It's the work climate that keeps me here: the interplay between the HRM process and emergent factors in the construction of employee experiences

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"It's the work climate that keeps me here": The interplay between the HRM process and emergent factors in the construction of employee experiences

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Abstract

Purpose – The purpose of this paper is to study 1) how human resource management (HRM) may provide for favourable employee experiences and 2) how it succeeds in interaction with other organisational factors to communicate unambiguous messages to employees, leading to a shared perception of the HRM.

Design/methodology/approach – The paper uses qualitative interview data (managers and employees) from two organisations operating in Finland. The data are systematically analysed and is used to illustrate the HRM process–emergent factor interplays.

Findings – The findings illustrate the three interplay mechanisms between the HRM process and emergent factors – supplementation, substitution and suffocation – that construct employee experiences.

Originality – The paper extends Bowen and Ostroff's (2004) theory on the HRM process–employee experience interplay by *empirically* examining how the HRM process (together with emergent factors) creates shared perceptions. The present study contributes to further theorising and increases our understanding of the creation of employee experiences.

Keywords Employee experience, Shared perception, Emergent factors, HRM process, Tensions

Paper type Research paper

Introduction

What does human resource management (HRM) look like to employees? Why don't the good HRM intentions produce the desired employee experiences? Historically, HRM research has focused on the management perspective, thus evoking interest in management-driven HRM, leading the discussion to strategic and financial issues (Beer *et al.* 2015). Such managerialist focus in HRM research has somewhat side-tracked the employee perspective (Cleveland *et al.*, 2015; Marchington, 2015; Paauwe, 2009). However, recent working life changes call for reintegrating the employee perspective more fully into both HRM practice and research (Guest, 2017). Critics have pointed to work efficiency being pursued at the expense of employee well-being (Oppenauer and Van De Voorde, 2018). Such an exploitative approach does not serve the long-term goals of organisations (Alvesson and Kärreman, 2007), as they increasingly fight for the most competent and committed workforce. This poses a clear challenge to contemporary HRM – a challenge that cannot be solved in management offices and one where the employees and employee experiences need to take centre stage (Guest, 2017; Paauwe, 2009). Organisations simply cannot afford to neglect employee experiences or they will risk losing their most valuable human resources (Katou, 2013; Plaskoff, 2017).

Given this, it is surprising that HRM research has only identified the employee experience as a salient construct during the past two decades (Nishii *et al.*, 2008). Therefore, to truly advance HRM theory, more employee-oriented approaches (Loon *et al.*, 2019; Paauwe, 2009), especially more empirical research on the *employee experience*, are needed (Farndale and Kelliher, 2013). The literature defines an employee experience as a holistic concept covering the wide-ranging employee perceptions that emerge during the employment relationship (Plaskoff, 2017). In practice, such experiences develop gradually through constant perceptions and interpretations of the organisation regarding HRM policies and practices (Farndale and Kelliher, 2013).

Yet it is confusing that a holistic employee experience has been neglected in HRM research, even though the focus has been on HRM practices that seek to boost employee performance. This content approach has recently been challenged by the process approach, which directs attention to how employees perceive HRM practices (Baluch, 2017; Sanders *et al*., 2021), providing an avenue to delve deeper into employee experiences. Relying on HRM scholars (Farndale and Kelliher, 2013; Li *et al*., 2011; Nishii *et al*., 2008), we argue that the HRM process – how managers communicate HRM policies and practices to employees – plays a key role in building a holistic employee experience. In this study, we apply a process-based approach by drawing on Bowen and Ostroff's (2004) HRM theory, which builds on the process-based approach by directing the focus from the content of HRM practices to the process through which employees interpret HRM and thereby make sense of their organisational environment (Baluch, 2017; Bowen and Ostroff, 2004). Bowen and Ostroff's (2004) HRM theory portrays how a strong HRM system sends unambiguous messages to employees and can then create *employees' shared perception of the HRM.* Here, a shared perception is defined as employees having a similar view on what type of behaviour is expected of them and rewarded; indeed, a shared perception is the outcome of *how* employees experience the organisation's practices and processes (Kellner *et al.*, 2016; Sanders *et al.*, 2008).

So far it is known that employee experiences have a positive effect on focal employee-level attitudes and behaviours, such as organisational commitment (Farndale and Kelliher, 2013). Further, employee experiences are produced in conjunction with HRM and parallel unintentional factors that arise from daily organisational activities (Ostroff and Bowen, 2016).) These emergent factors include interactions and social processes among employees, leader attributes, the homogeneity of employees and structural variables (Fulmer and Ostroff, 2016; Ostroff and Bowen, 2016). However, a comprehensive understanding is lacking of the dynamics between HRM and other organisational factors on which the employee experience is

based. This has led HRM scholars (Ostroff and Bowen, 2016) to call for research that specifically focuses on the HRM process–emergent factor interactions in the formation of employee experiences (see also van Beurden et al., 2021).

We aim to fill this research gap by examining the daily work experiences stemming from HRM–emergent factor interplays. In particular, we take a critical stance by elaborating on the tensions that may arise due to the collision of the above factors. Our intention is to respond to criticism regarding the managerial emphasis in HRM research by highlighting and reinforcing the emerging research stream that focuses on holistic employee experiences. Thus, this study especially addresses 1) how HRM may provide for favourable (here intended) employee experiences and 2) how it succeeds in interaction with other organisational factors to communicate unambiguous messages to employees, leading to a shared perception of the HRM. To do so, we collected qualitative interview data from two information technology (IT) organisations operating in Finland.

Our research offers two key contributions to HRM research, particularly from the employee experience perspective. First, we contribute to the increasing discussion about why HRM may not produce the intended kind of employee experience (Baluch, 2017). By examining the HRM process–emergent factor interplays in building employee experiences, we empirically specify the ways in which they interact. Additionally, we shed light on the possible tensions arising from those interactions. Drawing on Bowen and Ostroff's (2004) HRM model, we show how the employee experience that is intended to be conveyed by the HRM process is reconstructed due to unintended emerging factors and how the possible tensions between the two arise.

Second, our research offers a more in-depth picture of the employee experience that emerges through the messages conveyed by an organisation's HRM process. Through this contribution, we engage in the debate on the HRM content versus process perspectives

(Sanders and Yang, 2016). We demonstrate the relevance of the process perspective when accessing the holistic employee perspective. This builds a better understanding of how the employee experience is generated as part of daily work (Chacko and Conway, 2019) and how it can be influenced.

The present paper begins with the theoretical background on 1) HRM and employee experiences and 2) the interplay between HRM and emergent factors. We then present our data and analysis and discuss the results. The paper ends with conclusions and implications for research and practice.

Theoretical Background

Employee experience in human resource management research

Rather ironically, employee experiences have been downplayed for a long time in HRM (Delbridge and Keenoy, 2010). HRM critics argue that HRM has reflected management's attempts to control workers' attitudes and behaviours, and it has been viewed as a means of exploiting workers (Seeck and Parzefall, 2010). High-commitment approaches to HRM have been critiqued for solely benefitting firm performance (Alvesson and Kärreman, 2007), leading to possible work intensification and putting employee well-being in danger (Boxall and Macky 2014; Chowhan et al., 2019; Oppenauer and Van De Voorde 2018). Despite employees seemingly taking centre stage in HRM models, critics view employees as being approached as objects in order to maximise their performance (Delbridge and Keenoy, 2010). For example, the widely applied ability–motivation–opportunity (AMO) theory (Boselie *et al*., 2005) depicts HRM practices as fostering favourable employee outcomes through 1) acquiring the most competent employees and developing their abilities further, 2) motivating employees to achieve the best conceivable performance possible, and 3) providing employees with the appropriate organisational opportunities to perform (Sun *et al*., 2007). Critics (e.g. Delbridge and Keenoy, 2010; see also Meijerink *et al.*, 2021) emphasise how HRM research describes employees as

passive receivers of managerial actions. We argue that much of this criticism is due to the assumptions of the content approach that has dominated previous HRM research.

As a counterweight to managerialism, employee-centred HRM practices have recently garnered interest (Loon *et al*., 2019). Plaskoff (2017, p. 141) has urged that "We must see employees not as resources, but as meaning-making, purposeful, learning and experiencing human beings." Thereby, employees play an active role in perceiving and interpreting, i.e. in experiencing, their organisational environments (Bowen and Ostroff, 2004; Li *et al.*, 2011). Further, HRM's role in building these employee experiences has been recognised (e.g. Meijerink *et al*., 2021). In practice, employee experiences develop gradually through constant perceptions and interpretations of the organisation in terms of HRM policies and practices (Farndale and Kelliher, 2013). However, HRM research focusing on holistic employee experiences is still in its infancy.

Despite employee experiences being a relatively new HRM concept (Farndale and Kelliher, 2013; Plaskoff, 2017), generating favourable employee experiences through HRM has evoked scholarly interest recently (Chacko and Conway, 2019; Meijerink *et al*., 2016; Edgar and Geare, 2014). A very recent meta-analysis (Meijerink *et al*., 2021) provides significant evidence on the role of HRM in building employee experiences. Furthermore, researchers have stressed that the perception of the *HRM process* – how managers communicate HRM policies and practices to employees – in particular, shapes an employee's experience (Farndale and Kelliher, 2013; Li *et al.*, 2011; Nishii *et al.*, 2008). Sanders *et al.* (2014, p. 499) sum the research evidence up: "the HRM process does matter; how it matters is uncertain." Thus, more research is needed to understand the mechanisms and interactions through which the HRM process matters (García-Carbonell *et al.,* 2016; Ostroff and Bowen, 2016).

Generally, HRM research draws a conceptual distinction between HRM *content* (practices) and the HRM *process* (implementation of practices) (Bowen and Osfroff, 2004;

Katou, 2013; Li *et al.*, 2011; Nishii *et al.*, 2008). HRM content refers to the intended HRM practices and policies, such as high-performance work systems (HPWSs), which consist of HRM practices, such as sophisticated selection, extensive training, behaviour-based appraisal, contingent pay, job security and employee involvement (Heffernan and Dundon, 2016; Liu *et al.*, 2020). Since the late 1990s, academics have applied a content-based HPWS approach to explain HRM's effects on employee attitudes and behaviours (Appelbaum *et al.*, 2000; Latorre *et al.*, 2016; Van De Voorde and Beijer, 2015). Much of the work has focused on assessing the sophistication of HPWS practices from a management perspective.

It has been suggested that the HRM process is a more powerful determinant of employee experiences than HRM content (Katou, 2013), yet it has only gained empirical attention within the past few decades (Bowen and Ostroff, 2004; see also Katou, 2013; Kellner *et al.*, 2016; Li *et al.*, 2011; Sanders *et al.*, 2014; Sanders and Yang, 2016), indicating the need for more research in this area. Generally, the HRM process denotes the way in which HRM practices, such as recruitment, training and compensation, are communicated to employees and how they are perceived (Bowen and Ostroff, 2004; Katou, 2013; Li *et al.*, 2011). Thus, HRM practices act as a signalling system that sends messages to employees about the organisation's expectations (Liu *et al.*, 2020; Sanders *et al.*, 2008): Farndale and Kelliher (2013) study employee perceptions of justice during performance appraisals; Liu *et al.* (2020) analyse organisational identification resulting from employee reactions to HPWSs; and Roehl (2019) creates a strategic HRM typology to illustrate how the messages the system sends can shape employees' perceptions of their psychological contract. An illustrative example of the importance of the HRM process is given by Linna *et al.* (2012), who found that a poorly implemented (experienced as unhelpful by employees) performance appraisal interview deteriorates perceptions of organisational justice more than an interview that has not taken place at all. This elevates the importance of the process over the content.

In their seminal article, Bowen and Ostroff (2004) identify the concept of a *strong HRM system,* which builds on its distinctiveness, consistency and consensus. Underpinning their framework is the notion that these characteristics of the HRM process communicate unambiguous messages to employees, thus creating an organisational climate based on employees' constant assessment of their daily work environment in terms of both formal and informal policies and practices (Cafferkey and Dundon, 2015; Coda *et al.*, 2015; Li *et al.*, 2011). Further, unambiguous messages facilitate the shared understanding and interpretation of what attitudes and behaviours are expected and rewarded in the organisation (Bowen and Ostroff, 2004).

In this study, we draw on Bowen and Ostroff's (2004) theory and see employee experiences as composing the organisational climate and we approach employee experiences as a holistic concept encompassing comprehensive employee perceptions that emerge during the employment relationship (Plaskoff, 2017). We rely on the notion that employee experiences build on the ongoing sense making and interpretation of the organisational environment.

Interplay between human resource management and emergent factors

Besides examining HRM at the process level, we also consider it an intentional element of the organisational context that contributes to the construction of employee experiences. By contrast, the non-intentional *emergent* factors (Bowen and Ostroff, 2004) refer to elements that the organisation did not intend to encourage but that rise from the lower to the higher levels of the organisation (Fulmer and Ostroff, 2016). In their literature review, Fulmer and Ostroff (2016) identify four types of emergent factors: 1) structure and practices (e.g. training, socialisation practices and task interdependence); 2) leader behaviours, styles and leader–member interactions (e.g. leader–member exchange [LMX], transformational leadership and leader-informing behaviour); 3) social processes and communication (e.g. unit cohesion, team

trust, group history and norms, social exchange and interpersonal relationships); and 4) the homogeneity of individual attributes (e.g. demographics, values and personality).

The interplay between these emergent factors and the intended HRM is significant in terms of understanding employee experiences; however, it may potentially create tensions. Tension refers to a situation in which two individually logical elements are inconsistent when juxtaposed (Smith and Lewis, 2011) – in practice, this means that organisation- and employee-centred practices may conflict (Loon *et al.*, 2019). In HRM research, there is increasing interest in understanding these tensions, but studies aiming to understand positive aspects are rare (Aust *et al.*, 2015). Aust *et al.* (2015, p. 198) argue that "Instead of viewing tensions *per se* as problems that need to be avoided, paradox scholars assume that focusing on tensions can help in finding creative, novel solutions to organizational problems in the pursuit of organizational sustainability." Following this line of thinking, we see the potential tensions more as dynamics or as an interplay between what is intended and what emerges, and we seek to explain employee experiences through this interplay.

In summary, as HRM scholars (e.g. Ostroff and Bowen, 2016; Sanders *et al.*, 2014) have noted, prior research has recognised the different factors involved in creating shared perceptions. However, the scarcity of research on the interplay between the intended and emergent factors has led Ostroff and Bowen (2016, p. 205) to ask "whether the factors that help form consensus in climate are substitutes for a strong HRM system or whether a strong HRM system negates the need for these other emergent factors." We respond to this call for further research on how employees experience the HRM process–emergent factor interplays by exploring the parallel role of emergent factors and the HRM process in the construction of employee experiences. We also illustrate some contradictions inherent in the interplays and the sometimes fine line between positive and negative employee experiences.

Methodology

Data collection

This is a qualitative study based on interview data from two small business units. We collected data from a small information and communication technology (ICT) agency (sales organisation) and a small local business unit within a large multinational ICT company (software design). Both units operate in western Finland. The employees in the software design unit have an eventful common work history. Originally, they worked as a team in the product development department of another technology company. The team broke away from that company and established a new, small software agency that they operated until the current owner purchased it. Despite this acquisition, the unit operates independently, and the new owner's influence on HRM is non-existent. The sales organisation, on the other hand, has a long business history, but after a managerial change, it has become more goal-oriented but keeps the well-being of employees in mind. They have both invested in HRM and, unlike many small organisations, they have formal HRM practices in use. Given this background, we consider these two case organisations to have analogous attitudes towards HRM; they provide fruitful examples to examine the HRM process, especially the interplay between HRM process and emergent factors (such as interactions and social processes among employees, leader attributes, the homogeneity of employees and structural variables).

We used interviews and observations as our data. We conducted 15 semi-structured interviews with managers and employees. The interviewees were selected partly based on the managers' suggestions, but we selected individuals with shorter and longer tenures in a variety of positions (see Appendix 1 for interviewee profiles). Each interview lasted about 60 minutes. The interviews were recorded and transcribed verbatim. We conducted all the interviews in meeting rooms at the studied organisations. These visits allowed us to collect observational data on the employees' interactions and relationships with their managers. We took notes on

the interview situations and observed the atmosphere on the organisations' premises during and between the interviews. Table I presents these organisations and our data.

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Insert Table I about here

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With the interviews, we wanted to explore how the employees experienced the organisations' activities and their own role in those activities. The interviews included questions, for example, on their daily work and routines ("How would you describe a typical working day at your work unit?" "How have you experienced the supervisor's support?"). The emphasis was on the interviewees' personal experiences of the organisations' ways of working. Depending on their position, they were asked either to describe what kind of HRM practices they applied (managers) or about their experiences of those practices (employees) (e.g. "How does your employer take care of your professional development?" "How do you perceive the compensation system here?"). The retrospective questions that we asked during the interviews (Paauwe *et al.*, 2013) enabled us to identify the key elements of the HRM process–emergent factor interplays.

Data analysis

In our qualitative data analysis, we followed the systematic approach of Gioia *et al.* (2012; see also Gioia and Chittipeddi, 1991; Gioia *et al.*, 2010; Gioia and Thomas, 1996; Neeley and Dumas, 2016). The focus was not on the existence of specific HRM practices (i.e., *content*) but on the ways in which the organisations implemented them (i.e., *process*) and how the employees experienced them.

The analysis proceeded in phases. We began by reading the interview transcripts to reach a broad understanding of the data. We then compared the findings based on extracts from

the transcribed interviews and our interpretations to cross-check our findings and ensure that our interpretations were similar. Then, we identified the similarities and differences in the interview extracts to narrow down and appropriately label the number of categories (Gioia *et al.*, 2012).

We identified several HRM elements and emergent factors from the data. The emergent factors resemble those presented by Fullmer and Ostroff (2016) and they guide our categorisations. Based on our data, we named the categories as 1) the homogeneity of the group, 2) structure and practices, 3) leader behaviour, and 4) social interaction, and we organised our data into these categories, which also structure our results section. We show illustrative examples of the data and find links between HRM and the four categories of emergent factors. Table II shows this data structure and the interplay between the HRM process and the emergent factors that we identified. We found that the interplay can occur as three different types: supplementation, substitution or suffocation. We illustrate each interplay mechanism in the results section. We discuss these findings in the following section to explore *how* the HRM process is perceived, *how* emergent factors interact with these perceptions and *how* tensions arise.

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Insert Table II about here

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Results

Homogeneity of the group

In our context, homogeneity means that organisations look for new employees who fit with the existing group. In this context, *fit* refers to their expertise and the skills they bring with them to the organisation, as well as their similarity to others in the group in terms of, for example,

personality and sense of humour. This type of fit is referred to as a person–organisation fit (Boon *et al.*, 2011):

> [The manager] immediately thought that my application showed that I would fit in with the group, because the group spirit is so good, and everyone is like part of the same family. It seemed that I would fit in. (Employee, SO)

> And the next phase in the process is a collegial interview, where typically one or two senior designers take part. Then we have a test questionnaire that serves as an entrance exam with which we evaluate the professional potential of the candidate. (Manager, DU)

As these quotations illustrate, despite being small, these organisations have formal and sophisticated recruitment and selection practices that aim at finding talent and ensuring person–organisation fit. Mostly, this is a practical solution to look for employees who fit in the existing group because failing in the recruitment process is costly – especially because these units are small. Their view is that finding the right people and retaining them leads to good performance. The reputation of being a fair employer and having a relaxed work atmosphere attracts new employees as well.

However, emphasising the group's homogeneity is not without problems. Indeed, group homogeneity may be a potential detriment to group diversity. Regarding employee experience, this is problematic, as differences related to others may lead to the experience of not belonging to a group (Ozturk and Tatli, 2016). Previous research illustrates how workplace exclusion due to being identified as 'other' in terms of race (Di Stasio and Larsen, 2020), gender (Ibarra, 2019), sexuality (Ozturk and Rumens, 2020), social class (Ashley and Empson, 2013) or age (Ferrer and Murray, 2020) causes negative personal and professional consequences. Also, from an organisation's viewpoint, too much homogeneity might hinder organisational innovation and renewal (Bassett-Jones, 2005). What is problematic is that neither manager recognised the potential risk of excluding valuable talent because of their socially undesirable recruitment policy (c.f. Ashley and Empson, 2013). Instead, they seemed to only acknowledge group

homogeneity's positive aspects. However, this is not atypical in recruitment and selection. Björklund et al. (2012), for example, examined how company norms affect which characteristics are preferred in a potential employee and found that candidates from underrepresented social groups may suffer from exclusion when significant emphasis is placed on group cohesion.

Structure and practices

The second element relates to structural variables, which refer to formal HRM practices, such as training and compensation. These are fundamental parts of the organisations' HRM content. What makes them essential in terms of explaining employee experiences is the way in which they are implemented. In the IT field, training and learning form an integral part of the work because of the need for constant development. The need for development – as a structural factor – has been acknowledged by employees and supported by managers. Learning occurs through official training sessions and even tests, but mostly, it occurs on the job and as learning from colleagues. All interviewed employees worked on commission. Potential tensions arose when the time invested in training reduced the employees' take-home pay:

> It may easily be that you use two weeks to study something by yourself, while in a course you would have learned it within two days…. No one is eager to participate in a course because it would reduce one's salary, and that creates a financial disincentive. (Employee, DU)

Two days for training seems reasonable, but when productive workdays are lost and the employees feel their pay checks will be reduced, the incentives for training greatly diminish. Compensation has been identified as a motivational factor for employees (Ghazanfar *et al.*, 2011), and therefore a conflict of interest may arise. However, employees know that the job is impossible to do well without frequent training; thus, a mismatch occurs between what is encouraged and what is feasible because of the salary structure typically used in IT services. In

a sense, the positive attitude towards training and keeping up professional skills is *suffocated* by the compensation policies, creating tension.

A balancing effect arises as the work is independent in nature and the employees have possibilities to influence their own work. In recent studies, employee voice has been named as a key element influencing employee well-being (Guest, 2017); therefore, it is only natural that, in this context, it also appears as a relevant explanatory element. Employees are seen as professionals and are trusted to make decisions about their work; this allows them to decide when and where they are able to attend formal training. Therefore, the informal structures *substitute* – at least in a small way – for the formal training and compensation practices. The strong need for professional growth and being able to do creative and challenging work drives the employees' motivation – even outranking the employees' desire for career progress, as shown in the following:

> The most fascinating thing is that you are able to do creative work within certain limits. Luckily, we have had projects where we design something new instead of just repairing existing systems. You see that you have managed to accomplish something smart, and, at the same time, you are able to show your own professional development. Creativity is a major source of satisfaction in this work. (Employee, DU)

Despite the mismatch and paradoxical tension between training and compensation policies, the employees feel that the compensation process is fair and transparent. The managerial messages regarding this are consistent, which is a prerequisite for a shared perception to emerge (Bowen and Ostroff, 2004; Ostroff and Bowen, 2016):

> When we have this appraisal discussion, we discuss a salary raise as well. It is encouraging to see that it does matter how you have done your work. And how your salary has developed lately will be taken into account. If you have just received a raise, you might not receive any at this time, but next time you may. (Employee, DU)

Leader behaviour

In any organisation, information sharing and communication are often seen as important in creating employee experiences. This is often the element where there is room for improvement. In our context, communication consists of informal gatherings, hallway discussions and formal meetings where financial figures and future goals are discussed.

> Every Friday, we gather around the coffee table and discuss important issues relating to work, but this involves only those who happen to be at the office. And when needed, I post a newsletter by email to inform my people about the topical issues. (Manager, DU)

> After every quarter, we have a meeting where we go over the financial figures with the whole staff… Everyone should know where we are and what we are aiming at. (Manager, SO)

Based on the financial figures, the managers set the goals and targets for employees. As these quotations highlight, the managers find it important that everyone is aware of the organisation's current status and their own role in creating organisational results. These figures are also the basis for evaluating the organisation's performance. Still, informal and spontaneous interaction covers a large part of daily information sharing and problem solving. Potential tension arises when informal meetings are not available for the employees currently working on the customer's premises and consistent information sharing cannot thereby be ensured (cf. Bowen and Ostroff, 2004). One employee described it as follows:

> Previously, we used to have a monthly meeting, but now we have slipped away from that. Those [meetings] have become fewer and fewer…. To be exact, there have been meetings, but I have not been able to attend them. If we have a meeting at two o'clock, it takes up several working hours because I need to come in here from the client's premises. It is not just the one hour for the meeting. (Employee, DU)

The above-described project-based dispersed working method causes tension with face-to-face interaction and puts employees in unequal positions. Again, this relates to the nature of the work and to compensation policies and employee profits (c.f. working time spent on non-billable work). Good managerial intentions for information sharing are not realised to the

fullest, causing *suffocation*; still, formal and informal interactions *supplement* each other quite successfully. Managers are seen as easily approachable and understanding. This was one of the elements we paid attention to while visiting the organisations. During the interview days, the informality of the interactions between the managers and employees was evident. These attributes form the basis of a relaxed atmosphere and for informal and spontaneous communication to occur at any time. The employees do not necessarily miss formal meetings because they feel like they can ask the manager anything, as shown in the following:

> The atmosphere is very good. Everyone is very straightforward, and there are no leader–follower relationships. Everyone is on the same level and works as a team. This is probably because of the small size of the company. (Employee, SO)

> We talk very openly with each other as well as with the manager. I feel that I can step into his office at any time and discuss my concerns with him, or whatever work or non-work issues are on my mind. The door is always open. (Employee, SO)

There seems to be a certain balance between informal and formal information sharing. The employees' experience regarding this aspect seems unanimous and shared. Also, the employees are allowed room for self-management, which is only natural since we are talking about professional experts. But it also explains the employee experiences of the management and serves as an element that, in employees' minds, builds an experience of the organisations' climate and makes these organisations pleasant places to work in.

Social interaction

The last emerging element, social interaction, is very influential for shared perceptions to form. Strong feelings of togetherness and perceptions of group cohesion build strong organisations. Social interactions were also observable during the interview visits. We noticed that the employees interacted with each other very naturally, and the informality was visible in the hallway discussions and interactions with the managers. They also took pride in serving customers well, thus extending the interaction to this stakeholder group:

> We are like siblings here. Everyone knows that we are aiming for the same goal and doing the work as well as we can, and everyone has the same goal that the customer is treated well. There is no argument about that. (Employee, SO)

> What is important is our gang. It does not matter that we are part of a large company; the important thing is our group and the fact that we are here together. (Employee, DU)

The analogous goal-oriented attitude among the employees is part of their homogeneity and explains their group cohesion. They are hard-working employees by nature, but also the goals set by the organisation drive them towards achieving better results. This goal orientation and desire to perform well is *supplemented* with a relaxed atmosphere and co-worker relations. Pressure to produce good sales figures might cause tensions for an individual employee if the support from peers or the organisation is lacking. The aim is to recruit people who fit in and contribute to these positive work experiences. The family-like atmosphere and trusting relations among employees are the basic building blocks for a shared perception to emerge and for a positive work climate to flourish:

> I know these people very well as employees… we have a good gang. You don't need to be afraid to say what you think. You can trust that the others will not get angry even if you need to say something unpleasant. (Employee, DU)

Open communication could be a problem if you are not familiar with it. There is a fine line between getting offended by overly honest and straightforward feedback and the positive elements it brings for the overall atmosphere – this is something the employees had also realised. In our case organisations, group homogeneity seemed to ensure that this stayed on the positive side and did not create tensions or unintended effects.

Here, we can see that employee experience builds on the interplay between the HRM process and the emergent factors. The shared perception of the HRM is the result of these experiences and comes together in one of the employee's statements: "It's the work climate that keeps me here."

Discussion

The purpose of the current study was to examine employees' daily work experiences stemming from the interplay and dynamics between the HRM process and emergent factors. We especially elaborated on the tensions that arose between the intended HRM process and the unintended emergent factors. Specifically, we studied 1) how HRM may provide for favourable (here intended) employee experiences and 2) how it succeeds in interaction with other organisational factors to communicate unambiguous messages to employees, leading to shared perceptions of the HRM. The focus was on individual employees' experiences, and we sought to understand how these experiences reflected the organisation's intentions. Our study responds to Ostroff and Bowen's (2016) call for further exploration of how emerging factors and the HRM process together enable shared perceptions to form. Our study complements this theory by showing how emergent factors (such as interactions and social processes among employees, leader attributes, the homogeneity of employees and structural variables) may act as a filter through which messages conveyed by the HRM process are interpreted and how possible tensions arise. Basically, this relates to what kinds of messages organisational practices (intentionally or unintentionally) communicate and what kinds of employee agency the practices reflect.

We explored this interplay in a small-unit context. In HRM research, some argue that HRM theory should be applicable to any organisation, regardless of size (Harney and Alkhalaf, 2021). By studying small businesses, relevant aspects of HRM theory in relation to the process view can be found. The informality of small business management (Cardon and Stevens, 2004) often highlights the process perspective, although the benefits of applying formal HR content have also been recognised (see Sels et al., 2006). Still, employee viewpoints are too often ignored in small business research, and the intended HRM viewpoints dominate (the content), but as Harney and Alkhalaf (2021) argue, the employee experience is critical in understanding

how HRM is enacted (the process). Next, we will discuss our theoretical and practical implications.

Theoretical implications

Our research offers two key contributions to HRM research, particularly from the employee experience perspective. Our first contribution relates to the discussion on why HRM may not produce the intended kind of employee experience (Baluch, 2017). We extend the theory of Bowen and Ostroff (2004) by exploring the HRM process–emergent factor interplays in building employee experiences. We found that there is a connection but also the potential for tensions when the HRM process and the emerging factors send contradicting messages, as Ostroff and Bowen (2016) predicted. Previous studies have confirmed that distinctiveness, consistency and consensus are building blocks for a strong system that leads to good outcomes (Delmotte *et al.*, 2012). However, more negative outcomes have been found, especially in relation to the consistency of the system (Baluch, 2017), as it leads to a very ambiguous situation when the messages the system sends are inconsistent and conflicting. This leads to differing employee experiences and no shared understanding of the HRM is possible, leading to weaker overall outcomes. We therefore argue that, based on our findings, consistent messages form the basis for shared understanding to develop, but there are also other explanatory factors that need to be considered. Our analysis revealed four emerging factors – group homogeneity, structural elements, leader behaviour and social interaction – with each having either supplementary, substituting or suffocating roles in relation to the HRM process. Our results show how the intended employee experience that the HRM process aims to bring about is reconstructed due to the unintended emerging factors or the interplay between the HRM process and the emergent factors. Tensions between the two may also arise. In this respect, we bring a new insight in relation to Ostroff and Bowen's (2016) theory.

However, not all four emerging factors are unproblematic. From the process perspective, the possible diversity downside of group homogeneity must be addressed in future studies. In the key papers of Ostroff and Bowen (2016) and Fulmer and Ostroff (2016), the diversity perspective is not discussed in the context of group homogeneity. In this paper, we address this diversity deficit as an avenue for future research and hope to generate new research on the topic. In fact, diversity management can be seen as a process that – in a most successful case – can enhance the achievement of organisations' strategic goals and lead to responsible human resource management (Sinicropi and Cortese, 2021), leading to better long-term performance. Acknowledging the favourable outcomes of a diverse workforce could also help create a positive employee experience.

Second, we portrayed a more in-depth picture of the employee experience that emerges through the messages conveyed by an organisation's HRM process, thus entering the debate on the HRM content versus process perspectives (Sanders and Yang, 2016). The shift in focus to studying employee experience has better enabled HRM research to explore the effects of HRM on organisational outcomes (Beijer *et al.*, 2019). How these experiences exert their effect is still in question, but concentrating on the HRM process instead of the content seems to open up new insights (Baluch, 2017; Beijer *et al.*, 2019). The practice perspective has also generated positive results in terms of finding connections between individual HRM practices or bundles of practices (e.g. HPWS) and employee attitudes or well-being (van Beurden *et al.* 2021; Miao *et al.*, 2021; Loon *et al.*, 2019). The process perspective adds to the understanding of how employee experiences are generated as part of daily work (Chacko and Conway, 2019) and how they can be influenced by HRM and also by the unintentional emergent factors. We found that the employee experiences were related to both good feelings about the informality and relaxed atmosphere at work and the sense of group belonging. Also, having a voice and the power to decide about one's own work came up as a meaningful experience. The more

challenging or negative experiences were related to contradictions in, for example, compensation policies and training demands. These examples exemplify that, overall, the experiences relate to a sense of being a valued professional, feelings of fairness, having a voice and meaningful work – in a sense, these are quite basic things, but too often lacking in work environments.

Looking at HRM from the process perspective revealed that tensions in relation to any of the interplay mechanisms are possible, but not necessarily inherently harmful. As Loon *et al.* (2019) point out, organisations should be prepared for tensions to surface since they are a very natural element in any human context. No organisation is perfect, and two contradictory elements cannot be simultaneously prioritised, which will cause conflict. We identified three types of interplay mechanisms that, in our view, could provide different explanations for particular experiences developing: 1) the HRM process and emergent factors supplemented by each other, 2) the HRM process substituted by deeply rooted emergent factors, and 3) good HRM aims being suffocated by strongly embedded emergent factors. Each interaction mechanism is illustrated in more detail in Figure 1. Our results demonstrate how the HRM process and the unintended emergent factors interplay and thereby affect daily work experiences. Further, our study elaborates on the tensions that the HRM process and emergent factors may cause in organisations and how this interplay affects the employee experience and a shared perception to form. How tightly or loosely these are coupled determines their collective positive or negative influence.

…………………

Insert Figure 1 about here

…………………

Practical implications

We began this paper with the question of *Why do good HRM intentions not produce the desired employee experiences?* We see that this may happen if the interplay mechanisms between HRM and unintentional emergent factors are not considered. If the interplay is overlooked, this easily leads to just counting the practices, not focusing on the big picture or entirety of the HRM process. As a practical implication for a professional organisation looking to enhance favourable employee experience, the existence of the interplay should be acknowledged and recognised to reach meaningful employee outcomes. Further, the interplay mechanisms are contextually bound, even unique (Peccei *et al.*, 2013; Miao *et al.*, 2021), and they are difficult to identify. Therefore, it might be difficult (if not impossible) to replicate daily management practices in different contexts. An organisation that succeeds in creating and maintaining good employee experiences may gain the advantage of having a sustainable HRM process in the long term. In general, it is important to allow for and support the emergence of certain organisation-specific factors that take employees' specific aspirations into account. Our study reinforces this: Although small organisations and work units often have few resources to invest in HRM, investing in a positive employee experience need not be a financial burden.

Limitations and avenues for future studies

A limitation of this type of research is that the employee experiences are highly subjective interpretations of organisational actions. They are challenging to interpret, but different types of research settings could also be more deeply examined. For example, with ethnographic research, new insights could be gained. Additionally, more research on the interactive system between HRM and emergent factors is necessary. Bringing in larger organisations and conducting quantitative research would help build this construct further. However, we must remember that encompassing studies of small businesses would also offer a timely context to study HRM in many forms (Harney and Alkalaf, 2021). One interesting avenue for future

research is to problematise the diversity deficit, as the lack of such a viewpoint tells us about what has been taken for granted within the process perspective. Finally, one avenue for future research could be to integrate employee agency into process perspective and explore the employee's role: How could agency explain the experiences employees have regarding their organisation's HRM?

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Appendix 1

Interviewees' profiles

Interviewee	Gender	Current position	Formal qualifications	Work experience at the case organisation
A1	M	Sales	Graduate of a commercial institute	7 years
A2	M	Software maintenance	Some studies in programming at a polytechnic	3 years
A3	M	Sales	Vocational qualification in information technology	Less than a year
A4	M	Sales	Bachelor of Business Administration	4 years
A5	F	Sales and finance	Graduate of a commercial institute	3.5 years
A6	M	Software maintenance	Some studies in programming at a polytechnic	9 years
A7	M	Sales	Secondary-school graduate	7 years
A8	M	Software maintenance	Vocational qualification in information technology	About a year
A9	M	Sales	System specialist	10 years
A10	M	Manager	Master of Science (Economics and Business Administration)	5 years
B1	M	Senior software designer	Uncompleted Master's in Information Technology and Physics	11 years
B2	M	Software designer	Master of Science in Technology	2 years
B3	M	Software designer	Engineer in technology	7 years
B4	M	Software designer	Engineer in technology	1 year
B5	M	Manager	Licentiate in Technology	7 years

Table I Organisations and data structure

	Organization type and business	Research interest	Number of interviews	Observational data
Sales organization (SO)	Small, family-owned IT sales firm, 30 employees (average age 30) Sales and marketing of IT equipment and software	Small, family-owned ICT firm that has encountered changes in the recent past and aims to be an old-fashioned service store where employees are in close contact with customers	9 employees and the manager	During interview visits to the organizational premises
Software design unit (DU)	Independent business unit within a multinational software house, 9 employees (average age 35) Design of customized software for a few major clients	Small, independently operating unit consisting of professionals with an eventful, common work history	4 employees and the manager	During interview visits to the organizational premises

Table II Data illustrations

Illustrative quotes	HRM process	Emergent factors	Interplay between HRM process and emergent factors
...[The manager] immediately thought that my application showed that I would fit in with the group, because the group spirit is so good and everyone is like part of the same family. It seemed that I would fit in... (employee, case A) *... And the next phase in the process is a collegial interview, where typically one or two senior designers take part. Then we have a test questionnaire that serves as an entrance exam with which we evaluate the professional potential of the candidate. (manager, case B)*	Sophisticated selection process	Homogeneity of the group	Interplay as supplementing
It is learning through work. Then sometimes people need to be trained to provide them with the necessary skills required for a certain client project. This kind of training is arranged by the client. (manager, case B) *The policy here is that you can attend training during work hours if you have time to do that. I have done some. (employee, case A)*	Providing development opportunities for employees	Structure and practices	
I think we all have an influence over the issues related to our work; it's not common for the boss to just give orders without consulting us. We discuss the issues together and make decisions together. (employee, case A) *The most fascinating thing is that you are able to do creative work within certain limits. Luckily, we have had projects where we design something new instead of just repairing existing systems. You see that you have managed to accomplish something smart, and, at the same time, you are able to show your own professional development. Creativity is a major source of satisfaction in this work. (employee, case B)*	High involvement practices	Structure and practices	
When we have this appraisal discussion, we discuss a salary raise as well. It is encouraging to see that it does matter how you have done your work. And how your salary has developed lately will be taken into account. If you have just received a raise, you might not receive any at this time, but next time you may. (employee, case B)	Developmental performance appraisals	Structure and practices	
After every quarter, we have a meeting where we go over the financial figures with the whole staff... Everyone should know where we are and what we are aiming at. (manager, case A) *He [my boss] is not aware of the daily work I do, or he does not monitor it.... The support from him is linked to more general issues... I can always step into his office and ask. There is no threshold there. I feel I have adequate support from him. (employee, case B)*	Formal information sharing Reduced status differentials	Leader behaviors	
I am not sure about the actual career progress. I am not looking for a supervisor position. That is of no interest at all to me. I think the situation will remain rather stable, but I hope that I will get more demanding design development tasks and will be able to make progress that way. (employee, case B)	Providing career progression opportunities for employees	Structure and practices	Interplay as substituting
In the design job, one can usually work very freely. For the employer, it does not usually matter when you do the job as long as you do it. (employee, case B) *Our working hours are very flexible. Today, I got in at ten o'clock, and yesterday I left work at nine in the evening. It varies a lot.... This is not an eight-to-four or nine-to-five job. (employer, case A)*	High involvement practices	Structure and practices	
The atmosphere is very good. Everyone is very straightforward, and there are no leader-follower relationships. Everyone is on the same level and works as a team. This is probably due to the small size of the company. (employee, case A)	Formal communication practices	Structure and practices	

We are like siblings here. Everyone knows that we are aiming for the same goal and doing the work as well as we can, and everyone has the same goal that the customer is treated well. There is no argument about that. (employee, case A) *What is important is our gang. It does not matter that we are part of a large company; the important thing is our group and the fact that we are here together. (employee, case B)* *We think alike and have fun together. We also help each other out in doing this work, but, just as easily, we express feelings of dissatisfaction if someone is not on top of their duties... But that only means that the disagreements are solved then and there. (employee, case A)*	Formal communication practices	Social processes and communication	
Our strength is … I think it is based on our basic processes, where pay is related to work performance, and that makes people hard-working… I do not need to watch over their shoulders… employees need the money as much as the firm does… this process is very flexible… (manager, case A)	Performance-based pay	Structure and practices	
It may easily be that you use two weeks to study something by yourself, while in a course you would have learned it within two days…. No one is eager to participate in a course, because it would reduce one's salary, and that creates a financial disincentive. (employee, case B)	Extensive training	Structure and practices	
Previously, we used to have a monthly meeting, but now we have slipped away from that. Those [meetings] have become fewer and fewer…. To be exact, there have been meetings, but I have not been able to attend them. If we have a meeting at two o'clock, it takes up several working hours because I need to come in here from the client's premises. It is not just the one hour for the meeting. (employee, case B) *Every Friday, we gather around the coffee table and discuss important issues relating to work, but this involves only those who happen to be at the office. And when needed, I post a newsletter by email to inform my people about the topical issues. (manager, case B)*	Formal information sharing	Leader behaviors	Interplay as suffocating

Interplay	HRM process	Emergent factor	Managerial intention	Employee experience
Supplementing	Sophisticated selection process	Homogeneity of the group	To ensure person – organisation fit	A shared perception emerges as HRM process and emergent factors send consistent messages
Substituting	Formal communication practices	Social processes and communication	Protecting positive atmosphere	A shared perception may emerge if emergent factors are strong enough to substitute the messages of HRM process
Suffocating	Extensive training	Commission-based salary structure as part of structure and practices	Ensuring professional development	A shared perception is not likely to emerge because HRM process and emergent factors send contradictory messages

Figure I Examples of the dynamics between HRM process and emergent factors