporary scholars. Yet legislation has limited effects, whether as a result of limited human or financial resources, commercial pressures, or managerial resistance to interference from beyond the organization; so we continue with the problem of how to influence agentic practice through structural and cultural conditions. It is this issue that this final section addresses, through consideration of the promise that a critical realist framework might have for analysis.
We find the raw materials for this in a series of works by Margaret Archer (1988, 1995, 2000). She argues that the representation of structure and agency as oppositional has held back understanding of social action. She goes on to set out an analytical template that challenges this form of dichotomous thinking. In organization studies, Reed (2005) argues that this approach offers a meta-theoretical paradigm that encourages a focus on underlying generative mechanisms (or structures) that condition everyday managerial activity and organizational social relations. This section examines Archer’s framework, viewed through Reed’s interpretation, as a possibility for combining theory and action, after abstracting (or abducting) theory from action through empirical analysis. Through the section, I suggest that recruitment and selection in smaller organizations is particularly well-suited to this approach, as the interaction between agency and structure over time is relatively easily observed. We can examine the activity as a series of agents’ actions, accomplished within a series of conditioning structures. This acknowledges the freedom of individuals to act, and the constraints within which they act. In addition it can be extended over time, so that analysis of the present and past of organization and management informed by empirical evidence and previous analyses provides understanding that can inform future actions and structures.

This form of analysis rests on the status of agents’ actions and the structural conditions which constrain or enable them. Archer (1995) argues that in the three classic approaches to social analysis, analytical conflation is practiced: functionalism loses the actor in structures, interactionism inflates the role and status of the individual in the constitution of social reality, and structuration theories, through the notion of co-instantaneous mutual constitution, deny temporality beyond the moment of action. The approaches conflate structure and agency through downwards (deterministic) conflation, upwards (voluntaristic) conflation, or central (a-temporal, a-historical) conflation. Instead, Archer proposes that structure and agency may be seen as analytically separable over longer periods of time than those bounding the actions.

Time is therefore the central concept that enables the analysis of social actions within existing structures. It becomes more than a medium in which actions occur, represented as both sequential and cyclical, a variable and a medium in seeking to understand the conditions and the agents’ actions. Structure is understood as a set of pre-existing properties that provide a context to condition action. Ontological depth is however granted to the actor; the conditioning effects of structures are acknowledged but they are not irresistible, acting on a helpless agent. Actions take place in a process of mediation and reflection, during which social forms are both drawn upon and impinging. The processes of conditioning, action, and reflection may be represented as circular or linear. Fig. 1 represents this process. It can be either morphogenetic in which structural elaboration occurs, or morphostatic, when structural elaboration does not take place. This emphasises the involuntarist nature of structural conditions and the voluntarism of action and reflection available to actors. Above all Archer emphasises that actors are not automatons: they all have vested interests, and calculate the opportunity costs of actions (with disinterested virtue often carrying an economic price-tag).

In proposing this analytical framework, there are a number of implications. First it is realist, premised on the emergence of social structures as non-observable entities that can be ‘seen’ at an analytical level. Second, it involves a conceptualisation of time that differentiates the historicity of processes and actions, with the actions of the dead retaining an influential role. Not all properties or circumstances are made by the present actors; the actor in the present must always work within the context constructed by previous actors. Structures therefore pre-exist actors, yet can be either reproduced or transformed by the actors. Third, the framework allows for the existence of causality between analytical levels, although this will tend towards linkage as conditional influences through the interplay of structure and agency.

Recruitment and selection practices in smaller or growth organizations often make sense in the business context, are remarkably homogeneous and resistant to change. Critical realism may provide an alternative view of the management of the employment relationship in smaller organizations and a means of mediating between individual employees, managerial actions, and the conditions of production. It relies neither on the voluntary actions of individual agents in implementing structural conditions, which go against many culturally embedded practices, nor on the coercion of imposed legislation. Instead it focuses on the mediation of economic rationality, the managerial desire for control, and the needs and demands of individual employees by integrating smaller organizations more fully into existing structural and cultural conditions.

In relation to this review, I would suggest that Archer’s framework could provide fruitful future research directions. The first direction is defined by the interplay of structure and agency. Many of the structural conditions of recruitment and selection are recent: HRM, equal opportunities legislation and much scholarly analysis are relatively recent. In seeking to affect practice in organizations, we can observe that the imposition of structures or exhortations to follow legislation, often based on the problematics of organizing on a large scale in a specific historical context, have not been effective in changing practice. Approaches such as that of Rainnie (1989), seeking control or standardisation of the employment relationship through legislative action, imply a faith in the structural conditioning of individual actions which has not
been supported by further research (Holliday, 1995; Ram, 1994). The second potential direction is specifically to challenge the structural determinism inherent in normative–prescriptive HRM. In order to explore ways to affect practice it is necessary to fully appreciate the nature of reality at the moment of structural elaboration when we consider what good practice is. Bringing smaller organizations, both managers and employees, into that process could be encouraged by recognising that the smaller or growth organization operates in a qualitatively different way from the larger, corporate entity, whether in recruitment, training, or appraisal. Reaching smaller organizations would almost certainly be aided through the structural inclusion of smaller companies as often as possible, rather than bowing to pressure to exempt them from societal norms of action because they reputedly have more difficulties surviving than large firms.

This is based on the premise that action within smaller organizations needs to be affected. This review demonstrates that recruitment and selection techniques have effects beyond the boundaries of the organization. Yet smaller organizations have not been well integrated into the structural or cultural systems within which theories of management and organization develop. Attempts to affect practice have been made, through the imposition of legal frameworks, academic constructs, or dissemination of voluntarist codes of best practice; yet it may equally be that smaller organizations, the managers working in them, and the employees labouring in them, have not yet been fully integrated.

5.2. Implications for research

Rainnie and Scott (1986) contend that industrial relations research concentrates on the problems of large scale industry, and then tests propositions in smaller organizations. A similar observation has been made about HRM research.
Empirical evidence suggests however that formalising people management processes is a low priority in smaller organizations as managers struggle to ensure survival (Amba-Roe & Pendse, 1985; Curran, 1988; McEvoy, 1984). This is despite extensive evidence that owners and managers recognize people management provides more problems than any other area of organizing; and yet it is also frequently noted that little of HRM good practice is implemented to address this difficulty (Deshpande & Golhar, 1994; Golhar & Deshpande, 1997; IPD, 1994). Rather than giving cause for reflection, this gap is taken as a difficulty to be overcome; the solution most often proposed is an increase in levels of management education (Amba-Roe & Pendse, 1985; Deshpande & Golhar, 1994; IPD, 1994), to convince owners and managers in smaller organizations of economic benefits. However the good practices recommended are based on the problematic of the large, industrial bureaucracy, and the need for people management to be integrated with organizational performance. This framework is recommended to owners and managers in smaller organizations as the route to profitability, harmonious employee relations, and self-development. There may however be an alternative.

Recruitment and selection provides an ideal field to illustrate this alternative. I have argued that as an activity it forms a contested terrain on which the interests of social justice, economic performance, owners, managers, and employees interact. The process is often analysed according to the influence of structures on agents (Jewson & Mason, 1986), and in terms of the recruiting agent’s interpretation of structure (Collinson et al., 1990; Silverman & Jones, 1976). The structures of recruitment and selection are passed to agents through institutionalised good practice, manifest in legislation, techniques and social norms. However managerial and employee agency forms a bridge between conditions of action and social action in context. Within this process we find the possibility of intervention to change recruitment and selection practices, informed by understanding previous and current practice and willingness to modify structural conditions. Otherwise the cycle of structural imposition and agentic resistance is likely to continue. Critical realism offers a means of intervening in this repetitive cycle.

This leads to the second implication for theory, the issue of ethics. We know that larger organizations are held together by informal relationships which may be stronger than moral structural conditions (Watson, 1998); this is manifest in many of the accounts of recruitment and selection discussed in this review. Debates about managerial or organizational ethics tend to be framed by a dualism of ethical abstraction and economic pragmatism; ethical judgments are then said to be contingent on economic constraints (Parker, 1998). Recruitment and selection practices are often seen in this way, with apparently unethical discriminatory practices presented by managers as economically rational (Ram & Holliday, 1993). Although legislation to control organizational practices may be resisted on the basis of inequity and impracticality (Bendix, 1963), particularly within smaller or growth organizations, such a response leaves responsibility with those committed above all else to organizational survival. Vested interests may be exercised to the detriment of the wider social context (Archer, 1995); thus, rather than proposing how smaller organizations can appear to practice legally fair hiring (Maurer & Fay, 1986), it may be more worthwhile to concentrate on locating the business in wider contexts. Ethics and morality must not only be interpreted situationally (Feldman, 1996), in which the right to select new employees is claimed and the wider responsibilities of such selection denied. Ethics and economics may be seen as entwined through social contexts (Weber, 1930).

5.3. Implications for practice

Finally we turn to practice. Recruitment and selection is particularly interesting in this respect, as an area of HRM in which organizational practices can be made very public. Popular media coverage of ‘unfair’ practice is common; accusations of ‘nepotism’ and ‘cronyism’ in public institutions are frequent in Europe and the US. However although ‘jobs for the boys’ (of either gender) is something which many come across, it only seems to become an issue when a gross abuse of natural justice or misappropriation of public funds is perceived.

If those involved in recruitment and selection were to, 1) adopt an approach that acknowledged structure and agency as developing over time, and 2) recognise the inherently ethical nature of recruitment and selection and its effects on the firm, the local context, and society more broadly, then there would be significant implications for managerial practice. The first material effect we could expect to see is closer engagement between policymakers, practicing managers, and academics. Managers in small firms ought to be seen as agents with an interest in the development of recruitment and selection legislation that is relevant to them, as well as practical to implement. While such legislation must to some extent express a societal ideal it is also crucial that it be seen as workable, or it will be rejected entirely (as is often the case in the UK with employment relations legislation in small firms [Marlow, 2002]). A critical realist framework encourages engagement between the various agents involved in shaping, interpreting, and adapting structural
conditions. This analytical approach necessarily involves researchers, managers, employees, and policymakers in a process of mutual understanding in order to elaborate structural conditions, informed by the social conditions that the structures are enacted within.

Acknowledging the ethical aspects of recruitment and selection is founded on a similar principle. Managerial and employee actions in this area have ramifications well beyond the firms themselves, as employment legislation shows. Few other areas of management, and none within HRM, are as closely legislated or observed, indicating that society has a strong interest in practice. The implication of this is that managers are not to be permitted free rein to adopt practices that are simply rational in an economic sense. However most research in this field presents recruitment and selection as if it were a neutral task, with scholars emphasising the technical efficacy of advertising techniques or selection methods. Ethics are mentioned in the context of legislative constraints, if it all. This implies that ethics can be bracketed, dealt with by compliance to structural conditions. Compliance can however take many forms, including the ‘mock’ bureaucracy that Gouldner (1954) identified.

Ultimately the implications for practice can be summarised as an increase in engagement, which could have a variety of effects. First, managers in small firms would have a higher level of contact with agents and agencies from outside their immediate circle. Second, the various groups with an interest in recruitment and selection might share greater understanding of the processes involved, including the constraints and the effects. Finally, there is the strong possibility that practice, theory, and legislation could come closer together to the benefit of all three. Managers in small firms need not be condemned as failing to reach good practice; academics might avoid accusations of living in another world; and policymakers may begin to see smaller and growing firms as an integral part of the economic landscape rather than as anomalies that require special treatment.

6. Concluding comments

... we make the simple assumption that firms are in search of profits [because of the lack of tools in economic research for defining and measuring anything else]. This assumption has always created difficulty for many, partly because in an uncertain world there is no single objectively identifiable road to the greatest profit and different entrepreneurs with different temperaments choose different roads, and partly because money profits do not encompass the whole of entrepreneurial ambition. (Penrose, 1959, p. 184).

As well as the implications outlined in the previous section, there are three issues which it is worth drawing attention to in relation to the topic of this review. First, researching recruitment and selection means inquiring into a sensitive topic with legal and ethical implications (Lee & Renzetti, 1990), with some scholars choosing to engage in semi-concealed research (Collinson, 1992). Investigating managerial practices in which deviation from socially acceptable norms or exposure of asymmetrical power relations can be threatening.

Second, it is clear that norms of recruitment and selection, as is argued in relation to Blackford and Newcomb’s (1914) text, have material effects well beyond the walls of organizations. Testing for fit, which follows current scientific trends on current normative bases (Townley, 1994), is demonstrably problematic if we take an analytical time frame that extends beyond the immediate present. In addition local organizational norms of selection may rest on definitions of deviance and conformity that respond more to current managerial convenience than social justice (Jewson & Mason, 1986). For these reasons it is crucial that data collection and analysis in researching recruitment and selection acknowledges historical and social contexts.

Finally I would suggest that research in this area of people management must respond to Edith Penrose’s insight from almost 50 years ago, quoted above. Recruitment and selection are activities that enable small firm owners to express their temperaments and ambitions in ways that may not fit with a rational or managerial approach to HRM. Actions which can be dismissed as non-rational or non-conformist should however be understood rather than condemned, allowing research to engage more fully with practice, and perhaps also vice-versa.

References