Something in the Air: HRM Legitimation Strategies in a global airline

Tracy Wilcox
School of Organisation and Management
University of New South Wales
Sydney. Australia. 2052
Tel: 61-2-9385-7153
t.wilcox@unsw.edu.au

Research Supervisors: Dr Anne Junor & Dr David Morgan, University of New South Wales

Expected date of completion: August 2007
Research commenced: 1999 (part-time enrolment)

ABSTRACT:
Research on organisational legitimation strategies has shown that organisational actors employ agent-centred strategies such as impression management and justification, and also draw on institutional features such as normative and cognitive structures in order to attain and maintain legitimacy. An important question remains; What happens when the nature and balance of underlying structural schema and resources change? What is the interplay between emergent organisational logics of action, enacted organisational contexts and legitimacy?

These questions are examined with reference to the Corporate HR function of a large global airline. The HRM function in organisations can be seen as a microcosm of broader structural tensions between economic and social logics of action. In contemporary global organisations, HR professionals often see themselves as the organisation’s ‘corporate conscience’. The degree to which they can function in this role, and bring employee considerations to the fore, depends on their legitimacy within an organisation. If their strategies are not seen as legitimate components of ‘business’, the scope for agency on the part of HR professionals is limited. In this longitudinal study, ethnographic methods were used to examine the processes through which a corporate HR sub-unit sought to legitimate one of their key strategies, during a year of significant contextual change.
Introduction

Human resource management, it has been argued, is the “embodiment of desirable social values such as social justice, employee welfare and industrial democracy” (Trice et al 1969, cited Galang and Ferris 1997 p 1408). For many, the human resources function provides a space, often the sole space, where the rights and interests of employees might be represented (Wiley 1998). This leads to what Kochan (2004 p 133) has labelled a “special professional responsibility”, on the part of human resource managers, insofar as they are expected to act as stewards of the social contract, upholding expected social standards in workplaces (Ardagh and Macklin 1998; Lowry 2006; Winstanley, Woodall, and Heery 1996). In countries where the deregulation of labour markets and stripping back of traditional protective mechanisms has led to an individualisation of employment arrangements and a shift to contingent and precarious forms of work, this responsibility for employee wellbeing has arguably been intensified.

However, for human resource managers, and human resource management (HRM) departments in organisations, the capacity to act on this responsibility is limited by the degree of legitimacy the managers or their department have within their organisations. While many textbooks, and some scholars, particularly in North America
1 may see HRM as an essential part of business functioning (see Barney and Wright 1998, Ulrich), this viewpoint is contentious. In practice, HRM can be seen as peripheral to the ‘real’ needs of the organisation, an observation that has been made a number of times over the past decades (for example Guest 1990; Legge 1978; Legge and Exley 1975). As Guest (1990 p 392) has observed,

HRM is the repository of good intentions. Management of human resources is the area in which executives realize they ought to be doing more and to which they promise to turn their attention the day after tomorrow.

As a “day after tomorrow” priority, then, the centrality of human resource management to organisational life remains contested, and the legitimacy of the HRM function will face ongoing challenges in many organisations. This point has been underscored by Galang, Elsik and Russ (1999), who have called for research programs specifically dealing with the question of legitimacy in human resource management.

Legitimacy implies that the actions and existence of a subunit are both valued and considered valid, by its various constituents. The credibility, survival and stability of an organisational department such as a human resource management unit are all connected to its legitimacy (e.g. Scott 2001 pp 58-59; Zelditch 2001 p 40). For human resource managers in an organisational setting the constituents that “count” as far as legitimacy is concerned are those that can hinder or assist them in the attainment of their goals; in other words, the senior executives and managers whose resources, patronage and support are essential to the carrying out of their function. The human resource function has some unique requirements in this regard. Unlike, say accountancy or finance functions whose importance to an organisation is underscored by legal and quasi-legal requirements and conventions, or sales or operations functions whose place in the ‘value-chain’ is taken for granted, human resource managers must rely on the ongoing support of other constituents to demonstrate their worth (Galang, Elsik, and Russ 1999; Legge 1978; Tsui 1990). The way constituents act to attribute or deny legitimacy is guided by their values and beliefs as well as the way they make sense of their situation, all of which can be related to underlying social structures and systems.

---

1 See Strauss (2001) for a discussion of the different conceptualisations of HRM in various continents.
In organisations, however, multiple agendas and multiple interests mean that the legitimacy of an organisational subunit like human resource management can be disputed and should be considered as dynamic and subject to change (cf Stryker 2000; Suchman 1995). Organisational contexts reflect, in varying degrees, the balance of these agendas and interests, and the legitimacy bestowed on a subunit by its constituents will always be context-dependent. However, we know relatively little about the dynamics of legitimation processes or how changing contextual arenas affect the intra-organisational legitimacy of organisational subunits (Brown 1995).

This study will address these gaps by examining, ‘in-situ’ and over time, the strategies adopted by human resource managers to secure and maintain legitimacy for their function and their strategic initiatives. A longitudinal study of the Corporate HR department of a large global airline is the focus of this analysis, with empirical material drawn from 12 months of ethnographic fieldwork. I employ institutional and critical realist frameworks, and an interpretive approach to the empirical material, to examine how the actors in focus ascribe meaning and counter threats to their legitimacy and that of their major strategic initiative. Institutional theory is explicitly concerned with legitimacy; indeed for many contemporary institutional theorists legitimacy and institutionalisation are two sides of the same coin. Research informed by critical realist modes of theorising, on the other hand, allows the interplay between action and underlying structures to be teased out and theorised, due to the ontological stance associated with this philosophical position.

In this paper I will outline the main findings of this research project. Initially I will briefly consider how legitimacy has been conceptualised within the field of organisation studies, and examine relevant research on organisational legitimation strategies. I will then outline the theoretical scaffolding informing the study, and the methods adopted to address the research questions. The empirical material related to the ethnographic study will be examined and discussed. Finally, some implications for our understanding of HRM agency will be considered.

**Legitimacy in Organisations**

“IT is people who make legitimacy, but they make it out of resources not of their own choosing”

(Zelditch 2001 p 51)
The conferring of legitimacy is an active and ongoing social process, constrained or enabled by social structures, as the above statement by Zelditch suggests. An appreciation of the interrelationships between social structures and human actions underpinning legitimacy assessments is hence essential to any consideration of legitimation processes.

Suchman’s (1995 p 574) widely accepted definition of legitimacy as “the generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions” will be adopted here. This definition captures the multidimensional nature of legitimacy (Baum and Powell 1995; Scott 2001; Suchman 1995), and the interdependency of institutional frameworks and legitimacy assessments. Institutions, as “multifaceted, durable social structures, made up of symbolic elements, social activities and material resources” (Scott 2001 p 49), thus provide the basis on which legitimacy assessments are made.

Institutional theorists tell us that the way constituents act to attribute or deny legitimacy is guided by a number of factors (Baum and Powell 1995; Dowling and Pfeffer 1975; Scott 2001). These factors encompass the regulative, normative and cognitive sources of legitimacy (Scott 2001). The first dimension, regulative (or political-regulative) legitimacy is tied to the political and legal rules and sanctions that govern the survival or otherwise of a social entity. Within organisations, for example, the quasi-legal status accorded to accounting functions draws on their regulative legitimacy. Cognitive (or cultural-cognitive) legitimacy, the second dimension, relates to the degree to which a subunit’s actions, and the logics underpinning them, make sense, and eventually become a ‘taken for granted’ part of organisational life. Culture provides the symbolic systems through which social actors attribute meaning to actions and relations (Scott 2001), and hence functions as a mediator for legitimacy assessments. What is considered reasonable, and valid, and understandable, depends on the cognitive maps (Weick 1995), schema or logics (DiMaggio 1997) that people bring to a situation in order to make sense of it; these in turn are related to broader cultural frames of meaning (Friedland and Alford 1991). The third dimension of legitimacy, normative legitimacy, relates to the degree to which a
subunit like HRM would be considered valuable and ‘right’ in terms of wider social values and norms. Such evaluations rely on shared definitions of what is desirable and how such ends ought to be pursued, as well as the appropriate structures and routines (Suchman 1995). They may be role-specific and may be supported (or sanctioned) by specific social groups such as professions.

An understanding of these dimensions of legitimacy becomes important when considering how legitimacy status might change over time. In the case of the human resource management function, there are few regulatory bases for legitimacy, so the focus must be on cognitive and normative sources. The prevailing values, logics and structures underpinning legitimacy assessments, while relatively stable, are nonetheless subject to change, as is the nature and interests of the constituents bestowing legitimacy. Thus contextual and historical issues are interwoven with any assessment of the legitimacy of organisational actors. How these changes play out in an organisational setting, and how organisational actors respond to these changes in seeking to maintain their legitimacy is of particular interest here.

**Research on Legitimation Strategies**

For organisational subunits, legitimacy is dynamic, evolving and context dependent, subject to ongoing negotiation and defence. Research on legitimation processes within the field of organisation studies has mainly focused on the legitimacy of organisations *per se* (Dowling and Pfeffer 1975; Elsbach and Sutton 1992; Elsbach 1993; Ruef and Scott 1998) or individual actors within organisations (Ashforth and Lee 1989; Brown and Jones 2000; Palmer, Walker, Campbell, and Magner 2001). There has been limited empirical work conducted on organisational subunit or departmental legitimacy (see for example Brown 1994; Brown 1995), although departmental *power* has been examined empirically (Enz 1988; Enz 1989; Galang and Ferris 1997; Russ, Galang, and Ferris 1998).

Suchman’s (1995) review of legitimacy research found two main research streams, which he termed “strategic” and “institutional”. “Strategic” conceptualisations of legitimacy focus on management as purposive actors within organisations, actively drawing on symbolic and material resources in order to attain their goals. These *agent-centred* approaches focus on managers’ use of strategies such as
impression management and the manipulation of symbols in attempting to attain, maintain or repair
legitimacy in a contested environment. On the other hand, structural-institutional approaches, as the
term suggests, give credence to the social and cultural features underpinning legitimacy assessments;
the normative, cognitive and regulatory foundations for the legitimacy of an organisational subunit or
any other social entity.

**Context and legitimacy**

As we have seen, institutionalist research gives primacy to the wider structural context governing
assessment of the legitimacy status of individuals and organisations (e.g. Dowling and Pfeffer 1975;
Kamens 1977; Ruef and Scott 1998). This is particularly evident in the more macro studies of
organisational fields (Greenwood, Suddaby, and Hinings 2002; Scott 2001; Tolbert and Zucker 1983).
However, the emergent and enacted qualities of organisational contexts have not been examined in
relation to intra-organisational legitimacy. For this reason, the contextual backdrop for any analysis of
legitimacy should be problematised. Pettigrew has argued that “context is not just a stimulus
environment but a nested arrangement of structures and processes where the subjective interpretations
of actors perceiving, learning and remembering help shape process” (Pettigrew 1997 p 341); and to
this, we could add structures. This is an important observation.

The notion that social contexts are emergent in character is associated with critical realist frameworks
(Sayer 2000). Legitimacy, as a social process, is relational in character, depending on the relations
between the actors seeking legitimacy and their constituents, and also on relations within and amongst
The ‘powers’ which can be attributed to these institutional features and relations can manifest as
‘causal mechanisms’, giving rise to the legitimacy (or otherwise) attributed to the actors in focus. The
nature of the contextual ‘cues’ that are promoted, the social relations encouraged and the identities
valued reflects existing interests and power relations, and forms part of this emergent context. The
contexts in which social action is embedded are, in this regard, “relatively enduring” (Sayer 2000 p
13), but are not simply comprised of inexorable ‘forces’ which ‘drive’ actors in particular directions.
Organisational contexts are also *enacted*, insofar as they are partly constructed by the actors-in-focus and also other contextual actors. Here I use the term enactment to refer to the sense in which contexts can be, at least partly, materially and socially constructed by social actors. In selecting and privileging particular material or symbolic elements from the stream of events and experiences, actors can produce or transform contextual features through their subsequent actions and interpretations (Fairclough, Jessop, and Sayer 2004). Enactment thus can be seen as part of social structuration processes (*ibid*). Importantly, enactment processes can have a political and normative (or moral) dimension and purpose. Contextual elements can be selected and unproblematically filtered in order to privilege a certain set of interpretations, or legitimate a set of actions (Fairclough, Jessop, and Sayer 2004 p 31). In organisations, senior executives or members of a “dominant coalition” (Child 1997) are particularly well-placed to play a significant role in the enactment of context.

The third feature of organisational contexts relevant to this study of legitimation strategies is the plural and layered nature of these contexts. Pettigrew’s (1985) notion of inner and outer contexts provides a useful heuristic for making sense of this. If the unit of analysis is, as in this case, and organisational department or subunit, then the *inner context* consists of the immediate context within which the subunit is situated; the structural, social, cultural and political conditions which Pettigrew later terms the “inner mosaic of firm” (Pettigrew 1997 p 340). Pettigrew notes the evolving and processual nature of this inner context, as well as its construction and enactment by key actors (Pettigrew 1985 p 48). A consideration of the inner context needs to take into account the organisational culture(s) and politics, the attitudes and actions of key players and interest groups, as well as the inter-relationship between all of these facets and their impact on the subunit in question (*ibid*). The *outer context*, on the other hand, can be described in terms of the economic performance of the firm, corporate policies, and broad social, economic and industry trends (Pettigrew 1985 pp 48-49). Again the evolving and contingent nature of organisational contexts should be emphasised.

With this understanding of contexts as plural, enacted and emergent, it becomes apparent that a number of important questions relating to legitimacy processes remain unanswered. For example, what

2 Although Weick’s (1979, 1995) original use of the term enactment, as part of his broader theory of organisational sensemaking has come under criticism for methodological individualism and implicit voluntarism (Child 1997) there are, as Jennings and Greenwood (2003) note, some valuable insights to be gained from the application of this concept.
happens when the nature and balance of the underlying logics, values and resources which underpin legitimacy changes? Furthermore, how can organisational actors maintain their legitimacy and capacity for agency within their organisations in the face of contextual changes and associated legitimacy challenges?

Any framework for understanding legitimation processes would need to take into account both the micro-practices of social actors and their interconnection with inner and outer organizational contexts and meaning systems. The methodological approach adopted in answering these questions is outlined in the following section.

**Methodological Approach**

I have argued here that research in organisational legitimacy and the use of legitimation strategies suggests that both agent-centred and structural-institutional lenses are required in order to fully understand these processes. Research into legitimation strategies will need to capture both the macro-structural features of the contextual arena and the micro-processes taking place within organisations.

The field of research thus suggests a methodological approach that acknowledges the socially constructed elements of organisational life, and the meanings actors assign to various events, relationships and actions, as well as the actual nature of those events, actions, resources and institutional structures. The resolution of this polarity can be found in the critical realist perspective. Bhaskar, who first outlined critical realist philosophy, has argued that the structures and underlying mechanisms which cause the social events and experiences we observe are real and enduring, not simply social constructs, but our understanding of them is, on the other hand, a product of social activity (Bhaskar 1979; Bhaskar 1989). Institutional or social structures may not necessarily be transparent to social actors (Kwan and Tsang 2001 p 1166). Critical realism also provides us with a set of conceptual tools for unravelling and in turn bracketing the structure-action nexus, in order to better understand the underlying mechanisms and causal influences. This methodological paradigm allows for the messiness and contingency of open social systems, while avoiding the ontological ‘flatness’ of postmodern approaches (Reed 1997), as well as the “dogmatic realism” embodied in more ‘primitive’ positivist takes on social research (Kwan and Tsang 2001 p 1165). Ontology is seen as “stratified”
(Partington 2000) with the ‘real’ (intransitive) domain comprising causal mechanisms or tendencies which may engage to cause events and experiences in the ‘actual’ (transitive). What we observe as social scientists becomes the ‘empirical’ domain (Bhaskar 1989) (see also Figure 1). Importantly, as I have already noted, reality is seen to be emergent, insofar as tendencies in the real domain can produce new and different phenomena, which cannot be simply reduced to their constituent parts.

**Research method**

The central research questions call for a method that allows social practices and relationships to be explored in relation to the contexts within which they are embedded. Ethnographic research has the potential to enable this type of exploration. The sustained and intense fieldwork experience characteristic of ethnographic research provides a researcher with a kind of ‘understanding’ not achievable through other, more detached means. The strength of ethnographic research lies in this proximity to the action. As a result, both interactive features such as processes and behaviours, and interpretive features such as meanings, perspectives and interpretations can be explored (Grills 1998 p 3).

The agents-in-focus in the study were part of the Corporate Human Resources function of a large Australian-based global airline, named “Sapphire Airlines” for the purposes of this study. The study was conducted in 2001, an eventful year for both international and Australian domestic aviation. Over the course of just over twelve months of fieldwork, empirical material in the form of interviews, observation notes, and archival material were collected.

In addition to the general interviewing and ‘tracking’ of particular actors or unfolding events that characterise fieldwork, I participated (as an observer in most cases) in a series of training courses, executive briefings and formal meetings – 26 in total between March and December 2001. I was usually provided with any documentation, handouts or the “branded” folder of supplementary notes distributed at training workshops. Documentary evidence of the communicative strategies adopted by the Chief Executive(s), Chairman and other senior executives was also collected, using internal staff communications, media releases, and presentations made to unions, the financial industry and industry...
forums. The techniques used to analyse the empirical material collected in this way are summarised in Appendix 1.

The Research Setting

The organisational setting for this study was Sapphire Airways, a large global airline. Sapphire is one of the largest airlines in the world, and one of the world’s most profitable. At the time research was conducted, the airline employed over 30,000 people. The corporate structure of the Sapphire group comprised eight discrete ‘businesses’, each headed by an Executive General Manager (EGM) who reported directly to the Chief Executive, as illustrated in Figure 2.

Richard McCall, the Sapphire Chief Executive from 1993 until his retirement in 2001, managed the airline through its transition from government-owned enterprise to publicly-listed company. McCall’s approach to managing the airline was premised on strategic differentiation through customer service so that the airline would be “world competitive for all situations”. In promoting a ‘service-oriented’ culture, McCall instigated extensive training programs for all frontline staff, providing substantial budgetary resources to support the initiatives. He regularly travelled to the various Sapphire locations to speak directly to staff about their role in “rebuilding” what was a former government-owned institution. Posters and cards containing McCall’s statements were displayed in diverse locations around the airline, and remained prominent after his retirement. One poster outlined his “vision” for the airline:

My vision for [Sapphire] is the development of a very positive and distinct way of behaving and working …which will create such a level of enthusiasm and personal participation that everyone of our people will look forward to coming to work every day, …and at the end of the day feel satisfaction, recognition and pride in the results provided for customers by their own contribution and the group as a whole.

Richard McCall, Chief Executive

Communication from Richard McCall reinforced the “people-priority” persona he had cultivated. A former call centre operator described his actions after a particularly stressful time:

I remember Richard McCall, in big letters, there was a sign came up on our computer, when you logged on. It said; “Thanx” – you know, with an ‘x’– “I know what you guys put into this and I want to let you know how grateful we are” (former call centre operator, February 2001).

McCall’s public discourse conveyed similar meanings. In describing a major process re-engineering exercise, he told a journalist:

The most difficult, but the most rewarding, thing is moving from the old mindset …To say 'look, we're in this together' and to transform the way we talk to each other, the way we regard

---

4 Full time equivalent staff.
each other and the way we treat each other…. The personal growth that you could see in those people, from a surly resentment to proudly standing up there doing presentations to 400 people and saying ’look at what we’ve done’. (Schmidt and Gottliebsen 1998)

McCall’s approach to managing the airline was consistent with the contemporary business logics of the 1980s and 1990s, which emphasised a ‘revival’ of businesses in Western industrialised countries in the face of increasing global competition (e.g. Hayes and Abernathy 1980; Hayes and Pisano 1994). This commenced with the ‘bottom-up’ approach of Total Quality Management and other Japanese management practices (Deming 1988) and was sustained through the 1990s in the ‘High Commitment’ or ‘High Performance’ management models, all of which were premised on securing strategic advantage through the increased involvement of a skilled and committed workforce (e.g. Schlesinger and Heskett 1991; Walton 1985). These logics were popularised in the business media and further institutionalised through government support as embodied, for example, in Australia’s “Best Practice Demonstration Program” (Caruso 1997; Rimmer, MacNeil, Chenhall, Langfield-Smith, and Watts 1996). Symbolic actions, such as the personal notes, people-centred discourse, workplace visits and similar rituals provided concrete instances of the dominant logics of the time (cf. Friedland and Alford 1991)

‘High Commitment’ management strategies place much emphasis on the development of a skilled and committed workforce, and so it is not surprising that in Sapphire during McCall’s tenure the human resource function was accorded political status, relatively high resources and involvement in senior-level decision making. The legitimacy of the HR function was secure up until McCall’s retirement, and human resource managers within the company were involved in a wide range of strategic activities.

**CEO Prescripts as Shapers of Context**

The replacement of CEO Richard McCall with his deputy Steve Bourke in February 2001 was followed shortly afterwards with a restructuring of the group and the first of two downsizing exercises. The change in CEO also heralded a new pattern of discursive acts that Bourke used to re-define the Sapphire context both internally and in external communications. The term 'prescripts' is used here to capture the effect of these discursive strategies, with prescripting the process through which context was enacted by the CEO.
Steve Bourke responded to the structural context relating to Sapphire in a distinctly different manner to that of his predecessor, as exemplified by his actions and decisions in the early days of his tenure. The three prescripts identified the Bourke’s discourse can be summed up as, respectively, ‘the airline industry is in dire straits’, ‘our labour is too expensive’ and ‘the government is out to get us’. Table 2 provides illustrative examples of Bourke’s rhetoric.

In formally articulating these pre-scripts (and generating corresponding action-scripts), CEO messages were framed to give a sense of urgency and importance. Bourke used rhetorics suggesting “challenges for Sapphire”, “extraordinary times” and “protecting Sapphire”, all of which suggested a heightened sense of anxiety about the future. They served to override taken-for-granted ways of understanding Sapphire and its position within its organisational field, creating a sense of “moral necessity” (DiMaggio 1997 p 279). Coinciding with this enacted sense of moral necessity was a closing off of alternative conceptualisations (Reed 2001). The result of this was “systematically” (or institutionalised) distorted communication or discursive closure (Deetz 1992 pp 187-196) within the contextual arena.

Thus the dominant logic of action during the period following the appointment of Steve Bourke as CEO became one of ‘survival’ through cost reduction, in an industry and regulatory environment framed as hostile and uncertain. A set of logics centred on cost-reduction as an ‘inevitable’ consequence of the circumstances was promoted in such a way that discussion of alternatives became proscribed. The need to lower costs and hence adopt the “tougher stand on unions” called for by the pre-scripts was expressed in a series of actions and decisions which signaled a change in the way people were to be managed in Sapphire. For the HRM protagonists, this cost-cutting agenda, embodied in the company’s so-called “Labour Strategy”, became, in turn, a key contingent feature of their own inner context. The main elements of the Labour Strategy are provided in Table 3.

**Human Resource Management Legitimation Strategies**

The CEO prescripts, and the ‘scripted’ strategic response in the form of the Labour Strategy, served to position the practices and hence constrain the agency of the human resource managers who were the

---

5 That Sapphire did not suffer the consequences of the September 11 terrorist attacks in the same way as many other airlines was immaterial. Moreover, the positive effects on Sapphire’s domestic market and overall financial viability of the collapse of their major competitor in the same week were played down in both public and internal rhetoric.
focus of this study. The result was a steady erosion of their legitimacy over the course of 2001. Their reactions to this contextual positioning can be divided into three temporally-based phases, as summarised in Table 3.

The HRM actors initially (and incorrectly) assumed that a people-centred management style, congruent with the logics and values associated with the “McCall era”, would be supported by the new CEO and other senior executives. Their approach to securing legitimacy in Phase 1 involved impression management strategies, and tapping into the ‘people-centred’ institutional logics and values associated with the airline in its previous successful post privatisation period. For example, they compiled a series of documents drawing attention to their past successes in “managing talent”, and “maintaining service excellence”. In spite of the February downsizing, the Corporate HR managers still felt their skills and perspectives could and should make an important contribution to the reworking of the business. They expected the CEO response to remain “far sighted” and “strategic”. But the dominant logics of action, along with the values underpinning legitimacy, were changing, as the new CEO started to mobilise, reinterpret and re-present available contextual cues.

They then attempted to secure legitimacy and by forming an alliance with the marketing-based ‘Customer Strategy’ unit. This newly-formed “joint-venture” team embarked on a complex and costly project together with a management consulting firm, the aim of which was to calculate precisely the financial value (and attributable cost savings) of human resource management and customer service initiatives. This exercise, which was labelled, rather grandiosely, the “Sapphire People and Service Strategy: Sizing the Prize” produced a detailed Business Case and financial portfolio, which was presented to the CEO and other senior executives. In this phase the HR managers recognised the value of framing their arguments in terms of ‘accounting logics’. The symbols used drew heavily on the repertoire of financial accounting and management consulting texts and discourses. In shaping their approach in this manner they were attempting to tap into cognitive sources of legitimacy. However, the managers failed to consider the associated normative sources and continued to assume that the

---

6 The legitimacy of the Corporate Human Resources department was tied to the acceptance and funding of their strategies. The managers’ attempts to secure and maintain the legitimacy of their ambitious ‘management development strategy’ was thus of particular interest.

7 Interview, Manager Corporate Human Resources, February 2001
CEO and senior executives shared the value of committed employees people and customer service.

The funding sought was initially granted, but then withdrawn two days later, at the same time as further budget cuts to the Human Resources unit were announced.

It was only in late September, after the effects of the US terrorist attacks and the collapse of Sapphire’s major competitor had become evident, that the corporate human resource managers took stock of their own diminishing political position and the disconnect with the logics and values associated with the Chief Executive Bourke and his corporate supporters. As one corporate human resources manager declared to his colleagues, “we’ll never get anything to stick until senior management – no, very senior management – read Steve – actually cares about people”, a state they agreed was unlikely to eventuate. On this realisation, the protagonists changed the focus of their legitimacy project to the executives and managers from the diverse business units across the airline, who were physically and structurally separate from their ‘Corporate’ counterparts.

They came to reflexively appreciate the structural-institutional and political elements of their context and the resultant limits to their agency, gaining what Stones (1995) has called an understanding of the “hermeneutic-structural processes” pertinent to them. This recognition allowed a shifting of legitimation strategies from those primarily centred on symbolic-institutional politics to those involving micro-political relationships (or relational politics). They were able to tap into the alternative, people-centred logics and values prevalent in other parts of the airline and draw on the goodwill and reputation existing in these diverse places. As a result, the human resource managers secured sufficient funding to continue their strategic initiatives, and retained their value to the firm, albeit in a different form.

**Conclusion**

Several conclusions can be drawn from this research. Inner organisational contexts, in practice, have emergent and enacted qualities which can position the practices of HRM agents and affect the legitimacy of their function and strategies. Agency will be constrained and contested in situations of competing logics by the structural features of these contexts, including exercised tendencies. Effective legitimation strategies for human resource managers require a reflexive knowledge of the structural-
institutional elements of their context, and of how these elements specifically come to position their practices. This hermeneutic grasp enables the appropriate symbolic-institutional or relational political strategies to be adopted. Although constrained, agency is not prohibited, and HR managers are not simply subject to 'environmental forces beyond their control'. They are able to exercise agency by drawing on political relations and the plurality of logics and values existing within their organisation. In this sense there remains scope for socially responsible action on the part of human resource managers, provided appropriate professional and educational institutions provide spaces for questioning and advocating in the interests of employee wellbeing.

References


