

JANUS:
AN INITIAL VIEW OF THE FORMAL AND INFORMAL FACES OF
ARGENTINE HUMAN RESOURCE MANAGEMENT

Florencia Tosiani

Eastern Kentucky University USA

Allen D. Engle,

Eastern Kentucky University USA

Roundtable Questions:

1. How have HR processes become more formalized and professionalized in SME in Argentina?
2. Which HR activities appear to be the most sensitive to network relationships?
3. What steps do those responsible for HR in these firms want to take to make HR more professional in Argentine firms?

SYNOPSIS

A Spanish language, web based survey (supplemented by emails and /or personal on site visits) containing items related to describing the roles and functions of human resources (HR) actors as well as the firm's staffing, training and development, performance measurement and rewards practices was administered to a random sample of small, medium and large organizations in the greater Buenos Aires metropolitan area. A total of 64 responses came from firms operating in a wide range of industries. The vast majority of the firms (81%) operate only in Argentina, with remaining firms operating in

the MERCOSUR region, or were multinational firms with headquarters in Argentina or subsidiaries of multinational firms operating in Argentina (9%, 3% and 5% respectively). The sample was quite diverse in terms of firm size, with 63% of the respondents having 49 or fewer employees and 22% of the respondents having 150 or more employees.

Initial data analysis found only 27 of the 64 firms stated they had a formal HR department and many of the firms that had an HR department only had the unit in operation for less than six years. Much subsequent analysis was based on nonparametric techniques due to small cell sizes for certain observations. Results support the following descriptive characteristics:

- HR department describe themselves more as documenters than strategic partners.
- Managers, as opposed to executives and board members, are primarily responsible for hiring supervisors and employees, while general (operational) managers and the board, rather than CEOs, are the parties most likely to be involved in hiring for upper level positions.
- Selection is heavily dependent upon recommendations and the perceived age-appropriateness of applicants, and personal interviews are the most important requisites in the staffing process.
- Training is almost exclusively on the job, informal and largely based on the informal assessment of the general (operational) manager involved.
- Performance is measured by company and employee goal achievement as opposed to end of year profitability.

- Rewards are based on individual as opposed to collective performance.

Rewarding employees with a lump sum at the end of the year was preferred by executives, while an increase in salary for selected employees is the preference of managers, supervisors and some employees.

In general Argentine companies in the sample are more informal and organic in their operations and process, partly as a function of firm size, but perhaps also in response to an unpredictable regulatory and economic environment on the national level, in spite of a national culture valuing uncertainty avoidance. Based on this preliminary study, further research focusing on training and development practices in small and medium sized Argentine firms is particularly promising as Argentine employees value training, see it as a reward and feel they do not presently receive sufficient access to training.