INSTITUTIONAL FIT
OF STRATEGIC HUMAN RESOURSE MANAGEMENT:
MYTH, LIMITATION OR ADVANTAGE?

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Purpose: Current research explores what determines corporate Human Resource Management strategy (SHRM), proposing that external institutional pressure can limit firms’ freedom of choice.

Design/methodology/approach: The illustrative context is the banking industry in Russia. With a focus on the disclosed SHRM, the research helped to ensure that a) most of the banks indeed were similar in SHRM, despite possibility of the alternative options; b) successful banks were more self-determined in SHRM choice; c) in both cases, this choice was not associated with the competitive advantage of the banks. Key methods: theoretical thematic analysis on a latent level and Human Capital Disclosure Index.

Findings: Example of the Russian banking industry helped illustrating that institutional fit of SHRM was not a myth and should not be neglected. However, successful banks partly overcame high institutional predetermination: they recognized and utilized lack of coherence in the institutional system; therefore, institutional barriers became advantageous for them.

Originality/value: The research shifted from a traditional positivist perspective with its practice-based approach to the interpretivist perspective, treating SHRM as a combination of three latent referent standards. It allowed shifting from the ongoing debate about what form of SHRM has higher influence on performance, intended or perceived; and about operationalizing its variety.

Research implications: The results contribute to a wide range of research in Strategic Human Resource Management. The context plays illustrative role, thus findings can be tested outside the banking industry and Russian institutional environment.

Key Words: SHRM, Russia, emerging markets, banking

Paper type: Research Paper

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Introduction

The SHRM field has experienced remarkable growth during the last decades. Researchers assured that higher efficiency of SHRM depends on its horizontal and vertical fit, meaning a need to select internally consistent Human Resource Management (HRM) bundles of practices and to align them with business objectives (Beer et al., 2015). Lepak and Snell (1999) introduced the Human Resource Architecture framework to differentiate four main solutions for the horizontal fit, based on the perceived uniqueness and value of the Human Capital. Toh et al. (2008) asserted that perception of value added by employees depends strongly on organizational core values, which guide employees’ choices (vertical fit). Becker and Huselid (2006) added that the strategic advantage restricts or allows perceived uniqueness of the Human Capital.

The afore mentioned authors follow general universalistic approach, assuming that all SHRM options are equally legitimized, and that companies can be rational and self-determinate in their choice. Legitimacy is “a 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” (Suchman, 1995, p. 574). Followers of the strategic approach to legitimacy assume that legitimation process is planned and highly controlled by managers, as reaching institutional fit ensures higher competitive advantage (Kent and Zunker, 2013). Adopters of the institutional approach to legitimation perceive it as an emergent process (Phillips et al., 2000). Particularly, the conditions of emerging markets might greatly undermine assumption of firms’ deliberate choice due to the idiosyncrasy of the national institutions (Rottig, 2016). Therefore, there is a particular interest in a research examining institutional fit on less predictive markets.

Even though doubts regarding universalistic approach of SHRM were raised by contingency theorists in the 90s (Delery and Doty, 1996), recent years Asian scholars highly intensified them, searching for reasons why implementation of preselected groups of coherent HRM bundles, called High Performance Work Systems (HPWS), might not lead to expected outcomes. However, the scholars did not focus on the external institutional specificity or differentiation between various HPWS, naming for the Chinese environment general reasons, like location advantage (Wei and Lau, 2010), demographic features (Qiao et al., 2009), interpersonal relationships, guanxi (Yen et al., 2015); for Indian environment - cultural specificity of a firm (Muduli, 2015). While researchers of the Brazilian (Rocha, 2009; Wehling et al. 2009; Jabbour, 2011; Cooke et al. 2013) and Russian (Gibbs and Ashill, 2013) environment already suggested institutional specificity, but did not test it. Thus, this research opposes universalistic assumption about the dominance of the vertical fit, aiming to explore how exactly institutional
environment shaped SHRM of one companies, and how other companies managed to over-
come institutional barriers.

**Background**

*Conceptual framework: institutional (external) fit of SHRM*

Institutional (external) fit is associated with ensuring institutional relevancy of the
SHRM. Institutions involve self-regulating mechanisms that associate nonconformity with
increased economical, cognitive and social costs, which consequently mean increased risks,
decreased understanding of the disclosed information (Phillips *et al.*, 2000). Institutional envi-
ronment can limit firms’ choice in two ways: through the top-down maturation of the regulatory system – the “institutional sophistication” (Zhao *et al.*, 2014), or through institutional
gaps, inability to create sustainable institutions – “institutional voids” (Puffer *et al.*, 2016).

Even though organizations are guided by institutions, the institutional system is dynam-
amic and not coherent (Scott, 2013). Additional challenge is bounded rationality - “nonoptimiz-
ing adaptive behavior of real people” (Gigerenzer and Selten, 2002, p.15), the decision mak-
ers, whose rationality is limited by time, their abilities, and other factors. Thus, positive uni-
iversalistic approach might be misleading, so we followed the interpretivist perspective, ac-
cording to which, institutions were constituted through discourse. Discourses are meaningful
texts, which “make certain ways of thinking and acting possible, and others impossible or costly” (Phillips *et al.*, 2004, p. 638). This research is based on a written discourse, in particu-
lar voluntary disclosure. The Legitimacy Theory perspective allows assuming that firms legiti-
imize their actions by a disclosure of the specific facts as a reaction to particular factors, e.g.
social, political, economic, etc. (Kent and Zunker, 2013). The most obvious reason of such
disclosure is exhibiting the implementation of institutional rules and recommendations.
Therefore, paying attention to common traits will help to explore “institutional sophistication”
that motivates firm’s preference of a specific SHRM, common across the observed organiza-
tional population. On the other hand, voluntary disclosure is always a potential threat to a
company’s competitive advantage, as competitors might utilize information for their own per-
fection. Companies have to balance between hiding and disclosing additional information to
diminish asymmetry. Paying attention to differences in disclosed information related to em-
ployees will help to explore “institutional voids” for SHRM.

Despite constant changes in “rules of the game”, there is certain path-dependency. Fol-
lowing the Path-Dependence Theory, we perceive SHRM as a combination of latent referent standards -“locked-in” HRM bundles predefined by certain circumstances on their path-
dependent track. “Lock-in” is a state of hyper-stability, demonstrated by stable outcomes,
when there was no viable switching effort that could be used as an alternative to a given standard (Dobusch and Kapeller, 2013). We narrowed circumstances to dominating at the time of a “lock-in” HRM philosophy that ensured horizontal fit predetermined by a corporate strategy:
- people as factors of production, the “locked-in” period is 1980s;
- people as valuable resources, the “locked-in” period is 1990s;
- people as "talent investors", the “locked-in” period is 2000s (Bartlett and Ghoshal, 2000).

These three options of the HRM philosophy correspond to the three HR configurations, introduced by Lepak and Snell (1999; 2002): the market-based configuration with the job-based employment mode; the commitment-based configuration with the knowledge-based employment mode and the collaborative–based configuration with the partnership-based employment mode consequently. Ingham (2007) specified that at the time of their “lock-in” certain stakeholders’ strategic objectives were dominating. These objectives provided the basement for a vertical fit: primarily defensible product-market position (routed in the Positioning School in 1980s); sustainable competitive advantage (routed in the Resource-Based View in 1990s), continuous self-renewal (routed in the Dynamic Capabilities Theory in 2000s).

However, scholars working in the SHRM domain (e.g. Lepak and Snell, 1999; Becker and Huselid, 2006) assume that company enters evolutionary mature market on which all three options are equally legitimized, so firms might select the most suitable for them combination, striving to ambidexterity. This approach is similar to the principle of the RGB additive color model: we can perceive suitable SHRM option as a particular color, reproduced in result of the combination of three latent colors (latent referent HRM standards), each with particular level of maturation. Followers of the universalistic approach tend to evaluate maturation by counting amount of corresponding practices. However, latent state of the standards did not allow us to rely on such method, so instead we compared findings to the patterns introduced by the Lepak and Snell in the Human Resource Architecture framework (2002).

**The banking industry in Russia as a suitable illustrative context**

The question if firms are self-determined in their choice of SHRM, or their freedom could be limited by the external institutional environment, is contextual. For a suitable illustrative context, we referred to the banking industry in Russia.

Gibbs and Ashill (2013) researched effect of HPWS on the job performance of banking employees in Russia and noted that contrary to general practice, organizational commitment had non-significant relationship with job performance. They referred in explanation to institutional environment, in particular to such fact that employees in many Russian organizations,
especially banking, have little or no control on their job outcomes due to excessive number of rules and regulations (ibid, p. 317). Even though, this statement was suggestive, we decided to keep it as starting point for our research. Additional reasons for focusing on the banking industry were:

- better transparency, needed for the discourse analysis,
- higher diversity within the industry, allowing for the diversity in SHRM,
- its crucial role in economy of the country, meaning possible high regulative control.

These factors, as assumed, intensify the need to legitimize and enhance relevance of competitive advantage. To narrow the amount of possible external factors influencing SHRM choice, we intentionally selected years 2012-2013 for observation, as one of the most stable periods for the Russian commercial banks between the financial crisis of 2008 and the “external shocks” of 2014-2015, resulted in currency volatility, the devaluation of ruble, inflation, sanctions and the limiting access to external financial resources (CBR, 2015).

An additional reason is potential interest of banks in all three latent referent standards. For one, they are key providers of financial capital, so this is their key strategic capital, associated with a market-based HR configuration. Several documents motivated the disclosure of applying first referent standard-related patterns, as interest to short-term outcomes, or productivity-based assessment and remuneration system: the letter of the Central Bank of the Russian Federation (CBR) No 06-52/2463 (April 2014), Federal law No 146 (June 2013), recommendations from the Financial Stability Board (2009) and the instruction of CBR No 154-I (June 2014).

Since 2006, VEB Bank for Development, Gazprombank and the Education Fund “International Moscow Financial and Banking School” initiated the annual conference “Human as capital”, intensifying interest in a cultural capital. Along with interest in the social responsibility standard for non-financial disclosure (GRI, G4), it could significantly increase the preference for the commitment-based HR configuration.

However, transitional economies encounter voids caused by weak institutions of corporate governance, which create barriers to proper monitoring (Okhmatovskiy, 2005). In this regards social capital at a certain level is even more important than financial or cultural capital. The role of social capital, technology, continuing adjustments in government regulations, macroeconomic threats, industry consolidation, financial innovation and securitization (Wilson, et al., 2010; Fu et al., 2014) may be reasons to favor corresponding collaborative-based HR configuration.

**Research design**
Data collection

We aimed to test suggestion that the institutional environment limits firms’ freedom of choice despite availability of various, even more suitable options. It required three actions: 1) to ensure possibility to apply any of the three latent HRM standards; 2) to identify the most legitimate option; c) to check how this option relates to banks’ effectiveness: negative or non-significant relationship will undermine expectation regarding firms’ self-determination.

Such research design required three sets of data collection. The first action conditioned the sample of three banks, each of them to prefer particular latent HRM standard. The second and the third actions resulted in two samples consisted of 20 banks each, following predefined criteria for their selection.

For the second action, we applied random sampling. We selected 20 banks, using a list of all licensed banks, sorted by ROA as of 1st January 2015, published by banki.ru (Appendix I: Information about the 1st sample). At first, the group with the smallest banks appeared under-represented. However, we compared the firms included in the sample with the others, and did not find significant differences between them in terms of disclosed employees’ related facts and values. Moreover, the lower was the position of the bank in the rank based on assets the less transparent it was in disclosure.

There is an acknowledged limitation in our observation - most banks in the sample represented Russian organizations (Table I). This allowed staying within the SHRM research domain, disregarding questions of the International Business research area, like liability of foreigners or embeddedness-related challenges.

Table I insert here

We used similar benchmark for comparison: patterns introduced by Lepak and Snell (2002). The sample helped to identify the most legitimate HRM bundle for the observed units of analyses, signifying that preferences were developed due to “institutional sophistication”.

Furthermore, we purposefully formed an additional sample to identify examples of presumably deliberate SHRM choice, exploring reasons, means and consequences, which allowed the selection of less legitimate HRM bundles, paying special attention to the role of “institutional voids”. We analyzed the information of 20 additional banks, which showed higher efficiency in 2013, as measured by two-stage output-oriented Data Envelopment Analyses (DEA) method, assuming variable return to scale. The DEA analysis was operated in StateSE13, following the guidelines of Ji and Lee (2010). DEA is a nonparametric linear programming method for assessing the efficiency and productivity of organizations, measured in
terms of a proportional change of outputs (in our case). Inputs in the current research represented two variables: 1) annual costs and 2) employees' related expenses (to account for size); output represented one variable: annual revenue gross\(^1\). Lepak and Snell (1999) suggest that the reason for selecting any of the three referent standards is value or rareness of firm’s human resources. Thus we started with the largest in assets 149 banks, expecting higher reliability of their financial reporting (Li et al., 2014), and narrowed our sample to only those top 20 in efficiency banks, which employed at least one manager from the list of “14\(^{th}\) Top 1000 Russian managers” presented by the Association of Managers\(^2\). This award is granted to those who “define the face of Russian economy”, meaning that a bank employing them has possibility to treat their human resources as valuable or rare (Appendix I: Information about the 2\(^{nd}\) sample).

In the research, we relied on written texts, searching for patterns, which allowed differentiating HRM latent standards: corporate annual financial and non-financial reports and statements, disclosed corporate Strategy, Code of Corporate Governance, corporate websites and the external job websites Head Hunter and Super Job. We compared disclosed facts with information on industry-focused websites allbanks.ru and banki.ru. The latter in addition to experts' opinion displaces inquires of non-satisfied employees and customers with comments for each statement from the official bank's representative. Findings are supplemented with observations from annual reports of the Central Bank of Russia on banking development and supervision, media sources, publishing interviews with top management, awards and ratings, which listed representatives of the banking industry.

**Methodology and research quality**

The originality of this paper lies in the theoretical orientation of the research – social constructionism. We followed the interpretivist approach, assuming that knowledge emerges through social practices. Thus, we were not as much interested in what banks’ representatives knew regarding SHRM, but rather how they came to know it and responded to it, sharing sense of own actions through voluntary disclosure. Lawless et al. (2011) called this angle a “practice” approach, treating SHRM as a discursive practice. Interpretivist approach includes consideration of contextual understanding and interpreting of data. It also accounts for multiple realities, different perspectives and researchers’ role, so use of pre-understanding the phenomena gains higher importance (Carson et al., 2005). Thus, to objectivize interpretation, our


The first task was operationalizing various HRM bundles and testing their applicability for the Russian market. We matched suggested by Lepak and Snell (1999, 2002) patterns with the data disclosed by the typical adopters of each referent standard.

The core method used was theoretical thematic analysis on a latent level (Braun and Clarke, 2006). “Theoretical” implies the deductive logic of analysis. It provides source for pre-understanding of the observed phenomena. “Analysis on a latent level” means preference for an interpretative approach to data over a semantic one, such as when researchers try to identify ideologies beyond what is written, ideologies, which shape semantic content of the data. It helped to gain contextual understanding of the data, allowed shifting from the ongoing debate about what form of SHRM had higher influence on performance, intended or perceived. “Thematic” means to rely on a predefined list of patterns (themes), to differentiate HRM bundles, accounting for SHRM variety.

The second step aimed to observe how the institutional environment determined corresponding preferences. It resulted in identifying the institutionalized HRM bundle for the observed units. Then we explored reasons, means and consequences for selecting alternative HRM bundles.

We used the same method – theoretical thematic analysis on a latent level. Additionally we applied the Human Capital Disclosure Index (HCDI) that showed the saturation of related disclosures separately for each preselected theme and an average for the all themes. We applied the 6-score method as per Yi and Davey (2010). Five scores were assigned for the disclosure which was defined in monetary or actual physical quantities and narrative statements were made, with the lowest (0) used for non-disclosure. When only quantitative information was disclosed, the score was 4; when only narrative detailed disclosure, the score was 3; when the disclosure was obscure, the score was 2; when the company asserted that disclosed fact was immaterial to organization, the score was 1.

For the analysis, we accounted for Alvesson’s (2015) suggestion that companies may strive toward grandiosity and the marginalization of reality. This assumption grounds on perception of reality at three levels: real, but typically secret routines; inspirational ideology; and disclosed hyper-reality, which is usually a combination of the previous two. It means that the selected methodology defines the most viable option for disclosure, determined by the institutional environment, but not the real preference. This new angle in HRM research was selected in response to a call to shift from positivist (Harley, 2015) or normative (Bratton and Gold, 2015) perspective.

Table II represents summary of the research structure.
Findings

**Pretesting preference of latent referent standards**

To ensure the applicability of the ideology and the method, we started with a small sample of three banks: Bank of Moscow (BM) as supporter of the first HRM bundle (market-based configuration), Goldman Sachs (GS) – as follower of the second (commitment-based) and Bank Tochka (BT) – as adherent of the third (collaborative-based). We matched patterns, revealed by the banks, with the theorized ones and ensured that a) the method allowed the differentiation between configurations; b) any of the three latent HRM configurations can be implemented in spite the specificity of the institutional environment.

Theorized patterns highlighting strategic objectives (Bartlett and Ghoshal, 2002) fully matched disclosed signals related to each selected HRM bundle: superiority in product-market position of BM, gaining sustainable competitive advantage by GS and the ability for continuous self-renewal through innovativeness by BT. BM shared in the annual report (2014, p.5): “On the key geographic areas for the bank, in Moscow and the Moscow region, cooperating with the Moscow government during many years, we accumulated valuable experience, by which we were among the first to announce working on municipal projects as our top priority in all other regions of presence”. On its website, GS stresses that it reached a sustainable competitive advantage due to its superior expertise: “We strive to provide the best-in-class advice and execution excellence on the most complex transactions across products, in order to help our clients grow”.

Furthermore, many employees of the group are valued experts in the financial industry, invited later for such positions as US Treasury Secretary or World Bank President. BT was innovative from the very start: it was among the first banks in Russia that offered around the clock online banking service, and that tested strategy of a monoline bank (operating in only one line of business). The ability for innovation was underlined by its co-founder B. Diakonov: "I will continue to generate ideas, as I have generated them before”; "We can take the worst online Internet bank, and our team will come up with the best turnaround for this absolutely strange and terrible product in 3-6 months. Because the key solution is not a specific program, which is also important, but the way that business processes and employees are organized around a very easy-to-understand for us customer - an entrepreneur”.

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For matching patterns directly related to the referent standards, we relied on the list of "specific practices that comprise each (HR) configuration" by Lepak and Snell (2002, p. 527-528), and grouped them into four categories: 1) employment mode 2) recruitment and selection, 3) learning and development and 4) performance appraisal (Table III: Testing HRM bundles). Thus, we ensured that both horizontal and vertical fit are reachable despite specificity of the external institutional environment.

Table III insert here

Employment mode. Employees' success stories, published by BM for external candidates did not inform on corporate values and organizational specificity, but rather highlighted similar across the industry benefits of the profession: "The pace of life accelerates with each passing year, and a remote banking service is the future"\(^5\); "If you did not yet decide what professional area to choose, think about a retail. It is the most dynamic area, and there is always room for growth"\(^6\). GS on the contrary highlighted the importance of the specific knowledge and skills of its employees: "The skills to analyze, sift through information, do research, reach my own conclusions...all have helped me in my job today", \(^7\) "As a young graduate, I wondered, if I am smart enough to work with these people. Twenty years later, I am still undecided – I just wonder whether I’m smart enough to work with the new graduates!" \(^8\). BT stressed autonomy common for the third referent standard: “It is great when you can improve job-related processes, while in other companies employees have to follow the established patterns”\(^9\).

Recruitment and selection. BM was the only bank, which shared vacancies on external career web sites, posted intensively and did not have a job-related page on its corporate website. This strategy supports the pattern about the standardization of positions across the industry: employees must be easily replaced. Meanwhile BT highlighted that it did not use job descriptions, a dress code or had any sign of bureaucracy. It applied holacracy, and agile management methods. Therefore, employees regularly had the opportunity to improve the way they did their job, due to flexibility and engagement. When assessing external candidates, the company valued motivation and teamwork. GS signaled about taking care of employees' job

\(^9\) Source: Maria Zotova, manager, https://tochka.com/hr/, [accessed 01.11.2015].
security: it had separate unit within Human Capital Management division for recruiting students; the company asserted that employee's interests shape their corporate experience; internal candidates had priority over external ones.

   Learning and development in the market-based configuration aim at short-term outcomes, which fully corresponded to the disclosed by BM numerical facts related to this pattern. Training activities within the commitment-based configuration are comprehensive, continuous and require an extensive investment of resources. This was evident from the way GS introduced career opportunities to young candidates, offering continuous development and providing mentoring programs to foster valuable career experience. The collaborative-based configuration relies on teamwork, which is expected in holacracy, as practiced by BT.

   Performance appraisals. BM highlighted treating everybody equally, which usually means neglecting individual differences or team input, while other two HRM bundles provide rather equitable treatment. It asserted application of a grading system and offering salary, which corresponded the market wage. GS applied annual performance appraisals, relying on 360° feedback, where employees assessed their own performance and the performance of their colleagues in different departments. BT underlined the fact that due to holacracy, managers did not tell employees what to do; due to agile approach, everybody was able to observe the results of any team.

   Regarding institutional determination, two out of three banks by the end failed to show a sufficient level of legitimacy. In 2011, BM was reorganized under the supervision of the VTB group; and in 2015 the bank announced its future integration with its parent bank, leading to the loss of their own brand. BT was reorganized earlier, based on a loss of liquidity, under the supervision of the “Life” group, when it was named as Bank24.ru. After the bank’s successful recovery in 2014, the Central Bank of Russia withdrew BT's license; and in 2015, BT announced its integration with Openbank. While GS minimized the effect of the turbulent environment by opening a mono-office organization. Only 100 of its 34 000 employees worked in Russia. The bank was fully subsidized by its parent organization and did not deal with individual clients, payment accounts, the issuance securities or investment in securities. Their loan portfolio was only short-term, and loans were provided only to British companies

   Our findings conclude on the suitability of the selected method for differentiating the SHRM variance. The banking industry had followers of each of the three preselected HRM bundles and provided needing level of transparency. It has also been proven that institutional fit requirements did exacerbated the issue of legitimization. Additionally, theoretical thematic

analysis on a latent level helped in recognizing certain “institutional voids”. All three banks mentioned practices, which were uncommon for their SHRM approach. For example, BM and GS stated the importance of their employees’ engagement, typical for the collaborative-based configuration. One might conclude that these banks apply mixed combination of referent standards. While analysis of what is meant, showed consistency with the accustomed HRM philosophy. BM encouraged innovativeness in highly controlled by the bank conditions, assumed for the market-based configuration; GS considered innovative behavior as a life-long learning exercise, common for the commitment-based configuration. Additionally, in both cases, banks stimulated engagement with extrinsic incentives, such as bonuses or career opportunities, while in the collaborative-based configuration, innovativeness is intrinsically driven. Therefore, despite ambiguous terminology, on a latent level of analysis it was still possible to define corporate preferences.

**Legitimate latent referent standard**

The next step of our research revealed high homogeneity in preference of the market-based HRM configuration across banks, thus, treated as the most legitimate SHRM option.

The list below represents grouped signals and patterns, starting with the ones, which were disclosed by the biggest amount of banks.

The market-oriented productivity-based compensation and benefits system, where the individual part of the bonus depends more on a job position and overall corporate success than on individual or team contributions, following a detailed, frequently revised policy with a title similar to bank Vek’s: “About the management and assessment of the risks of financial motivation” ¹¹.

The “know your employee” people management approach¹², where human resources are considered to be a part of the potential operational risk (in several cases part of reputation, law and labor-related risks as well). It implies direction for every position and process; management by objectives; focus on productivity and key facts awareness assessment, followed by a standardized online or classroom training to cover the gaps (Gazprombank, 2014). Viking Bank lists nine examples of risks associated with their staff: risk of wrong organizational structure, risk of wrong work technical process, risk of low employee qualification, risk of dishonest tasks performance, risk of employee psycho-ethical inadequacy, risk of an employee’s overload, risk of the non-availability of qualified employees in a particular area in the labor market, risk of occasional mistakes and risk of fraud.

¹¹ The title refers to Bank Vek’s policy.  
¹² The title refers to the Marine Bank’s staff policy.
The recruitment approach implies high reliance on experts from the external labor market, especially for a leadership position. In job posts, the companies use phrases, which highlight the generalizability of requirements across the whole industry, such as Koshelev Bank: “On a permanent basis we look for specialists with professional skills in the banking industry”.

The employees’ well-being initiatives are comprised of engagement in corporate festive events or charity work. For example, NovikomBank recognized crucial role of employees who were “collecting donations for seriously ill children, holding lectures on financial literacy in orphanages, organizing humanitarian aid for people in Ukraine, who donated blood, and who volunteered for St. Alexievskaya solitude” (Novikombank, 2014).

The final evidence revealed an emerging interest in the commitment-based HR configuration through the raising of social responsibility among employees. Regarding the third HRM bundle, there is an evident void in related patterns, such as in information about e-HRM, in effective communication and in the people engagement strategy. Only two banks mentioned engagement as their key means of strategic success: Accent bank (without any additional explanation as to its meaning) and Gazprombank, which considered engagement to be a part of its strategy to maximize the return on investments in personnel (common for the market-based configuration).

An implied reactive role of employees leaded to the perception that success was mainly driven by the owners and the top management team of the banks. This suggestion was explicitly confirmed by Saint-Petersburg Bank of Investments, which linked the market attractiveness of the bank with personal connections between shareholders, top managers of the bank and heads of organizations who were potential customers. Pictures, if included in annual reports, usually depicted the Chairman of the Board and other representatives of the top management team. Prevalence of a monetary focus in disclosed HRM-related information, the central place of a cost-cutting strategy and the controlling for salaries benchmarks, supported the Hammonds’ fear (2005) about forfeiting long-term value for short-term cost efficiency. For describing success stories in the SHRM area, banks selected narratives about areas outside of the banks' core activities, such as charity. Even employees’ productivity, which was assumed the key success factor highlighting effective SHRM, was disclosed narratively, with a lack of numerical support. Human Resource professionals seemed been responsible mainly for tasks connected with labor-related regulations, administering festive events for employees and supervising charity projects.

Therefore, the observed sample showed high homogeneity in the preference of the market-based HRM configuration, with emerging evidence of the commitment-based values.
However, semantic level of analysis could provide different interpretation: “The Bank constantly improves the professionalism of its team. About 70% of employees have been working at the Bank for over five years and are highly qualified specialists“ (Energotransbank, 2014);“Capital, even with advanced banking technology, cannot give the desired result without the support of a like-minded team. Only due to the human factor, were we able to develop the bank, and make it a stable financial institution which relies on the intellectual capital of commercial structures, in which, as well as in the Bank, work creative and highly professional experts (Viking Bank, 2014).” Nevertheless, on a latent level of analysis, we did not find patterns to support the claimed statements, except for the involvement in charity work. This can be explained as the effect of grandiosity mentioned earlier: companies might perceived newer HRM configurations as more effective, however “institutional voids” did not allow it to be correctly applied.

**Deliberate SHRM choice**

To explore evidence of the deliberate SHRM, we firstly built a human capital disclosure index (HCDI). It allowed us separating patterns supported by the institutions from those, which faced “institutional voids” (Table IV). We grouped patterns by five categories, relying in explanation on two most widely spread HRM standards: Excellence through People and Investors in People. By employee relations, we consider effective internal communication system, people engagement and employees’ opinion review. Leadership group of signals is represented by patterns related to leadership development programs, describing top-management learning and engagement in corporate success. People management-related patterns are perceived here wider then in the previous sections; they correspond to recruitment, employment mode, remuneration system, performance appraisals, motivation, etc. Learning and development group of patterns include mentioning corresponding policies, plans, programs and events related to departments, teams, different categories of personnel, course providers, schedules, costs, evaluation of the progress. Employees’ well-being related patterns correspond to actions and commitments related to health and safety of employees, alignment with labor legislation, initiatives related to promotion of equity, diversity and inclusiveness, providing social support, corporate social responsibility policy.

**Table IV insert here**

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13 Source: Excellence Through People, [https://www.nsai.ie/ExcellenceThroughPeople.aspx](https://www.nsai.ie/ExcellenceThroughPeople.aspx); [accessed 01.11.2015].

Investors in People, [https://www.investorsinpeople.com](https://www.investorsinpeople.com); [accessed 01.11.2015].
The average HCDI score was 2.89, highlighting that banks were transparent enough providing details about key HRM-related aspects, however the narratives were not as detailed as they could be. Learning and development, as well as people management processes were disclosed in more details. The banks confessed “institutional sophistication”, mentioning that these two groups of processes were highly regulated by external environment. Following requirements, most banks have announced that they have assessed their payroll system and even voluntarily disclosed in annual reports, or in the Code of Corporate Governance, how their compensation and benefits schemes were (re)organized. Banks also postulated that in order to diminish employees' related risks, they updated their learning and development approach, sharing exact topics of training courses, hours and the amount of trained employees. Thus, we found evidence that the “institutional sophistication” forced companies to apply the market-based configuration concerning people management and learning and development related practices; as revealed patterns were similar to those shared by BM and banks in the previous sample.

However, since 2014, most banks in the previous sample have put the stress on cost-cutting strategies towards staff, and announced aims to downsize personnel. This approach is in line with the market-based configuration. While banks from the current sample on the contrary tended to demonstrate sustainable, socially responsible behavior, which hold up better to crisis than employees’ wages and incentives. Alfa-Bank, for example, provided a very detailed explanation of their internal communication with employees – the least controlled SHRM process (1.8 scores in HCDI), but an important condition for the successful engagement of employees within the collaborative-based configuration. Sberbank highlighted exclusive programs for the employees' well-being, favored by a commitment-based HRM bundles: Sberbankiada in Antalya; offered free vitamins supply to employees and regular health promotion program consisting of meetings with nutritionists, medical stress management consultants, back-pain treatments, pulmonary function tests, relaxation techniques, and so on. The Home Credit and Finance Bank offered a kindergarten for employees’ children, to improve work-life balance, often missing in the banking industry. Tinkoff Bank introduced revolutionary programs for the industry - flexible schedule and the ability to work from home. Thereby “opening job opportunities for candidates with limited physical capabilities, women on maternity leave, students, the retired, those who live in remote areas with a limited choice of employment opportunities, and those who lack working experience, but are motivated to start a career in a company with a totally different attitude toward working conditions”. In this way, “institutional voids” provided opportunity to apply an alternative to the productivity-based HRM standard, and to openly disclose related patterns.
Furthermore, analysis revealed that even institutionally sophisticated HRM patterns could be replaced with those associated with an alternative HRM configuration, if companies create separate business-units, which are not affected by the intense regulation, common in the banking industry. For example, Alfa-lab and Sberbank-Technology in the Inno-Center in Skolkovo were created for IT related projects and open innovation management (associated with the collaborative-based configuration): they do not provide banking-related services. Generally, banks acknowledged considerable necessity for innovations. Those banks which could not provide special conditions for innovation within own subsidiaries, disclosed facts on IT outsourcing, cooperation with innovative alliances, participation in innovation-based activities or conferences, acquisition of brand new technologies from external suppliers, and so on. However, several banks, like the Tinkoff Bank and Russian Standard Bank openly demonstrated their high commitment to an innovative management style, which was reflected in corporate and HRM strategies; tolerating lower legitimacy and caution toward the uncertainty connected with innovation.

In summary, “institutional sophistication” not just legitimized the market-based HR configuration; it also enriched written discourse with the related patterns. However, efficient banks found their way to deliberate SHRM, staying within legitimate boundaries. “Institutional voids” are not considered as limitation, as they also create the opportunity for a higher transparency, to overcome the market insufficiency by communicating own superiority over competitors in less sophisticated aspects of HRM. However, as evident from the previous sample analysis, not all banks managed to benefit from the “voids”, preferring reactive approach to decrease associated risks. The question on what stimulates banks to engage in overcoming “institutional voids” even in such a highly controlled industry as banking is still open.

**Reasoning of less legitimate HRM configuration choice**

Following the Legitimacy Theory perspective, we suggested that banks legitimize their actions by a disclosure of the corresponding facts to exhibit the implementation of institutional rules and recommendations (Kent and Zunker, 2013). Thus, a need of institutional fit decreases their freedom of choice regarding SHRM to the most legitimate option, which is the market-based configuration in our case. The disclosure of the corresponding facts will not be a threat to a company’s competitive advantage: competitors might not utilize information for their own perfection, as these facts refer to a common sense. Thus, we suggested that:

1a: those banks, which have to be more transparent, tend to prefer the market-based HRM configuration;
1b: those banks, which prefer an alternative to the market-based HRM configuration, tend to be less transparent.

Banks may strive to less legitimate HRM configuration if it is associated with the higher efficiency. Additionally we considered that voluntary disclosure is a remedy for information asymmetry and market inefficiency (Arvidsson, 2011). Thus, we suggest that:

2a: higher efficiency is associated with the alternative to the market-based HR configuration;

2b: banks that are more efficient tend to be more transparent.

To test the assumptions, we run correlation analysis in StataSe13 (Table IV) and then explored a narrative support within the disclosed by the banks facts. Scores for the efficiency (0-100%) and Human Capital Disclosure Index (0-25: sum of 0-5 scores for each theme) were kept without changes, for all other variables we used binary scoring (0 - no, 1 - yes).

To test the assumption 1a, we selected two possible reasons for banks to be more transparent. The first is equity structure, assuming that Russian state-owned banks usually face greater institutional pressure, resulting in a higher level of disclosure. Findings supported disclosure density. However, this did not entailed an actual superiority over competitors. Thus, disclosure density was a result of legitimization (1a), not of the overcoming institutional asymmetry (2b). The second possible reason is having operations abroad, assuming motivation to legitimize developed markets' expectations about a need in higher transparency (1a). Our findings supported the suggestion: companies with operations abroad indeed raised density of the disclosure.

Table V insert here

Furthermore, we linked the disclosure density with the reasons for selecting specific SHRM option. The first two assumptions (1a and 1b) were not supported for the selected sample: there was no significant correlation between higher HCID and exact HRM configuration. Thus, we relied on the narratives, providing insights into the reasons behind the unexpected findings. VEB, for example, asserted responsibility for promoting of sustainable development of Russian banks, and this identification with the role of an ambassador forced preference of the less legitimate HRM configuration (the commitment-based configuration). Sberbank openly asserted that the image of a socially responsible bank not only creates a competitive advantage on the Russian market, but it is also highly desirable because of its international activities. Our previous findings regarding innovativeness of the banks added additional argument – applying less legitimate HRM standard required more detailed explanation
and reasoning behind corresponding facts, thus, leads to a higher transparency. In this case, “institutional voids” created barriers for competitors to copy disclosed practices, as they would have to deal first with the issue how to legitimize such new approach.

The second two assumptions were supported for the selected sample: higher efficiency was indeed associated with the alternative to the market-based HRM configuration (2a) and leaded to higher transparency (2b) despite less legitimate HRM configuration.

**Conclusion**

The research helped to challenge the assumption that companies are self-determinate in SHRM approach selection. As suggested, institutional predetermination was not a myth: it indeed could limit firms’ freedom of choice encouraging preference of the most legitimate SHRM option, which was a market-based configuration for the observed context. However, such limitation became an additional advantage for those companies, which were ready to deal with the “institutional voids”, as it created barriers for copying practices.

Findings of the research supported the institutional perspective on legitimization. Scott (2013) distinguished three institutional pillars, which restricted companies’ decisions: regulative, normative, and cognitive. This research revealed how regulative pillar through “institutional sophistication” leaded to acknowledging the productivity-based HRM configuration as the most legitimate HRM bundle for the observed sample. However, banks’ efficiency was associated with the alternative HRM configurations. Even though, interest in the alternative options was fostered by the normative pillar, on a cognitive level companies still experienced “institutional voids”. Diversity in understanding the employees’ engagement became an evident example of such void.

However, strategic perspective on legitimacy allowed us highlighting that limiting banks’ freedom of choice was not always straightforward due to the institutional complexity. As observed, Russian banks with operations abroad, preferred to adjust their SHRM to foreign expectations. Although, even in such case, it was not a deliberate choice – banks still chose between two options: legitimate in one environment and hostile in the other. Moreover, findings, presented in the last part of the paper, showed that embeddedness into different institutional environment due to equity structure or having operations abroad, did not automatically lead to less legitimate in Russia HRM bundle preference. It was still a choice, which required certain organizational efforts in dealing with “institutional voids” and overcoming institutional saturation on the second market. Similar trends represented banks with high interest in innovation.
We also explored why companies could be interested in applying an alternative to the mainstream HRM configuration. One of the most important reasons in favor of the commitment-based configuration was the opportunity to gain a sustainable competitive advantage through access to rare or limited resources, such as exclusive expertise of Goldman Sachs. It helped to recover from crises faster than competitors do, even though this SHRM is associated with much higher employee-related costs. An additional discovered reason for preference of this HRM bundle was normative legitimization of the corporate responsibility.

The collaborative-based configuration was interesting for innovative banks, where involvement helped to keep high continuous self-renewal. However, such SHRM required management style and employee attitude uncommon for the Russian environment: as suggested Gibbs and Ashill (2013, p. 317), employees in many Russian organizations, especially banking, have little or no control on their job outcomes due to excessive number of rules and regulations. For this reason, banks did not limit SHRM to this sole approach, combining it with elements from the alternative standards. Another reason highlighted Cooke et al. (2013 p. 122) regarding Brazilian institutional environment: because “in Brazil words, concepts and behavior do not walk together”, companies might share values from newer referent standard, but hesitate with corresponding practices implementation.

Furthermore, Brazilian researchers referred to similar concepts, explaining how emerging markets’ institutional environment predetermines firms’ choice of SHRM: embeddedness (Rocha, 2009), global standardization perspective (Wehling et al. 2009; Jabbour, 2011), the change agent practice (Cooke et al. 2013). However, the originality of this research outcomes was achieved due to rare for the SHRM domain interpretivist approach. Focus on the meta-institutional level of a firm’s strategy like preferable patterns, and tracing findings to corresponding latent standards, helped to take into consideration higher variety of SHRM options, instead of accounting for limited predefined amount of HRM practices. Latent level of the analysis allowed considering the effect of grandiosity in disclosing the employees’ related facts and to control for the key terms’ ambiguity.

Selected research design allowed gaining more valuable managerial implications: we compared two samples, opposing regular for the industry situation to the state in the most efficient banks. Our research enriched suggestions regarding advancement of firms’ performance. It capitalized on employees as one of the least transparent sources of the competitive advantage. The research revealed that horizontal and vertical fit of SHRM could not always be easy to gain, as certain HRM reference standards are institutionally fostered or contrary lack institutional support. We found that “institutional sophistication” predetermined the choice of the most banks, which strived towards higher legitimacy. But it also increased insti-
tutional isomorphism: companies mimic each other, losing the opportunity for the additional corporate advantage associated with Human Capital specificity and uniqueness. Thus, institutional saturation created the vulnerability of the SHRM approach, limiting its effect on firms’ performance. This trend was strengthened in a more turbulent environment: banks more willingly disclosed cost-cutting strategy than long-term intensive investments into Human Capital due to higher uncertainty in achieving return on long-term investment in personnel at such periods. An additional essential argument in favor of the productivity-based configuration was the inability to legitimize high level of autonomy for employees, associated with the alternative HRM configuration, because autonomy for banks was associated with higher risks.

The practical value of this research lies in the identifying how to increase freedom of choice in SHRM, despite a need in an institutional fit: through a clustered approach to SHRM, when companies differentiate their workforce, creating additional subunits, like Alfa-lab or Sberbank-Technology; through engaging in ambassadorship of the alternative HRM standard, like VEB Bank for Development; through embeddedness into different institutional environment: internally, like Openbank embedding Bank Tochka, or externally, like Goldman Sachs Bank limiting national influence; or innovatively deal with “institutional voids” to legitimize an alternative HRM configuration, like Tinkoff Bank.

Limitations are connected with the sample, which was predetermined by the explorative and illustrative purposes. For higher generalizability, quantitative research methods would be a better suit, however, they require a more mature level of the HRM referent standards concept development in Russia. Moreover, our findings highlighted examples supporting potential conceptual bias and low level of awareness in shaping SHRM by companies.

We referred to the Russian institutional environment, in particular the banking industry, as one of the most vivid examples of a need in the institutional fit of SHRM, however it should not limit the findings to this only industry or country. The paper challenged general assumption about freedom of choice in SHRM; opened the discussion on employer's engagement in dealing with “institutional voids” and reshaping institutional saturation regarding SHRM. It also highlighted the fact that latent referent standard combinations could be different, as well as level of firms’ self-determination. However, it would be interesting to research how exactly companies combine the HRM standards, depending on their freedom of choice.

Interpretivist approach allowed focusing on the institutionalization of the HRM referent standards through texts and narratives. However, our findings could be complemented with alternative qualitative methods of research, such as case studies, to examine routines and gaps between disclosed SHRM and perceived, or intended, or routinized.
REFERENCES


Investors in People, https://www.investorsinpeople.com; [accessed 01.11.2015].


Appendix I

**Information about the 1st sample (random sampling)**

To select companies for a sample we applied a randomizer (randomus.ru/num901119) and preselected 20 banks for observation. We excluded Russian National Commercial Bank, as it received its license after the selected period of exploration. To balance the sample by adding representatives from the top five banks, we again applied randomizer (randomus.ru/num902633) and selected one more bank - Gazprombank. The final list of banks was: Accent Bank, Transit, Marine Bank, «Vek», Avtotorgbank, Energotransbank, Voronezh, Milbank, Credit Bank of Moscow, Viking, Aresbank, Ladacredit as part of Novikombank, Baikalcredobank, Public Bank, Koshelev Bank, Saint-Petersburg Bank of Investments, «Edinstvenniy» Bank, Starbank, United Credit Bank and Gazprombank.

**Information about the 2nd sample (purposeful sampling)**

Among banks highly affiliated with each other, only parent organization was taken into consideration. Thus, VTB24, Bank of Moscow and Trust Bank were excluded due to their strong affiliation with VTB Bank; Openbank was excluded due to high affiliation with Financial Corporation Open. VEB was added to the list as the representative playing important role in the national institutional framework. Therefore, the sample consisted a total of 20 organizations: IntechBank, Alfa-Bank, HCF Bank, Sberbank of Russia, VTB Bank, Unicredit Bank, RaiffeisenBank, ExpoBank, TCS Bank, Openbank as part of FC Open, Bank “Russian Standard”, Gazprombank, Binbank, Zenitbank, Trust, RosBank, OTP Bank, Uralsib, Svyaz-Bank and VEB.
### Table I: Comparison of the sample with the overall range

<table>
<thead>
<tr>
<th>Area of comparison</th>
<th>Sub-category</th>
<th>In the sample</th>
<th>Overall range</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>Central Region</td>
<td>57%</td>
<td>60%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>43%</td>
<td>40%</td>
<td>-5%</td>
</tr>
<tr>
<td>Not active</td>
<td></td>
<td>5%</td>
<td>10%</td>
<td>4,2%</td>
</tr>
<tr>
<td>Groups</td>
<td>1-5</td>
<td>4,8%</td>
<td>0,6%</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>6-20</td>
<td>4,8%</td>
<td>1,8%</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>21-50</td>
<td>4,8%</td>
<td>3,6%</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>21-200</td>
<td>23,8%</td>
<td>17,9%</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>201-500</td>
<td>33,3%</td>
<td>35,8%</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td>501 and more</td>
<td>28,6%</td>
<td>40,4%</td>
<td>339</td>
</tr>
<tr>
<td>Equity structure</td>
<td>Russian</td>
<td>95%</td>
<td>609</td>
<td>73%</td>
</tr>
<tr>
<td></td>
<td>Includes foreign</td>
<td>5%</td>
<td>225</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>investment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit organization</td>
<td>Banks</td>
<td>95%</td>
<td>783</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>Not banks</td>
<td>5%</td>
<td>51</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: prepared by the authors

### Table II: Research structure

<table>
<thead>
<tr>
<th>Steps</th>
<th>Pretesting preference of latent referent standards</th>
<th>Identifying legitimate referent standard</th>
<th>Exploring deliberate SHRM choice</th>
<th>Reasoning favor of less legitimate SHRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample</td>
<td>3 banks</td>
<td>1 group of 20 banks</td>
<td>II group of 20 banks</td>
<td>II group of 20 banks</td>
</tr>
<tr>
<td>Aim</td>
<td>To ensure the applicability of the ideology and the method</td>
<td>To reveal dominating SHRM approach and evidence of its legitimacy.</td>
<td>To explore evidence of the deliberate SHRM and corresponding “institutional voids”.</td>
<td>To explore what stimulates banks to engage in overcoming “institutional voids”. Testing relation of SHRM with the banks’ efficiency.</td>
</tr>
<tr>
<td>Key methods</td>
<td>Theoretical thematic analysis on a latent level</td>
<td>Theoretical thematic analysis on a latent level</td>
<td>Theoretical thematic analysis on a latent level; HCDI; DEA</td>
<td>Theoretical thematic analysis on a latent level; correlation analysis</td>
</tr>
</tbody>
</table>

Source: prepared by the authors

### Table III: Testing HRM bundles

<table>
<thead>
<tr>
<th>Group of patterns</th>
<th>Lepak and Snell (2002)</th>
<th>I HRM bundle (BM)</th>
<th>II HRM bundle (GS)</th>
<th>III HRM bundle (BT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment mode</td>
<td>job-based mode</td>
<td>V</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>knowledge-based mode</td>
<td>-</td>
<td>V</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>partnership-based mode</td>
<td>-</td>
<td>-</td>
<td>V</td>
</tr>
<tr>
<td>Recruitment and</td>
<td>standardization of positions across</td>
<td>V</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
selection

| the industry | | |
| taking care of employees' job security | - | V | - |
| employees regularly have the opportunity to improve the way they do their job | - | V | V |

Learning and development

| aims at short-term outcomes | V | - | - |
| comprehensive, continuous and require an extensive investment of resources | - | V | - |
| relies on teamwork | - | - | V |

Performance appraisals rely on

| objective, quantifiable results | V | V | - |
| input from multiple sources | - | V | - |
| on team performance | - | - | V |

Source: prepared by the authors

Table IV: Human Capital Disclosure Index

<table>
<thead>
<tr>
<th>Processes</th>
<th>Average Score</th>
<th>Min</th>
<th>Max</th>
<th>Texts, institutionalizing the patterns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee relations</td>
<td>1,8</td>
<td>0</td>
<td>5</td>
<td>GRI (CSR) standard</td>
</tr>
<tr>
<td>Leadership</td>
<td>2,8</td>
<td>2</td>
<td>5</td>
<td>Basel recommendations</td>
</tr>
<tr>
<td>People management</td>
<td>3,3</td>
<td>2</td>
<td>5</td>
<td>Central Bank recommendations, Labor law, GRI standard, Federal law</td>
</tr>
<tr>
<td>Learning and development</td>
<td>3,3</td>
<td>2</td>
<td>5</td>
<td>Basel recommendations, GRI standard</td>
</tr>
<tr>
<td>Employees’ well-being</td>
<td>3,25</td>
<td>2</td>
<td>5</td>
<td>Labor law, GRI standard</td>
</tr>
</tbody>
</table>

Source: prepared by the authors

Table V: Motivation for higher Human Capital Index Disclosure

<table>
<thead>
<tr>
<th>Variable</th>
<th>Human Capital Index Disclosure</th>
<th>Efficiency</th>
<th>SHRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital Index Disclosure</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficiency</td>
<td>0,63***</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>SHRM differs from the mainstream</td>
<td>ns</td>
<td>0,55**</td>
<td>1</td>
</tr>
<tr>
<td>Russian private companies</td>
<td>ns</td>
<td>ns</td>
<td>ns</td>
</tr>
<tr>
<td>Russian government companies</td>
<td>0,44*</td>
<td>ns</td>
<td>ns</td>
</tr>
<tr>
<td>Foreign companies</td>
<td>ns</td>
<td>ns</td>
<td>ns</td>
</tr>
<tr>
<td>Having operations abroad</td>
<td>0,60***</td>
<td>0,57***</td>
<td>ns</td>
</tr>
</tbody>
</table>

Notes: *10% significance level, **5% significance level, ***1% significance level