Multilevel Theory Building in HRM Research: Critical Reflection and Guidelines

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Strategic HRM researchers recently turned their attention to various levels of analysis in examining the relationship between HRM and performance. The integration of multiple levels – multilevel research – was inspired by empirical observations that HRM policies and practices influence individual-level outcomes such as attitudes and behaviors, and these in turn affect firm-level performance outcomes. Gaining insights in a combination of these top-down and bottom-up effects is important for two reasons. Firstly, theory that integrates multiple levels of analysis explains the mechanisms through which HRM affects firm performance. Secondly, a multilevel perspective offers a more nuanced perspective that is closer to the HRM organizational reality of managers who are confronted with problems on various organizational levels.

Despite repeated calls for multilevel HRM research, we argue that HRM research does not apply a multilevel approach to its full advantage. In our view, the paucity of multilevel research is rooted in the absence of what we call *multilevel thinking*: the application of multilevel principles. Following Kozlowski and Klein (2000), we elaborate on multilevel principles on how, where, when, and why HRM relates to performance across various levels of analysis. Based on the analysis of 56 highly cited empirical HRM studies that claimed to be multilevel, we show that they have either overlooked some of the multilevel principles or applied them arbitrarily. Drawn from three research directions that inspired multilevel HRM research during the last two decades (i.e. HRM systems, organizational levels, and internalization), we present a conceptual framework that integrates these dimensions of multilevel research in HRM (see Appendix). The many possible research scenarios are impractical to integrate in a single research

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project. Therefore, we take a step further by proposing multilevel principles that are customized for

strategic HRM research.

In doing so, we advance multilevel HRM research in three ways. Firstly, our conceptual

framework provides an integrated overview of potential avenues for multilevel HRM research. Secondly,

we review the application of the principles of multilevel research in HRM. Lastly, we provide guidelines

for future research applying these principles, by sketching a research agenda that outlines specific

research questions which inform further multilevel HRM research.

References

Kozlowski, S. W., & Klein, K. J. (2000). A multilevel approach to theory and research in organizations:

Contextual, temporal, and emergent processes. In K. J. Klein & S. W. Kozlowski (Eds.), Multilevel theory, research, and methods in organizations: Foundations, extensions, and new directions

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*Preferred subthemes

Theme 03: Contextualized HRM Outcomes

Theme 10: Implementing Organizational Change

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Appendices

Appendix 1: The multilevelity HRM cube

