A Future for Employer Branding? Dealing with Negative Capabilities in Strategic Human Resource Management (SHRM)

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ABSTRACT

Employer branding has become an increasingly important topic for private and public sector organizations because it plays directly into the increasingly important talent management and engagement agendas of organizations. In this conceptual paper we argue the potential impact of employer branding has still to be fully understood or elaborated because current theory and practice have failed to link this internal application of marketing and branding to the strategic dilemmas faced by organizations in their quest to be both different and yet similar and legitimate at the same time. This paper begins by (1) setting out these dual logics of distinctiveness and similarity and links them to current ideas in the strategy and Strategic Human Resource Management (SHRM) literature to develop a new framework of SHRM, highlighting the 'negative capabilities' expressed in them; (2) next, we discuss three sets of tensions created by following these contradictory logics; (3) we then raise the possibility of HR strategy-as-practice as a way of resolving these tensions by drawing on the emerging strategy-as-practice literature; (4) finally, we apply these ideas to employer branding by defining what it is, the dilemmas it faces in complex organizations, and how it might be used to resolve the negative capabilities of differentiation and legitimacy.

Introduction

Employer branding is becoming a topic of increasing importance for private and public sector organizations because it plays directly into the increasingly important talent management and engagement agendas of organizations (Sparrow & Balain, 2009). In previous works, we have also argued that employer branding is a key element in an arguably higher level, more strategic agenda, which is concerned with 'future-proofing' corporate reputations (Martin, 2009a). This corporate reputation agenda has been defined in terms of reconciling organizational needs to be simultaneously and continuously *different* through corporate branding and *socially legitimate* through the exercise of more effective leadership, good governance and corporate social responsibility (Deephouse & Carter, 2005; Martin & Hetrick, 2006, 2009; Martin, 2009b; Martin & McGoldrick, 2009). Traditionally defined in the new linga franca of talent management (Sparrow & Balain, 2009), the twin aims of employer branding are to attract talent to an organization and help existing talent to identify, engage and thrive within it. Yet, we argue the potential impact of employer branding has still to be fully understood or elaborated because current theory and practice have failed to link this internal application of marketing and branding to the strategic dilemmas faced by organizations and to different strategic logics evident in the strategic human resource management (SHRM) literature.

Thus, this paper attempts to (1) situate employer branding into a new SHRM framework which maps out the 'negative capabilities' inherent in different strategic logics associated with being distinctive and being similar, and (2) show how employer branding might be made to work when organizations are tasked with embracing the related integration and local responsiveness problem (Lawrence & Lorsch, 1969). This last problem is a feature of all complex organizations in which there are tensions between the corporate centre and local business units or lines of business, but are most acutely experienced in multinational enterprises (MNEs) (Rosenzweig, 2006) on which we focus in this paper.

Our paper begins by setting out these dual logics of distinctiveness and similarity and links them to current ideas in the strategy and SHRM literature to develop a new framework of SHRM, highlighting 'negative capabilities' expressed in them. Next, we discuss three sets of tensions created by following these contradictory logics – tensions between corporate and local values, tensions between exclusive and inclusive HR strategies, and tensions between human and social capital. We then raise the possibility of HR strategy-as-practice as a way of resolving these tensions by drawing on the emerging strategy-as-practice literature over the last 5-6 years. Finally, we apply these ideas to employer branding by defining what it is, the dilemmas it faces in complex organizations, and how it might be used to resolve the negative capabilities of differentiation and legitimacy.

Strategic Logics, SHRM and Negative Capabilities.

Especially during the last decade, theorists and practitioners of HRM have been exhorted to adopt a more strategic approach to their work by focusing on adding value to organizations through HRM's impact on the better management of the workforce and, by so doing, enhancing its own credibility. There is an extensive literature in this field (Becker & Huselid, 2005; Boxall & Purcell, 2008), which we do not propose to review here. Instead we seek to relate some of the most recent contributions in the SHRM normative literature to logics in strategic management to draw readers' attention to a significant set of tensions or negative capabilities that HR academics, HR managers and line managers face in studying and managing complex organizations, especially those operating in multinational environments in which there is the added issue of operating in a variety of national cultural and business system contexts (Sparrow, 2009). Negative capabilities refer to the idea first mooted by the poet John Keats who argued that people need to remain open-minded and accept that we live in a world of irreconcilable ideas that cannot (easily) be resolved. Such potentially irreconcilable ideas are to found in the many paradoxes and tensions in business and management, including the often-voiced distinction between management and leadership (Grint, 2005), in the needs for organizations to exhibit simultaneous differentiation and integration (Lawrence & Lorch, 1969; Roberts, 2004) and the now clichéd 'thinking global and acting local' mantra of many MNEs, more accurately expressed in the integration-responsiveness duality that dominates the international business and international HRM literature (Bartlett & Ghoshal, 1989; Rosenzweig, 2006).

Strategic management (and those whose job it is to strategize in organizations) is riven with such negative capabilities (Whittington 2001), and, we argue, these are reflected in the different logics governing much of the current SHRM literature and practice. In our paper we identify two such dominant logics: the logic of distinctiveness (from others) and the logic of similarity (among others). We then raise the possibility of a third logic, strategy-in- action (with others), might be used in conjunction with employer branding to help SHRM academics and practitioners work with the negative capabilities generated by the simultaneous search for difference from and similarity with other organizations. In doing so, we address a gap in the HRM and international HRM literature identified by Rosenzweig (2006: 45) and other researchers, who have expressed the view that the traditional integration-responsiveness framework which has dominated much of the discussion of the problems of HRM in multinational enterprises (MNEs) had not yet been used to analyse key performance issues.

Insert Table 1 about here

Distinctiveness (from others). Much of the classical strategic management literature has focused on how organizations position themselves in their environment and have recommended various positioning or product-market strategies for organizations seeking to achieve superior performance and profitability e.g. differentiation through customer captivity, customer relations and innovation, cost leadership and economies of scale. Michael Porter's work has been at the heart of this approach, which can be summed up in his heavily quoted aphorism that strategy is and should be about *differentiation:* creating value for customers by doing different things and/or by doing things differently. Indeed, Mintzberg and his colleagues (2009) originally claimed that all three of Porter's generic strategies were little more than variants on the theme of differentiation.

This logic of differentiation has been at the heart of recent work by a number of well-known American strategic HR scholars. Writing from an essentially normative perspective, they have sought to identify *actionable* and *mid-level strategic capabilities* in firms which are a unique source of competitive advantage for the organizations (Becker & Huselid, 2005; Becker, Huselid & Beatty, 2009; Boudreau & Ramstad, 2007; Cascio & Boudreau, 2008; Lepak & Snell, 2002). Each of these scholars draws on each others' work to focus on their own brand of high value adding and uniquely skilled segments of the workforce (Lepak & Snell, 2002) - variously described as 'A jobs' and 'A-players' (Becker et al, 2009) or 'pivotal talent' (Boudreau & Ramstad, 2007) – on which these strategic capabilities rest and so form a resource-base that makes organizations truly different and difficult to imitate, unlike abstract generic strategies, missions or values.

In the UK, there has been a parallel stream of work associated with the Centre for Performance-led HR at Lancaster University, this time linking HR strategy not to positioning strategies but to the newer concept of business models. The key message of their research conducted with senior HR practitioners is that the future credibility of HR needs to be tied into business model change (Sparrow, Hesketh, Hird, Marsh & Balain, 2008). Business models are distinct from the traditional product-market strategies identified by Porter (2008) and others in so far as they try to capture how organizations seek to create distinctiveness by specifying new organizational arrangements among firms and *external* partners and customers, now popularised in the social networking and network analysis literature. Though there are a variety of business models, typically they focus on *novel* ways of conducting their transactions, e.g. by connecting previously unconnected partners or by linking participants through technology, or on more *efficient* ways of doing business, e.g. through reducing transaction costs (Zott & Amit, 2008).

The contribution of Sparrow et al (2008) is to extend this external focus of business models to the specification of new organizational arrangements or architectures among the focal firm and business partners by applying it to the problem of how new and distinctive organizational architectures can be developed in the relations between the focal firm and *internal* partners, most notably different groups or segments of employees, contractors, consultants and the like. So although their work is different, and arguably broader in its concerns, from some of the American HR strategy writers, the core of their argument is similar in that they propose that overarching strategic success relies on transformational business model change, this time linking the business to internal as well as external partners in distinctive ways. Sparrow et al (2008) argue that for HR to gain credibility it must ensure that all of its activities are tied to supporting changes in the business model by helping design the organizational architecture and to make it work through, among other activities, appropriate 'future-proofing' of talent management and employer branding, keys concern of theirs (Balain & Sparrow, 2009).

Arguably common elements in these new approaches to SHRM, whether based on product-market strategies or business models, lead organizations to focus on the business unit or line of business rather than the corporation for its true source of differentiation or novelty because:

1. Strategic capabilities and business model change tend to be located at the business unit/ line of business level rather than at corporate level, or else located in key processes and even functions at the business unit level, e.g. supply chain management, relationship management, partnership working, etc.
2. Identity, as the social philosopher Baumann (2007) has argued, is essentially a local phenomenon rather than a global one. Thus local workforce identity, identification and engagement rather than corporate identification and engagement with global

values are a major potential source of strategic value creation and support for business model transformation.

3. HR strategies, especially talent management, need to be aligned directly with specific business unit strategies and business model change, ideally by helping shape it or at least following it. Often, however, this is not how HRM has seen its contribution because of concerns and desires to implement universal professional standards developed by professional HR bodies, and a sometimes overly-simplistic notion of transferable 'best practice' and corporate control. These factors have led some corporate HR functions to try to impose one-size-fits all, HR practices in unreceptive contexts for change and unconnected with the concerns of line managers, with the attendant consequences of being seen as irrelevant and lacking credibility with these managers who have the task of implementing global values and polices locally (Sparrow et al, 2008).

Thus whether product market or business model driven, this logic of distinctiveness provides a strong argument for segmentation of the workforce and of HR architectures, in much the same way that marketing approaches customer segmentation with specific value propositions rather than one-size fits all global messages. This is especially true of the American writers. For example, Becker et al (2009) argue for an 'employee of choice' approach (see Table 1), so rejecting 'best practice' high performance work systems and employer of choice approaches to SHRM.

Insert Table 1: The Distinction between Employer and Employee of Choice

The intellectual bedrock of this logic is the resource-based view (RBV) of strategy, which sees internal resources as the true source of differentiation when they are valuable, rare, inimitable and non-substitutable (Barney, 1991). This is the justification for the 'exclusive' talent management focus described above, based as it is on a version of the 'power law' of human capital investment in which 80% of value is thought to be created by 20% of people. So, the intended audience for the messages of this logic is largely internal stakeholders (including business partners) because differentiation and novelty in business model change lies in identifying and working with internal bundles of resources, including key talent pools (Sparrow & Balain, 2009).

However, this distinctiveness/differentiation logic, which rests on exclusivity and the classical liberal notion of equity rather than equality, is potentially and, perhaps, intentionally divisive as a motivational strategy, which we discuss more fully in later sections of the paper: in focusing on the few it creates the problems of integrating the many necessary but currently less value adding segments of the workforce, especially those that have the potential in the longer term to contribute (Sparrow et al, 2008).

Similarity (among others). This largely internally-facing logic of distinctiveness can be contrasted with an external strategic decision-making logic that seeks to make organizations legitimate in the eyes of others and society at large (King & Whetten, 2008). This alternative logic sees strategic decisions as influenced by a need or drive to be the same as others. Sometimes decisions are driven by the need for legitimacy, and thus influenced by institutional theory and isomorphism; sometimes they are driven by an historically shaped industry recipe for success that managers use as an heuristic device against which to judge their decision-making in uncertain conditions (Spender, 1989). Both sets of drivers lead organizations down the path of similarity:

(1) by meeting ever-changing standards expected of large companies to develop a strong sense of 'corporateness' (Balmer & Greyser, 2003),

(2) by creating integration through corporate brand and values (Hatch & Schultz, 2008), high standards of corporate governance (Martin & McGoldrick, 2009) and a

corporate leadership brand (Ulrich & Smallwood, 2007; Hodge & Martin, 2009) that supports such standards, and

(3) by achieving a corporate reputation for being socially responsible, contested though such a concept is (Devinney, 2009).

Such standards are increasingly demanded by stakeholders, especially investors, the financial press, discerning customers and, increasingly, prospective and existing employees in companies in developed economies, probably explaining why MNEs and other large multidivisional organizations are so concerned with corporate branding and employer branding. In doing so, they constitute the necessary but not sufficient conditions to exist. A good example of this search for legitimacy is the adoption of sustainability and social responsible policies by many organizations during the last few years, despite evidence questioning its payoff (Devinney, 2009).

Especially in MNEs,a strong degree of 'corporateness' (Balmer & Greyser, 2003) allows organizations to achieve economies of scale and global cost leadership through integration of businesses and by reducing transaction costs in functions such as marketing, IT, HR, supply chain management, etc., secure new business through 'doing well by doing good' and establish reputations internationally and locally for being good corporate citizens among governments and the investor community (Love & Kraatz, 2009).

Thus the mimetic institutional pressures to copy others' strategies and values, social networking and recruitment among a small cadre of business leaders that lead to bandwagon effects, coercive comparisons in the form of benchmarking best practice and national legal standards or codes of conduct in accounting, governance and CSR drive companies to achieve legitimacy by becoming the same corporately. This logic ensures that firms develop a strong corporate value system, often for investors' consumption, and to ensure that rogue subsidiaries do not damage hard won corporate reputations and brand equity.

The SHRM implications of this drive towards corporateness are of firms becoming similar in their branding, thus seeking to become employers of choice with a global employer brand and 'best practice' HPWS architecture. The audience for such messages are largely external – to sell a message to investors, governments, customers and potential employees that they are engaging with a well run, legitimate company that is as least as good as others, to help internal stakeholders identify and engage even more with the organization because identity and engagement are formed by what employees think significant outsiders feel about their organization - their so-called construed image (Price, Gioia & Corley, 2008).

Negative Capabilities? These different strategic logics lead organizations and their corporate and business unit managers having to work with ideas that are not easily resolved because they require of them the simultaneous need to be locally responsive, to adopt exclusive talent management policies, focussing on talented individuals and human capital while on the other hand, they strive to be similar in employing global standards of legitimacy, inclusive talent management policies and to focus on the all important social capital - the bonds, bridges and trust among people and partners that provide the glue that binds the organization together. The two sets of needs can be linked theoretically in terms of meeting accountability standards (King & Whetten, 2008). The similarity/legitimacy logic drives strategists towards strategic decision-making that meets the minimum standards or expectations for membership of an industry or global company, while the differentiation logic sets a higher standard for competitive performance and esteem. Practically, however, we have found in our clinical work that they lead to three linked but conceptually distinctive problems that task HR practitioners and line managers to the limit when dealing with the integration-responsiveness problem.

1. Tensions between global and local values

The often heard exhortation to think global and act local mantra is recognition that organizations, especially ones that grow through acquisition or internationally, are characterised by multiple identities. Global companies seek to exercise control over these identities because of the need to have business units and their workforce 'on message' with the corporate logic, global cost leadership and corporate stakeholder management. However as we noted earlier philosophers and management scholars of identity have argued, identity is essentially a local phenomenon and has to resonate or be authentic with employees and other local stakeholders because both are a product of local cultures (Baumann, 2007; Hatch & Schultz, 2004, Martin, 2009b). This localisation of identity requires organizations to be in tune with local employees and other stakeholders and to encourage constant expressions of employee voice and speaking truth to power (Gollan & Wilkinson, 2007), an argument recently receiving UK government backing from the MacLeod Report on engagement (2009). Hatch and Schultz (2008) argue that organizations need to recognize and deal with dysfunctional identity dynamics, which refers to excessive adaptation to the global and the local. On the one hand, organizations are often driven towards narcissism and self-absorption whereby 'they only talk to themselves and remain deaf to (local) stakeholders' (p. 57); on the other hand, they run the risk of being over-responsive to local stakeholders and losing the benefits of a strong corporate culture by appearing to have no identity at all or in responding to the latest trends by striving to be a 'cool' local brand.

2. The tensions between exclusive and inclusive HR strategies.

The exclusive approach to talent management that focuses on the few at the expense of the many has its critics (Pfeffer & Sutton, 2006; Sparrow et al, 2009) for ethical, economic and rational reasons. Especially in coordinated market economies that have a heritage of integration among firms and employees (Whitley, 1999), the liberal market philosophy on which this exclusive talent management approach is based is a difficult idea to swallow for many organizations, managers and employees. A recent report by the UK government (Milburn, 2009), itself characterised by sometimes conflicting liberal market and coordinated market beliefs, on the restricted entry into the well paying professions currently dominated disproportionately in the UK by those who went to fee-paying schools, has brought this debate into sharp relief. There are those in government who seek to develop an inclusive, interventionist response to this problem, while others have argued for a return to a past era of an elitist grammar schools, which were non-fee-paying but selective in their erstwhile talent management policies, that provided bright children from ordinary backgrounds with a greater chance of entry into the professions than the non-selective current approach to schooling.

This kind of debate is reflected among many organizations in the UK in their approach to talent management. For example, a recent Chartered Institute of Personnel and Development survey showed that 63 percent of firms surveyed pursued an inclusive talent management strategy while 37 percent had more focused policies (CIPD, 2007). The debate over elitism following the collapse of the world financial system is also central to the discussions over what kinds of organizations will be fit for the future and the calls for a new management 2.0 paradigm based less on market and hierarchical principles and more on those that are evident in firms in coordinated market business systems (Hamel, 2009).

Even within the liberal market economies of the USA, however, there is emerging evidence that the exclusive version of talent management hasn't worked well and, given the unpredictability of economic environments, can't work well. Groysberg and his colleagues have produced a number of series of articles showing the negative side of the 'star' system which the exclusive version of talent management has helped fuel (Groysberg, Nanda & Nohria, 2004; Groysberg, 2008; Groysberg, Sant & Abrahams, 2008). Their research into the recruitment and performance of investment analysts demonstrated how much recruiting 'star' analysts could backfire on the hiring companies and on the subsequent poorer performance of the supposed star, in part because of the resentment of lesser lights in the hiring companies and the difficulty of stars' abilities to embed themselves in new supportive 'soil' (see next section). More recent work on US football stars and women managers has begun to refined their arguments and begin to hint at the importance of social capital rather than the human capital of investment in stars (Groysberg, Sant & Abrahams, 2008). For example, they found a significant difference in the subsequent performance of star players transferred from one team to another who played in positions that relied on supportive team work from those who played in positions that relied less on a supporting cast. Similarly women managers were found to have and use greater skill in creating and leveraging networks when changing jobs to new organizations than their male counterparts (Groysberg, 2008).

On the unpredictability of the future argument, part of the premise of talent management and the ubiquitous talent pipeline metaphor used by many organizations is that it is possible to forecast with some degree of accuracy into the future what skills and types of people will be needed and that once recruited and developed that such talent will remain in the pipeline. However, as Sparrow et al (2008) have argued, in an increasingly unknowable world, premises based on typical workforce talent planning assumptions are not only fraught with problems but can lock organizations into long term talent strategies that are inappropriate in a volatile environment. Hesketh and Hird (2009) also make an excellent point in the partial truth of metaphors when describing the typical talent pipeline of organizations in the UK as more of a sieve, with leaks appearing at many junctures because of the failure of organizations to manage careers through the pipeline and because of declining levels of loyalty among talented employees who have got the message delivered by acquisitive organizations that job change is the fastest route to increased salary.

Finally, as Edmonson (2008) has pointed out, the delivery of short term high performance, which is often a requirement of newly recruited talent to justify salary premiums and the passing over of internal recruits, is inimitable to individual and organizational learning. Learning, particularly transformative learning necessitates individuals and teams making errors and, more importantly, publically acknowledging these errors for individual learning to feed forward into team and organizational learning. An exclusive approach to talent management mitigates against such learning in part because it needs to be justified by short term performance claims and in part because it is not in the interests of stars to admit their mistakes to lesser mortals.

3. Tensions between human and social capital and innovation

Related to the above, HR initiatives and other management techniques and functions are increasingly being judged against how they impact the innovation agenda in these organizations. One useful way of conceptualising this potential relationship is to see innovation as the product of three, interrelated forms of capital – human, social and organizational capital – that combine and complement each other to create intellectual capital in an organization, which is its collective stocks and flows of knowledge and learning (see Figure 1). This is sometimes referred to as the collective 'IQ' of an organization on which different types of innovation rest (Munsi, et al, 2005).

Human capital is usually defined in terms of the investment and capacities of individuals and is a product of individualist cultures and business systems. It refers to the capabilities, knowledge, skills, attitudes and experiences of individual employees and managers which has been at the heart of the talent management agenda in organizations and in the growing interest in leadership. Though not without its critics, few practitioners and management academics disagree with the assertion that the case for human capital and talent management is not a compelling one. Yet, as we have argued in the previous section, recent research has shown, it is only one element in creating intellectual capital; it has been shown to have a 'dark side' to it (Pfeffer & Sutton, 2006; Sennett, 2009). The key message in much of the talent management literature and, by association, employer branding is of a direct link between investment in human capital (talented individuals) and innovative organizations, though this relationship in more sophisticated work is thought to be mediated by an organization's stock and flow of intellectual capital or, in more common parlance, capacity for organizational learning.

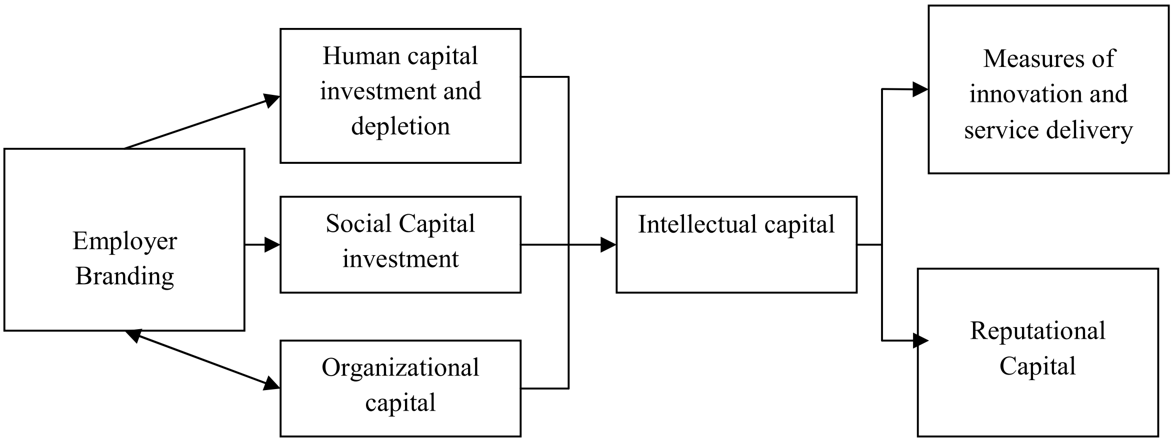

Figure 1: Modelling employer branding's potential contribution to innovation and reputational capital.

Yet, practitioners and some researchers often commit the fundamental 'attributional error' of over-emphasising individuals and their talents (or lack of them) as the cause of organizational performance and under-emphasising the social and organizational context in which performance occurred. For example, a longitudinal study of 208 US firms found that increased emphasis on human capital had a *negative* impact on an organization's capacity to produce radical innovation and only had a positive effect when combined with social capital investment (Subramaniam & Youndt, 2005). The series of studies by Groysberg mentioned in the previous section of this paper, helps explain why such counter-intuitive findings may have occurred. Their longitudinal study of financial services analysts posed major risks associated with hiring 'stars' on the basis of past performance and then expecting them to repeat similar levels of performance in new contexts; the evidence points to the likelihood that both the performance of the star and the recipient organization will decline for some considerable time following hiring. This was because stars relied on a supportive context for them to perform effectively in their original employment, which could not be transferred to their new employment; moreover, disruption and low morale often resulted from parachuting in stars into unreceptive contexts for change. Thus, by talking up the value of individual human capital, there is a danger that we neglect to invest in these other key elements of context, most notably, *social capital* and *organizational capital*. Both of these forms of capital, according to some evidence at least, can have a greater impact on intellectual capital in certain circumstances; moreover, they can have an earlier impact, another key factor in appraising investment decisions (Bontis & Serenko, 2009). Thus, our core argument is that EB has an important potential influence on intellectual capital formation (and so on innovation and the corporate reputations that ensue) because EB can not only influence human capital formation but also social capital by strengthening internal bonds among employees and creating strong organizational identities (by answering the 'who are we' question) as well as individual identification (the 'who am I' question). This kind of reasoning is also evident in the recent work by Sparrow et al (2008) on HR and engagement. They stress the need for HR to focus not just on human capital but also on the organizational architecture that binds individuals and teams together, through a greater emphasis on organizational design and organizational development.

HR Strategy as Practice

We have found in both our research and clinical practice with HR managers in MNE and large organization contexts in the UK, continental Europe and Australia that they have significant if not insurmountable difficulties in reconciling these logics of difference and similarity. So, is there a model that might help them to do so, and what might it imply for EB? We believe the strategy as practice perspective offers some guidance in this respect. This perspective has become an important theme in the academic literature on strategic management in recent years, bringing together key figures such as Henry Mintzberg, Karl Weick, Andrew Pettigrew, Richard Whittington and Gerry Johnson with more than 1300 members of a developing movement. Its key messages are that strategy needs to be understood not necessarily as a position nor as the outcome of legitimate actions but in terms of the problems experienced by strategists at all levels in organizations in how they strategize and what do they do when they strategize to resolve often difficult or irreconcilable issues.

This perspective emphasises the verb, 'strategizing' rather than the outcomes of strategy, so focusing on three factors, *strategists*, the *practice* of strategy and strategic *practices* (Jarzablowski, Balogun & Seidl, 2007). The first of these refers to the *people* doing the strategizing, that is, the different types and levels of practitioners involved in creating strategic decisions - who they are, how they act and what resources they draw on when strategizing. In the conventional normative strategic literature, usually these key actors are assumed to be senior managers involved in strategic planning teams, drawing on rational and political resources to achieve their ends, but this is not always or even mainly the case; HR managers, line managers, union representatives, employees at all levels and external consultants are often heavily involved in the process not only of implementing strategies but also in helping develop them through their actions and conversations. The second refers to the *practice* of strategy, which refers to the relationships between the actions of these different levels and groups of strategists and how they are socially, politically and economically embedded in the institutions of the particular organizations and societies in which they act. In strategic HR terms this can be illustrated by the problems local HR managers and line managers have in implementing corporate values especially in business units and contexts that are institutionally and culturally distant, which is the case in many global companies. The third refers to strategic practices, which are the routines of behaviour consisting of mental and interpersonal activities, background knowledge, know-how, motivations and material and discursive resources that strategists draw on for constructing strategic activity. Again, translating this notion into strategic HR terms, this could refer to how specific HR practices such as talent management and employer branding are used to influence strategic practice and, indeed, strategists.

Thus the focus of this perspective is on how HR strategists through their actions, interactions and negotiations skilfully accomplish situated strategic HR practice that has important implications for the firm, and how they combine cognitive, behavioural, procedural, motivational, symbolic and physical resources to construct strategic HR practice that has meaning in specific contexts and time periods (Jarzabkowski et al, 2007; Johnson et al, 2007; Whittington et al, 2003). As such it is concerned with 'thinking your way into acting' and 'acting your way into thinking' (Weick, 2001), seeing strategy as a planned and emergent or learning process, so allowing organizations to manage the inevitable tensions that face them when strategizing. Such tensions include those we have already identified – 'the think global, act local paradox'; it is also evident in the need to simultaneously innovate and exploit (O' Reilly & Tushman, 2004), the need to create wealth and protect wealth (Martin & McGoldrick, 2009) and the problems of transferring learning across business units and between the centre and business units in multinational environments (Bjorkman, Barner Rasmussen, Ehrnrooth & Makela, 2009; Martin & Beaumont, 2001).

The strategic HRM implications of this perspective are most obvious in helping explain how organizations can and perhaps should resolve the differentiation/ segmentation/ exclusive approach with the integration/ corporate/ inclusive approach of the two dominant logics. By foregrounding various HR strategists and their practices, that is putting people back into strategic management, this approach not only helps us understand how the dilemmas and paradoxes are worked through but also suggests that it is only by focusing on the *journey* - the skilful accomplishments of HR strategists and employees at different levels in creating workable HR strategies – that distinctiveness and similarity can be reconciled.

Implications for Employer Branding. So, what does this debate imply for employer branding and can employer branding be seen as a vehicle for resolving the negative capabilities expressed in the two logics of distinctiveness and similarity through a HR strategy-as-practice approach? To answer this question, we need to be clear about the changing role of employer branding in practice. We define employer branding as the application of marketing, communications and branding concepts to promises of an employment experience that make an organization distinctive and appealing to new and existing employees, and ensuring that all employees identify and engage with the organization, its corporate brand, mission, values and beliefs and thrive with it (CIPD, 2009; Martin & Beaumont, 2003; Martin & Hetrick, 2009; Martin, 2009b). Until quite recently, most practitioner oriented work has focused on the attraction of new talent, largely because of the 'talent wars' that were claimed to characterise much of this decade until the onset of the recent global financial crisis which began in 2007.

Thus employer branding became associated, and still is to some extent, with the application of marketing and communications tools to the external attraction of new employees, though this external branding of the organization in labour markets always rested on having existing employees 'live the brand' because of their impact not only on customers but also on potential employees (Barrow & Mosley, 2005). With the onset of a recession in many developed and developing countries since 2007, the focus on employer branding has gradually changed to its internal marketing role of enlisting higher levels of identification and engagement with the organization (CIPD, 2009), hopefully to provide better customer/client service, to provide help for organizations through change and to contribute to the overall reputation of the organization for being an employer of choice when the recession ends. Employer branding, therefore, is associated with developing an organization-wide understanding of what is compelling about the organization in the eyes of different groups of employees, creating positive but authentic images of the organization that form the basis of different employees' valued expectations, and ensuring leaders, line managers and HR are 'on message' to deliver on these expectations or value propositions (Hodge & Martin, 2009; Martin, 2009b; Sparrow & Balain, 2009). Thus identity management, - at the corporate, organizational or business unit and individual level - is at the heart of employer branding. And, in an MNE environment, this complex layering of identities is overlaid by national cultural identities, though these may be less important than have previously be thought in influencing employees' identification at local level (Martin & Hetrick, 2009). As such, employer branding promises to be able to provide a powerful set of tools and concepts to resolve some the dilemmas of SHRM and identities discussed in this paper.

So how can EB be used to resolve these dilemmas of SHRM and identity management? We suggest there are three new foci:

- Focusing on authenticity
- Privileging the local, and
- Focusing on social capital

Focus on authenticity. One of our central arguments regarding the sustainability of employer branding in the future is to move it away from being something that is designed by HR, marketing or corporate communications departments for others, especially in subsidiaries of MNEs, towards helping create employer brands which are locally responsive and authentic. Authenticity has become an important concept in recent management literature in fields such as leadership and marketing and, we believe, needs to be at the heart of employer branding for it to help resolve the dual logics of SHRM. Perhaps the best expression of what authenticity means comes from a management 'blogger' and identity academic, C.V. Harquail, who has argued that authentic voice is the expression of self-identity that is created when people are empowered to speak their truth about themselves, when they tell us what they know about themselves, when they are allowed to argue for what they care about, when they tell the world how they see things from their unique perspective, and when they argue for their own wisdom, in their unique way (Harquail, June 9th, 2009).

These insights can be applied to the process of creating effective employer brands in all complex organizations, since complexity and size, the drive towards corporateness (Stiles, et al., 2006) and the logic of similarity mitigates against the expression of authentic voice and identity. As we have noted, a HR strategy as practice approach requires that we understand who all parties to the strategy-making process are, how they act and what resources they draw on they participate in helping create and implement strategies and, by extension, business models. Thus effective employer branding should begin by learning about the authentic voice of different groups of employees and managers at all levels and locations inside and outside of the organization. On this point, we have recently written about the power of new, free-form, open access Web 2.0 tools such as blogging, on-line discussion forums and social networking to enable authentic employee voice (Martin, Reddington & Kneafsey, 2009). We regard these new tools as more effective, or at least complementary, media for enabling employee voice than traditional organizational surveys, which are sometimes seen as irrelevant to employees because they are constructed on the basis of the concerns of corporate headquarters' HR teams or their second-guessing of 'what really matters to employees'.

Privileging the Local. Our argument for greater authenticity in employer branding compels us to focus on the local and on the logic of difference. This is not only because identity is an essentially local phenomenon, but, as we have noted, so are strategic capabilities, transformative business models and the HR architecture that supports them. In practical terms, this means privileging the local at the expense of the global in terms of creating authentically meaningful employer branding and employee value propositions. The outcomes may look no different from those that might result from a traditional top down exercise infused by the logic of similarity, especially since the process may be loosely framed in terms of broad aspirations of values or a corporate identity that organizations would like to be known for. However, an HR strategy-as-practice approach suggests the outcome is less important than the means by which it is arrived at. It is also important, to paraphrase Edmonson (2008), that corporate learning not only takes place but is seen to take place. And being seen to learn is dependent on all actors in the system, including corporate headquarters' management teams, admitting to making mistakes in the past in their desire to centralise and control.

As has been argued elsewhere, however, 'the weight of evidence…suggests that the top-down, corporate global message continues to be the dominant one, which often represents considerable previous investment in ideas and programs, and, hence, an inbuilt reluctance to change course or experiment' (Martin & Hetrick, 2009: 316). And, as we have noted in this paper, top down employer branding reflects the compelling logic of similarity, the benefits of integration and strong institutional and rational pressures to remain top down, including the desire to build global customer facing brands, pressures to meet international governance standards, investor demands, global performance standards and HR business processes. As the similarity logic requires, it is not only local responsiveness and authenticity which needs to be taken into account; there also needs to be a balance between the needs for and benefits of integration. A key element of HR architectures is employee engagement, which rests on defining the kinds of beliefs, values, attitudes and actions that employees are expected to hold and display (Balain & Sparrow, 2009) both at local and corporate level. This is part of the corporate function of employer branding, to ensure that it moves lockstep with business model and strategic change, not in parallel to it.

So, in privileging the local we are not arguing for a neglect of corporate or global values and branding, but rather that they should be 'equivocal' (Price, Gioia & Corley, 2008) to allow employees at local level considerable latitude in creating local expressions of these values, authentic identities and meaningful strategies for themselves, and in doing so benefit the corporation as a whole. To invoke the classic pluralist dictum of Alan Flanders developed in the industrial relations climate of 1960s and 1970s Britain (Flanders, 1965), 'organizations need to share control in order to regain control'. In one sense, then, a HR strategy-as-practice approach may be seen as a re-freshing or re-enactment of good, old-fashioned industrial relations pluralism of yesteryear, this time imploring employees, especially talented ones, and HR managers to become strategists rather than adversaries over the terms and conditions of their mutual accommodation.

Focus on social capital. Finally, we stake a claim for employer branding's potential contribution to building bonds, bridges and trust, the key elements of social capital, and not just focusing on the creation of human capital. Social capital as a complementary asset and enabler of human capital and as a precursor of intellectual capital and innovation has become amongst the 'biggest games in town'. And as Sparrow et al (2008) have argued, innovative business model change and product-market innovation needs a clear explanatory framework of how HR integrates with such changes, which provides an essential justification for employer branding role in learning about and communicating a discourse that binds individual, team and organizational identities – the glue that holds organizations together - during periods of change.

Since social capital is also dependent on building bridges among employees and business partners, employer branding can help innovation, business model and strategic change by extending its traditional focus from those employed on a 'contract of service', the traditional employment contract, to those 'contracted for services', often pejoratively described as the contingent workforce. Employer branding can also contribute directly to the innovation agenda by encouraging authentic voice in organizations. This has been demonstrated to an extent through the changing nature of employee blogs, which often begin as a rant and expression of opposition to organizations' policies and practices and cynicism over rhetoric unmatched by reality. As Richards (2007) has shown in his research into blogging, these sites sometimes become collective expressions of legitimate and innovative ideas on how organizations can be improved if they crystallise the opinions and beliefs of substantial minorities.

Conclusions

In this paper, we have attempted to give a new lease of life to employer branding, a concept that flourished among HR practice during the era of tight labour markets and talent management, but which has been questioned in the changed circumstances of world-wide recession (CIPD, 2009). We have done so not to re-affirm the importance of the concept but to show how it can contribute to the strategic aims and business model change of organizations. Our paper began by setting out two SHRM logics, each leading different directions for HR architectures, and pointed out the dangers inherent in slavishly following one or the other. We introduced a third, HR strategy–as-practice, and showed how employer branding might be used to help reconcile the problems created by the dual logics inherent in being distinctive and similar. Our argument is that employer branding has the potential to help organizations become authentic, responsive and build social capital, thus contributing to the innovation agenda and transformative business model change. The next step for HR academics, including ourselves, is to examine some of these ideas in practice, especially the value of a strategy-as-practice approach to employer branding, equivocality and the focus on local and authentic employer brands, and on the impact of employer branding on social capital creation.

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Table 1: Three Strategic Logics and Strategic HRM

Strategic Logics	The Need to be Distinctive (from others)	The Need to be Similar (to others)	The Need for Action (with others)
Focus	Competitive positioning and differentiation Transformative Business model change	Legitimacy with stakeholders	Dealing with 'negative capabilities', politics and emergent strategy in action
Locus	Mid-level business unit, Strategic capabilities and value-adding workforce segments, jobs and people, Business unit architectures	Corporate -level reputation for being different but legitimate	'Acting your way in to thinking' and 'strategizing' through negotiations between corporate and local
Strategic Aim	Local responsiveness, differentiation and identity	Global integration, Economies of scale and scope, Leveraging and aligning benefits of corporate identity among stakeholders	Resolving the 'integration-responsiveness tension, Organization ambidexterity, Knowledge transfer
SHRM Implications	Focus on talent management of key workforce segments or 'A' jobs and people, Specific employee value propositions for segments, 'Employee of choice' approach 'Enterprise branding'	Corporate/ Global approach to talent management 'Best practice' HR architectures Corporate employer branding 'Employer of choice' approach	Resolving corporate-local tensions through 'equivocal' values and bottom-up authenticity, Focus on 'journey' more than outcomes, 'Regaining control by sharing control'

Table 2: Employee versus Employer of Choice Approaches (based on Becker, Huselid & Beatty, 2009)

Employee of Choice	Employer of Choice
'We are an employer of choice, hiring the best employees for all positions. We ensure they are committed to our organization and never want to leave. We provide them with excellent salaries and benefits, career development and growth, and family friendly policies etc. Our employees understand the values of the organization and care about them. As a result, many people are attracted to apply, most are engaged and few leave voluntarily'.	'We hire the very best employees from the top end of the market for strategic positions that create wealth. We will do whatever it takes to attract, grow, develop and reward employees for these roles. Our leaders provide stretching opportunities for these employees and monitor their performance rigorously and candidly. We have career growth models for them and expect extraordinary contributions and growth from them. We believe in removing all bureaucratic obstacles that get in the way of wealth creating impact. We are also an employee-equity organization and proud of it. So only top people apply and those who feel uncomfortable will leave'.