Human Resource Management in Project-Based Organisations:
Challenges and Changes

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ABSTRACT

This thesis is about human resource management (HRM) in project-based organisations. Firms have over the last decades tended to rely increasingly on project-based structures. This process of projectification implies a changed work situation for individuals in modern organisations. Researchers from the project field of research as well as from the HRM field of research have pointed to possible implications that projectification might have for HRM. This thesis explores this area through a combination of multiple, comparative, and single case studies of project-based organisations. The studies aim at identifying and analysing the changes and challenges for HRM in this particular context.

The studies are presented in four separate papers. The findings suggest a number of important and empirically nested challenges related to Competence, Trust, Change, and Individuals. Moreover, the changing roles of HR departments and line managers in the overall HR organisation are discussed and analysed. The thesis proposes alternative roles for line managers, depending on the organisational context, and it also proposes two 'ideal types' of HR-departmental structures.

Keywords: HRM, project-based organisations, projectification, HR department, line manager, competence, trust, change, individual

ACKNOWLEDGEMENTS

The licentiate thesis presented here is based on four papers, which are included in full versions in Part II: Appendices. In the extended summary, the papers will be referred to by their roman numbers as follows:

PAPER I

Bredin, K., & Söderlund, J. (2006): "Perspectives on Human Resource Management: An explorative study of the consequences of projectification in four firms". *International Journal of Human Resources Development and Management*, Inderscience Publishers, UK. In press.

PAPER II

Bredin, K., & Söderlund, J. (2006): "HRM and project intensification in R&D based companies: A study of Volvo Car Corporation and AstraZeneca". *R&D Management*. Forthcoming

PAPER III

Bredin, K., & Söderlund, J. (2005*). "*New roles in the projectified firm: The professional Human Resource Agent". Paper presented at the *V Workshop on Human Resource Management*, Seville. Spain. Revised version.

PAPER IV

Bredin, K., & Söderlund, J. (2006). "The design of the HR organisation and types of HR departments: A study of project-based firms". Earlier version presented at the *EIASM Workshop*, Paris, France (2004). Submitted for publication.

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Part II: Papers

Due to copyright restrictions the papers are not included in this version.

PART I

EXTENDED SUMMARY

Chapter 1

AN UNEXPLORED DIMENSION OF THE MANAGEMENT OF PROJECT-BASED ORGANISATIONS

This thesis is about human resource management (HRM) in project-based organisations. Firms have over the last decades tended to rely increasingly on project-based structures. This process of projectification implies a changed work situation for individuals in modern organisations. The first chapter gives an introduction to the projectification trend and points to the need to expand the knowledge of project-based organisations by focusing HRM.

INTRODUCTION

One of the most important trends in modern organisations is that of temporary, project-based structures becoming the every-day work environment for an increasing amount of individuals. For example, Manuel Castells states that "…the actual operating unit becomes the /…/ project, enacted by a network, rather than individual companies or formal groupings of companies…" (Castells, 1996:165)

In other words, many firms are going through something that could be referred to as 'projectification'; a general development process in

which firms to a greater extent focus their operations on projects, project management and various types of project-like structures (see Engwall, Steinthórsson, & Söderholm, 2003; Midler, 1995). This trend has several implications for traditional ways of thinking when it comes to for example management, organisation, employee relations and contracts. James March expresses some of his concerns in the following way:

> "In such a throw-away world, organizations lose important elements of permanence /…/ Throw-away personnel policies, where emphasis is placed on selection and turnover rather than on training and learning, have become common in modern business, politics and marriage." (March, 1995:434)

According to James March, the new organisational ideal causes organisations to lose "important elements of permanence", which should imply significant challenges for project-based organisations compared to more traditional functional structures (Galbraith, 1973). In this thesis I will argue that one such important challenge has to do with the management of human resources (HRM), since projectification considerably changes the relation between the organisation and the people working in it.

Despite March's concern over throw-away personnel policies, modern firms seem to rely more than ever on the competence and knowledge of their employees. A common motto among today's companies is "Our employees are our most valuable asset!" Hence, studies which focus on the management of the relation between the organisation and these "valuable assets" in project-based organisations appear as highly relevant, both theoretically in order to contribute to the knowledge of management of project-based organisations, and practically for projectified companies that strive to manage their individual-organisation relationships efficiently. I will let the quotation from Engwall, *et al.* (2003:130) guide you into the core of my research:

> "As organizations move into project-based structures, human resource management, hiring of staff, and competence development all seem to be affected. This is, however, a virtually unexplored area of empirical research. Furthermore, issues concerning working life must be readdressed in this new corporate context design. From the perspective of the individual employee, factors like motivation, commitment, empowerment,

job satisfaction, time pressure, and medical stress seem to be reconceptualized in the projectified context. Working life issues also include accounts of project work as a new career path and as ways of linking project organizations to individual goals."

In the following sections, I will further introduce the projectification trend and develop the argument for the need to focus on HRM in order to increase the understanding of project-based organisations.

PROJECTIFICATION AND PROJECT-BASED ORGANISATIONS

The interest for the growing importance of flexible organisational structures is not new. Researchers paid attention to this development already in the 1970s and 1980s. This research did not study the nature of project-based structures *per se*, but rather identified the emergence of more flexible organisational forms in terms of, for instance, matrix structures (Galbraith & Nathanson, 1978) and ad hoc structures (Mintzberg, 1983).

Many of the researchers who analyse the general organisational development in modern industry refer to a need to face the challenges of a higher degree of globalisation, uncertainty and complexity, and a fast technological advancement. The historical overview by Mary Jo Hatch (1997) of organisational change and of the literature that deals with this field of research points to these changes. It also indicates the organisational responses; increased organisational flexibility and increased employee commitment and responsibility. According to Hatch, this development leads to the creation of 'postindustrial organisations' where the organisational borders are indistinct, or have disappeared, and where employees to an increasing degree work in temporary teams where they represent a certain area of expertise.

The development described by Hatch has also been documented by the sociologist and organisational theorist Wolf Heydebrand (1989). Heydebrand puts projects at the centre for the analysis of modern firms and societal structures and argues that project-based structures are a prominent feature of many modern organisational forms. He states that modern organisations "are staffed by specialists, professionals, and experts who work in an organic, decentralised structure of project teams, task forces, and relatively autonomous groups" (p. 337).

Apparently, highly educated and competent employees are an important feature of the emerging project-based structures (see also Fombrun, 1984). The employees and their competencies become the main

competitive advantage, which implies that also the work situation of single employees becomes a critical strategic competitive factor. Early studies also point to important challenges brought about by the development towards flexible, project-based structures. For example, Galbraith & Nathanson (1978) highlight the changes in performance measurement and career structures, and the need for a strong HR department to aid in such development processes.

More recently, a number of broader empirical studies have illustrated the projectification trend. The survey by Whittington, *et al.* (1999) shows that a wider use of project-based structures was one of the most evident changes in large European firms during the 1990s. It is therefore not surprising that a significant number of researchers have focused on studies of projectification (although not always using this terminology to describe it), in order to expand the knowledge within the field.

This field of research can be divided in two streams; one analysing the projectification process on a macro-level and the other one on a micro-level (see Figure 1). The stream that analyses projectification on a macro-level deals with the general trend in modern industry to increasingly use various forms of project-based structures (e.g. Ekstedt, *et al.*, 1999; Söderlund, 2005; Whittington, *et al.*, 1999). This trend holds various dimensions, but focusing on the organisational structure of modern firms, the increased occurrence of project-based organisations should logically consist of two change patterns; (1) that new firms increasingly start off as project-based organisations and (2) that traditional, functional organisations change into relying more on project-based structures.

The stream of research that analyses projectification on a micro-level focuses on this second change pattern and deals with the projectification process in focal firms that are moving, or have moved, from functional to project-based structures (e.g. Lindkvist, 2004; Midler, 1995). The studies of the micro level of projectification provide valuable examples of specific projectification processes and they contribute to the general knowledge of the management of project-based organisations. However, they typically do not pay particular attention to the dimension of management that focuses the relation between the employees and the organisation; HRM.

Midler's (1995) study of the French car manufacturer Renault – one of the most famous examples of studies that focus on the micro-level of projectification – stresses the need for studies on "the relation between the development of temporary organizations (as project teams) and the

permanent structures and processes within the firms" (p.373). HRM can be considered as part of the permanent structures and processes of the firm, maintaining some "elements of permanence" as earlier advertised for by March (1995). The problem with Midler's study is that he includes the transformation of the permanent processes of the firm as a step in the very projectification process, which makes it impossible study the relation between the two processes. This relation is central for my research and I have therefore chosen to separate analytically the transformation of the permanent processes, such as HRM, from the projectification process. In order to fully understand the meaning of this separation, I need to clarify my view of what characterises project-based organisations.

Defining project-based organisations
The existing definitions of the term project-based organisations (PBOs) are numerous, but a common denominator is that they usually take the matrix structure as a starting point; projects on one side and a hierarchical structure organised along functions on the other side. They then identify various organisational forms depending on the balance of the matrix (e.g. Clark & Wheelwright, 1992; Hobday, 2000; Lindkvist, 2004). The term PBO is normally used to describe the organisational form at one extreme of the scales, where the project structure dominates and the functional structure is non-existing or downplayed. For example, Hobday (2000) defines PBO as "one in which the project is the primary unit for production, innovation, and competition" (p. 874), and where "there is no formal functional coordination across project lines" (p. 878).

There is a problem with this definition. On the one hand it is delimited to the organisation of core activities, i.e. the activities that are primarily directed towards the creation of core products or services, which form the base for the organisation's revenues (c.f. Prahalad & Hamel, 1990). On the other hand it rules out the possibilities for other activities, for example those related to what Midler (1995) refers to as "permanent structures and processes within the firm" to be organised through functional coordination. The study by Lindkvist (2004), however, suggests that functional coordination might exist also in project-based organisations, for example in terms of competence layers. For researchers who focus on production, innovation or competition, the definition of Hobday is probably well suitable. However, for researchers as myself, who focus on the HRM dimension for the understanding of the PBO, it seems to miss out on important aspects. Separating the projectification

process from the development of permanent structures and processes opens up for alternative views of PBOs. Projectification does not necessarily lead to a total dominance of the project structure over the functional structure. In this thesis, I will argue that when it comes to for example HRM it is rather a question of redistribution of responsibilities. It is also a matter of variations in the balance of HRM- and task responsibilities for the different players in the organisation. Therefore, I do not agree with Hobday in the sense that a PBO cannot have any form of formal functional coordination across the projects. The definition by Lindkvist (2004:5) opens up for other forms of PBOs and might therefore be more suitable for this context: "Firms that privilege strongly the project dimension and carry out most of their activities in projects may generally be referred to as project-based firms." However, this definition is vague concerning the nature of the activities that are carried out in projects. Drawing on the definition of Lindkvist, my working definition of PBOs is *organisations that privilege strongly the project dimension concerning their core activities and carry out most of these activities in projects*. I choose to use the term project-based organisation, instead of project-based firm, as a firm can consist of both project-based departments as well as functional departments. With the definition subscribed to above, I want to clarify that not all activities in a project-based organisation necessarily are organised in projects, but that the project is the primary unit for core activities. The question is what consequences and challenges the PBO poses to 'permanent' activities and processes that are not primarily related to the core activities, for example competence development, assessment, waging, etc., when an organisation becomes increasingly project-based?

Original PBOs and Projectified organisations

Earlier, I described two change patterns in the macro level of projectification. These two change patterns give rise to two different types of project-based organisations, depending on their origins (see Figure 1). The first type is *original PBOs*, which I use to denominate organisations created as project-based from the start and that hence have no history of organising their core activities in functional structures. The second type of project-based organisations is *projectified organisations*, which implies that the organisations have gone through (or are still going through) a development from functional to project-based structures. In this thesis, I will pay particular attention to projectified organisations. My argument is that since projectified organisations have a history of

functional structures, such organisations should be an interesting context for studying the challenges project-based organisations face as opposed to functional organisations. Hence, my main empirical focus for this study is not the projectification process *per se*, but rather organisations that have an experience of the projectification process.

Macro level of projectification

Creation of new organisations
Project-based

Functional organisations

Micro level of projectification

Change of exisiting organisations
Functional → Project-based

Original PBOs

Project-based organisations

Projectified organisations
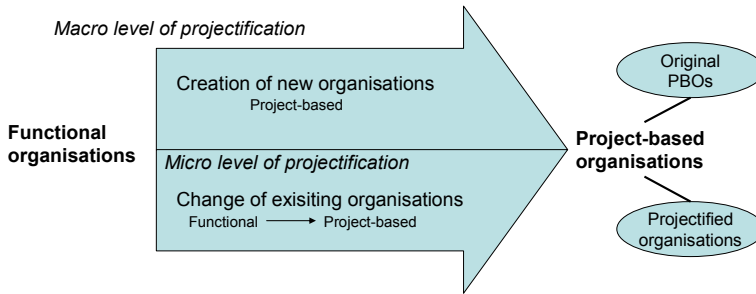
Figure 1 Projectification and project-based organisations

CHALLENGES FOR HRM: IMPRESSIONS FROM THE PROJECT FIELD

So, why is HRM in project-based organisations so important to pay attention to? The answer is partly to be found in the vast literature on project-based organisations. Although there is a lack of studies focusing on HRM, there are many arguments in recent project research that stress the need of such studies. The arguments can be classified according to their point of departure; a *top-down perspective*, i.e. the need for the company to manage the strategic resources effectively in order to stay competitive, or a *bottom-up perspective*, i.e. the concern for the individual project worker in a projectified environment.

Mike Hobday's (2000) study of the effectiveness of project-based organisations in managing complex products and systems gives example of arguments from a top-down-perspective. Hobday reports that the project-based organisation he studied had created a "high pressured work environment [that] had left little space for formal training or staff development", and a "lack of incentives for human resource development" (p. 885). He also argues that project-based organisations can breed insecurity over career development because of the dispersion of technical leadership across projects. Hobday is not alone in this concern; also the study of "the project-oriented engineer" by Allen & Katz (1995) and the famous study of the Danish project-based company Oticon (Eskerod, 1995; Larsen, 2002) point to changes in career structures

in project-based organisations. Other researchers identify problems with staffing and resource allocation (e.g. Clark & Wheelwright, 1992; Engwall & Jerbrant, 2003). One of Midler's (1995) main concerns in his case study of the projectification process of Renault discussed above is the difficulty to maintain the long-term technical learning process when the organisational structure promotes short-term objectives. Midler also points to the need for changes in people assessment and career management.

Researchers with arguments from a bottom-up perspective typically put the individual at the centre (e.g. Huemann, Turner, & Keegan, 2004; Packendorff, 2002). Packendorff (2002), argues that projects influence individuals in the modern society, not only at work, but also in their every-day life. According to Packendorff, work in projects expose individuals to time limits and requirements of "self-marketing". The work situation depends on the individuals' own priorities, which usually ends up affecting their personal life outside work. As pointed out earlier, a common feature of modern organisations is the importance of the individual employees, their knowledge and their creativity. At the same time, projectification tends to increase the requirements on the individuals. Some researchers argue that the increasing ill-health in work life can be explained by the increased demands and responsibilities placed on employees and the lack of management and support systems to aid the employees in handling this development (Strannegård & Rappe, 2003).

As it seems, many of the problems identified by project researchers are closely related to the management of the relation between the individuals and the organisations; the management of human resources. Some of them take the organisations' point of view, while others focus on the individuals' situation. Nevertheless, the researchers from the project field of research do not link their studies to the HRM field of research in order to analyse the problems. I argue that the understanding of project-based organisations and the challenges they face as opposed to functional organisations would benefit significantly from studies focusing the management of the relation between the individuals and their organisational context. Furthermore, the HRM field of research should be a useful base for the analysis of such a dimension.

Of course, when focusing on the management of the relation between individuals and their organisational context, both the bottom-up perspective and the top-down perspective are central in order to grasp

the challenges of PBOs. However, as a first step, I will in this licentiate thesis delimit the analysis to a top-down perspective. In other words, the analysis takes its starting point in the need for companies to manage their strategic resources effectively in order to stay competitive

CHALLENGES FOR HRM: IMPRESSIONS FROM THE HRM FIELD

Turning to the HRM field of research then, what do researchers have to say about project-based organisations? And what is HRM? I will discuss the concept of Human Resource Management (HRM) further in later chapters. Shortly, one might say that the idea of HRM developed from traditional personnel management, or personnel administration, which was typically used to describe the work of the traditional personnel department (Redman & Wilkinson, 2001). This development implied an increased importance of strategic management of human resources as a way to success. The transition from personnel administration to HRM also implied integrating managers at all levels, especially line managers, in this process (Guest, 1991). However, there is no consensus concerning the definition of HRM and in this thesis, I do not aim at exploring in depth "the concept" of HRM, or at establishing a new, all-embracing definition. The approach to HRM that I rely on is that it essentially concerns the management of the relation between individuals and their organisational context. As Brewster & Larson (2000:2) put it, HRM has become "an institutionalised way of handling the central issues of selecting, appraising, rewarding and developing people" and it focuses "the interplay between people, tasks and organization". In this thesis, HRM is accordingly defined as the structures, processes and activities related to the management of the relation between individuals and their organisational context.

HR departments and HR specialists have been subject to vast changes during the last ten years. Browsing through professional magazines for Swedish HR specialists, many articles refer to "a dramatic upheaval of the personnel work", changes in HR departments, the changing roles of HR specialists, outsourcing HR services, etc (e.g. Alsrup Badner, 2004; Hedlund & Åberg Aas, 2004). Moreover, numerous studies have reported on and analysed these changes. One of the most referred researchers in this context is the American management researcher Dave Ulrich. He argues that HR specialists need to become "strategic players" and his typology of the HR department as "strategic partner",

"administrative expert", "employee champion" and "change agent" has had considerable impact, both within the academic and the practical community of HRM (Ulrich, 1997; Ulrich & Beatty, 2001). This typology is useful in many ways, but it does not consider the organisational structure as an important context that affects and influences HRM. This seems to be an inherent weakness in the HRM field of research.

There are some researchers referring to new organisational forms as one important driving force for changes in HRM (e.g. Redman & Wilkinson, 2001; Sparrow & Marchington, 1998). Their argument is that the development of new, flexible organisational forms puts a new focus on co-workers and on competence issues, instead of on task and work, as was the case earlier. This can be explained on the one hand by the notion of Guest (1991), that the development towards flexible organisations requires high-quality, flexible workforce, which places higher demands for the HRM practice. On the other hand, the PBO and its temporary features *per se* demands new ways of dealing with traditional HRM issues. As Guest (1991) argues, HRM needs to respond with the speed and flexibility that the environment requires, and the move towards organisational flexibility challenges traditional personnel management.

As was the case with the project-oriented research, which identified issues important for HRM, there are some studies within the HRM field that touch upon issues related to project-based structures. However, these studies typically do not explicitly see the projectified organisation as the basic context for their studies. For instance, in their study of changes in line management in Europe, Larsen & Brewster (2003) identify the increasing use of matrix or project-based structures in high-tech, knowledge-intensive organisations. According to the authors, this affects the possibilities to handle long-term development of individuals or deal with other people issues. Other studies present case studies of projectified organisations, but their focus is to examine relatively delimited parts of HRM-related areas, such as the development of core competencies and career development (DeFillippi & Arthur, 1998; Larsen, 2002). Although many of the problems and challenges identified as central for HRM in modern organisations seem to have be strongly related to the organisational structure, the impact of the continuously increasing use of project-based structures is not the centre of attention.

To summarise my argument there is an area, identified both from the project field of research and from the HRM field of research, that needs further attention. Literature on projectification and project-based

structures analyses an organisational context that is becoming increasingly common and adds to the general knowledge on management in such organisations. However, this field of research typically misses out on the dimension of management that focuses on the relation between the individuals and the organisation, even if some researchers point to important challenges for this dimension. The HRM literature, on the other hand, reflects the changing role of HRM and of HR specialists. Several studies also identify flexible organisational forms as a driving force for change and as a complicating circumstance for specific HRM-related issues. Nevertheless, this field of research in general does not explore projectification and project-based organisations as a basic context for these changes.

THE AIM OF THE THESIS

Apparently, there exists a rather unexplored area in the research of projectification and project-based organisations; HRM. As discussed above, researchers from both fields have pointed to possible implications that projectification might have for HRM. However, there is a need for empirical studies with an explorative approach in order to start building up to a deeper understanding for HRM in project-based organisations. Moreover, the context of projectified organisations is particularly interesting, since these organisations have a history of functional structures. Thereby, the challenges due to projectification might be easier to identify in projectified organisations than in original PBOs.

The overall aim of the research reported in this thesis accordingly is to *explore HRM in project-based organisations. More specifically, I will identify and analyse the challenges and changes for HRM in this particular organisational context.*

The basis for this research is in total eight case studies of which five are core cases: AstraZeneca, Posten, Volvo Car Corporations, Saab Aerospace and Tetra Pak. The additional three cases are regarded as peripheral and they were added to one of the papers for a broader cross-case analysis. The studies are reported in four separate papers, each zeroing in on different themes. In a way, the papers also reflect the chronological process of the research. Since the study has a rather explorative character, the overall aim is broad, but critical in order to set and keep the direction of the research, and to serve as a guiding star in the initial phase of the research process (see e.g. Eisenhardt, 1989). During the research process, different themes, such as the changing role of line

managers and the design of the HR organisation and HR departments, have emerged as important for the understanding of HRM in project-based organisations. These themes make up the more specific research questions studied in the papers and they are developed and argued for in the following chapters. The questions are:

1) What are the challenges facing HRM in project-based organisations?
2) What consequences does projectification have for the HRM practice?
3) What is the role of line managers in project-based organisations concerning HRM?
4) How can we understand the design of the HR organisation and HR-departmental structures?

READER'S GUIDE

The thesis mainly consists of two parts. This first part consists of the extended summary. In the next chapter, I account for my methodological approach and the choices I have made during my research process. I also provide a detailed description of my research process, which leads up to the four themes that are the foundation for each of the papers. In chapter 3, I give a historical background to the HRM concept and its field of research. I also discuss different approaches to HRM and clarify my standpoint for this thesis. This chapter also provides theoretical background to, and foundation for, the research questions. In Chapter 4, I present the main findings of the papers. I also try to synthesise the contributions in order to show how the four studies achieve the aim of the thesis and answers the four questions.

The second part of the thesis contains appendices. Here you can find the four papers in complete versions.

Chapter 2

RESEARCH PROCESS AND METHODOLOGY

One of my colleagues has a standard question for students who are working with their master thesis: "What makes this piece of work 'research', as compared to an article in a newspaper, or a novel?" Many of us would probably have no problems separating what we believe is 'research' from other pieces of work, but it gets tricky when we have to explain the reasons for our choice. One of my answers would relate to methodology. The research process is founded on a number of methodological decisions and as a researcher it is my duty to constantly reflect upon the research process and the choices I make. This chapter is intended to give the reader an insight into some of these reflections.

INTRODUCTION

The first part of my methodological reflections is about the research approach, that is to say, the overall design of the study and the logics behind that design. The second part will be dedicated to more detailed descriptions of the phases of the research process. However, I want to start this discussion by revisiting the aim of this thesis. After all, the aim is the basic guiding line for my methodological choices.

The aim is of an explorative nature and seeks to contribute to the knowledge of HRM in PBOs. Moreover it seeks to add a different perspective to the project field of research; putting on a pair of 'HRM

glasses' when studying organisations that are moving towards more project-based structures makes it possible to explore the dimension of management that focuses the relation between the employees and the organisation. Existing research in the fields of project management and PBOs as well as of HRM unanimously point to that this could substantially extend the knowledge of PBOs.

To start exploring this area I decided to study a number of PBOs in order to build up interesting and rich descriptions which would make up a useful base for further analysis (Strauss & Corbin, 1998). My choice was to conduct qualitative case studies of a number of projectified organisations, based primarily on interviews with senior managers, project managers, line managers, HR directors, and other HR specialists. Let us take some time to break this down in smaller pieces and reflect on each decision; *Why qualitative case studies? Which projectified organisations, and why? Why interviews, and why these particular interviewees?*

QUALITATIVE CASE STUDIES

First of all, I cannot deny that qualitative research simply appeals to me. I get much more intrigued by processes and experiences, than by numbers and statistical analysis. My curiosity is driven by trying to discover concepts and relationships in rich descriptions in order to develop existing theories or create new theories, rather than by testing existing theories. Moreover, the work process of qualitative research is challenging, interesting and stimulating since it usually involves social interaction with people within the area of study (Merriam, 1994). My aspiration is that this research process not only has generated useful contributions to the field of research, but that it also has provided time for reflection and learning for other persons involved in the process.

One common feature of qualitative researchers, according to Strauss & Corbin (1998), is that they appreciate the learning process, interaction, discussions and play of ideas that comes with working in a research team. This is very true in my case, the tight teamwork with my co-author on the papers has not only been fruitful for my own creativity and learning process, it can also be seen as a strength of the research reported in this thesis. As Eisenhardt (1989:538) suggests, multiple investigators "enhances the creative potential of the study" and "the convergence of observations from multiple investigators enhances confidence in the findings".

Obviously, my personal interest and preferences have influenced my choice of focus and aim for this thesis; it is not surprising that the aim is of a character that rather suggests a qualitative approach. First of all, it seeks to shed some light over an unexplored dimension of management in PBOs: HRM. According to Strauss & Corbin (1998) a qualitative approach can with advantage be used for explorative aims. Secondly, the study is about organisational functioning and processes (what happens when organisations move towards project-based structures?), which also implies that a qualitative approach might be favourable (e.g. Merriam, 1994; Strauss & Corbin, 1998). And finally, in order to identify the changes and challenges facing HRM in PBOs, the experiences and opinions of the people in the organisations is of great value. According to among others Merriam (1994), this also calls for qualitative studies.

In this type of explorative and qualitative studies, the case study strategy is often considered to be particularly appropriate (Eisenhardt, 1989; Merriam, 1994; Yin, 1994). For example, Eisenhardt (1989:534) states that "the case study is a research strategy which focuses on understanding the dynamics within single settings", and that it is "most appropriate in the early stages of research on a topic or to provide freshness in perspective to an already researched topic" (p. 548). Also, as Yin (1994:13) points out, the case study strategy is particularly convenient when you "deliberately want[ed] to cover contextual conditions – believing that they might be highly pertinent to your phenomenon of study". This fits quite well with what this study is all about; exploring HRM in a particular context – the PBO. My basic assumption, based on literature studies, is that the project-based context is highly "pertinent", as Yin puts it, to HRM. Accordingly, this dimension of management is critical to explore in this particular context in order to expand the knowledge of PBOs.

MULTIPLE CASE STUDY AS AN 'UMBRELLA' STRATEGY

My case studies have to a great extent been guided by the multiple case study logic as suggested by Eisenhardt (1989; 1991). Eisenhardt's main argument for multiple case studies as a powerful means to create theory is that "they permit replication and extension among individual cases" (Eisenhardt, 1991:620). With replication, Eisenhardt means that individual cases can be used for independent corroboration of specific propositions, while extension refers to the use of multiple cases to develop more elaborate theory. The research reported in this thesis is based on in total

eight case studies, of which five are core cases. Some of the eight cases are used for replication and some of them are used for extension. Actually, the best way to describe my research strategy is the multiple case study as an 'umbrella' strategy, aimed at achieving the global aim of the thesis. This umbrella strategy however, embraces a combination of various multiple and single case study methodologies aimed at achieving the aim of each of the four papers. Figure 2 gives an overview of the different case study methodologies used in the four papers. As described in the introduction chapter, the papers also mirror the chronology of the research process, a process that will be described in detail in later sections.
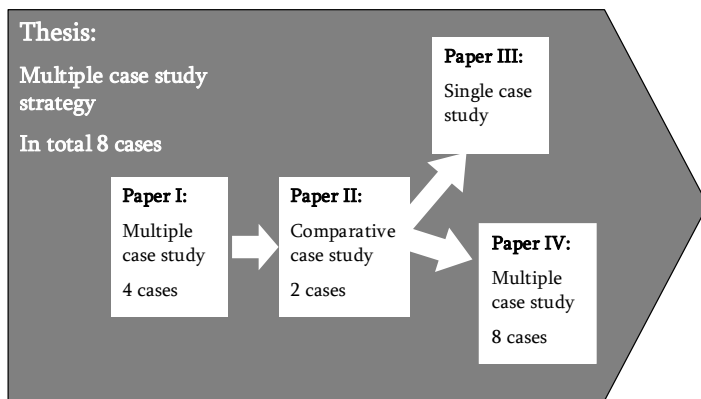
Figure 2 Research design and strategy

What I do want to describe here are the various forms of multiple and single case study methodologies used and the basic logic behind my choices. The four case studies in the initial study (Paper I) are examples of cases used to allow the findings to be replicated among various cases, as suggested by Eisenhardt (1989) and Yin (1994). We[1] did not want to limit the empirical foundation to a single case study in this initial phase, since that might cause the findings to be too dependent on the particularities of the specific organisation, reducing the possibilities for generalisation among similar PBOs. On the other hand, these initial case descriptions needed to be rich and deep, since they would provide the patterns and propositions that would form the basis for the following studies. This called for a limited number of cases. We chose to conduct four case studies in the initial phase, which gave us the possibility to find a balance between rich descriptions and opportunities for replication.

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[1] With 'we' I refer to myself and my co-author on the papers, Jonas Söderlund

The first study created a broad empirical foundation concerning the changes and challenges of PBOs and analysed HRM from various perspectives. This study revealed some relatively clear patterns about which we decided to extend the knowledge by revisiting and enriching two of the case studies. In their quite severe critique against Eisenhardt's approach, Dyer & Wilkins (1991) argue that multiple case studies do not allow deep contextual insights and that this is the essence of case study research: "The central issue is whether the researcher is able to understand and describe the context of the social dynamics of the scene in question to such a degree as to make the context intelligible to the reader and to generate theory in relationship to that context" (Dyer & Wilkins, 1991:616). In order to balance the multiple case logic as suggested by Eisenhardt and gain more depth and "rich story-telling" as argued for by Dyer & Wilkins (1991), the cases in the second study (Paper II) are fewer, but richer. These studies focus particularly on the HRM practice, as suggested from the initial study. The last two studies (Papers III and IV) follow up interesting trails that emerged in the second study, the structure of HR departments and the changed line management role. Hence the cases added in these studies are rather used for extension, completing the theoretical picture sketched in earlier studies (Eisenhardt, 1989).

In Paper III, a single case study of the new line management role at a Tetra Pak company contributed to a deeper understanding of the demands for new HR roles in PBOs. In Paper IV, on the other hand, three additional cases were added to the existing five in order to accomplish what I would call 'internal replication'. The study aimed at extension in relation to Paper I and II, but within the study there was a need for replication among a large number of cases in order to identify a well-founded empirical pattern of HR-departmental structures, rather than for rich and detailed case studies.

Combining different forms of multiple and single case study methodologies in a thesis based on a compilation of papers might be advantageous for the findings of the thesis since it resembles a form of methodological triangulation (see e.g. Merriam, 1994). Even though the different papers have separate aims, these aims are founded in the overall aim for the thesis; they all seek to explore HRM in project-based organisations. Through the various papers and their divergent case methodologies, the area of focus is highlighted in various ways. The multiple case study strategy is weak where the single case study is strong

and the other way around. By combining the methodologies, providing multiple case studies as well as comparative and single case studies, I can take advantage of the positive aspects of each methodology and balance the negative aspects.

The overall aim is explored not only through various case study methodologies, the area is also highlighted from various perspectives and with various foci, such as the structure and content of the HR practice, the HR-departmental structure, and the transformation of the line management role.

THE CASES

As described, the research reported in this thesis is based on five core cases studies and three additional case studies used to broaden the empirical foundation in Paper IV. Table 1 displays the companies where the case studies were conducted, the parts of the companies that are in focus for the case studies, and some general information about number of employees and basic type of project operations. The table also displays in which of the four papers the cases have served as the empirical base (a shaded area indicates that the case contributes to the study reported in that paper).

The cases all illustrate organisations that are dependent on their project operations when it concerns their core activities, some to a greater extent than others. However, the focus on projects has not always been as strong as today, the five core cases have traditionally carried out more of the core activities in the functional organisation. In other words, they are projectified rather than original PBOs. They all emphasise the need to develop their project dimension. For instance, in strategy documents and business plans, the companies state that projects are a key component of their daily operations and further that they need to develop their capability to carry out projects – successful project operations are considered to be key in gaining competitive advantage. They have spent much time on elaborating on various types of support systems such as project management models and project management training programmes.

The case studies do not cover the entire companies, but rather focus departments or units that are highly dependent on projects in their operations, such as developments sites and R&D units (see Table 1).

Case companies	Focus for case study	Project focus	Papers			
			I	II	III	IV
Swedish Posten Postal and Logistics company 35,700 employees	Product development and organisational development operations 2,000 employees	Product development/ organisation development	■			■
Saab Aerospace Developer of defence, aviation, and space technology 12,000 employees	Main site for development of aviation technology 4,000 employees	Customer projects/ Product development	■			■
Volvo Car Corporation Car manufacturer 27,500 employees	R&D site 4,000 employees	Product development	■	■		
AstraZeneca Pharmaceutical company 64,000 employees	R&D site 2,000 employees	Product development	■			■
Tetra Pak Developer of food processing technology 20,000 employees	Unit for advanced plant design and automation solutions for customer projects 155 employees	Customer projects/ product development			■	■
Developer of medical systems 370 employees	Unit for product development and sales. 90 employees	Product development/ implementation				■
Provider of enterprise solutions 2,200 employees	Development site 300 employees	Product/system development projects				■
Telecom company 50,500 employees	Development site 1,000 employees	Customer project /Product development				■

Table 1 Case companies and focus for case studies

I treat the cases of Posten (the Swedish Post), Saab, Volvo, AstraZeneca and Tetra Pak as core cases in this thesis for three reasons: Firstly because these case studies are substantially more deep and rich in detail. Secondly, because they have all contributed to the empirical foundation in two or more of the research studies and hence they make up a large part of the total empirical foundation for the thesis. Thirdly, because those are the cases where I myself have been overall responsible. In order to get an own image of the core cases and not only rely on my interpretations, my co-author participated to some extent in the gathering of material, mostly by sitting in on some of the interviews. However, I have been responsible for gathering the empirical material, for processing, structuring and interpreting the material, as well as for case study write-ups (Eisenhardt, 1989).

In the three cases added for Paper IV, on the other hand, the material was gathered and structured mainly by others than myself. One of these case studies (Provider of Enterprise Solutions) was conducted mainly by my co-author and a research assistant in a related research project. The chief aim of this project concerned 'Project competence' rather than HRM in project-based organisations. However, information specifically concerning the latter was also gathered, and the general material from the case study was overall informative and useful also for this project. The basic studies of the other two cases were carried out by research assistants within the same research project as this thesis. The chief aim of these case studies was to contribute to the knowledge of how project-oriented companies choose to organise their HRM-practice, which makes them highly relevant for the study presented in Paper IV in this thesis. This means that the case studies *per se* are not superficial. However, as to my involvement in the case studies and to their total contribution to the study is concerned, they are not among the core cases.

The fact that I have not been fully responsible from the start in these three case studies can obviously be seen as a weakness in confidence for the material. However, the material needed for that particular study was more of a descriptive character and the case studies had been carried out with similar methods as the five core case studies. The main reason for including them was that in order to distinguish a clear pattern of different HR-departmental structures, which was the aim in this study, five cases were too few. There was a need for additional cases in order to replicate the findings among a larger number of cases that could provide a broad base concerning HR-departmental structures rather than rich and

detailed examples of only a few. Hence, I decided to add these three cases, two of them which already gave good descriptions of the general organisation, the HR department, the structure of the HR organisation, and the division of responsibilities between line managers, HR department and project managers. In the third case, I conducted an additional interview with an employee in order to fill some of the gaps needed for the study.

As you can see in Table 1, the three additional cases are treated anonymously; the company names are not displayed. There are two main reasons for this. Firstly, in one of the case studies, the company had been promised anonymity. Secondly, these three cases are only used in Paper IV, where the empirical foundation is broad rather than deep. In this study it is not of any high relevance to know which specific companies that are involved. It rather aims at giving a broad view of a number of organisational dimensions central for the HR-departmental structure in project based organisations. Hence, I have chosen not to display any of the company names in Paper IV. Also the five core companies are in this paper treated anonymously.

INTERVIEWS

The main source of information for the empirical studies of the cases is interviews with senior managers, project managers, line managers, and HR staff. The interview process is described more in detail in the next section, which describes the research process. Here, I want to clarify 1) why I chose interviews as the main source of information and the logic behind the choice of interviewees, and 2) the choice of conducting open interviews with conversation character.

Interviews with managers as main source of information
As to the first point, the decision to use interviews as main source for data gathering is of course related to the kind of information needed. One of the main challenges for this research is that it is hard to isolate the relation between the project-based organisational context and HRM. The challenges that face HRM in the cases are most probably not only due to the project-based context. There is a large amount of both internal and external factors that influence and serve as driving forces for changes in HRM. By talking to people who work in the organisations, I could get to know about their experiences of, and perspectives on, the challenges brought about by the projectification. I could also get to know about their

perceptions of the organisational context. My purpose is of a kind that, as Alvesson (2003:28) states, "call[s] for getting the voices of those targeted for understanding".

However, the information from the interviews have been completed with additional sources, such as newspaper articles, books written about the companies, company home pages and internal information material. These sources have been valuable for building up a contextual understanding of the companies, their history and their current developments.

As to the choice of interviewees, I made the decision to focus on people on a management level. Not because the experiences and perspective of other employees are not relevant for the purposes of this thesis. On the contrary, the individual perspective is highly interesting and relevant and is therefore worthy of particular attention in future studies. On this stage, however, I mainly focus on the organisation's part in the relation between the individuals and their organisational context. The studies included here are therefore based on the experiences and opinions of people in the organisation that have responsibilities for this relation. Of course, these persons are not only 'managers'; they are also 'employees', each with their own individual relation with the organisation. Furthermore, I was particularly interested in conversations with persons that have worked some time within the companies and therefore can be expected to have knowledge and reflections concerning organisational changes over time. Moreover, many of them have experiences from working in different parts of the firms and from various offices. Table 2 summarises the total number of interviews conducted at each company and the roles of the interviewees.

Interviews as conversations
The interviews had the character of conversations, where the interviewees had the possibility to focus the discussion on what they found most interesting and important. I had a preliminary interview guide, which listed themes of discussion developed from literature studies and pre-studies. However, as Miles & Huberman (1994:35) points out: "If you are running an exploratory, largely descriptive study, you do not really know the parameters or dynamics of a social setting. So heavy instrumentation or closed-ended devices are inappropriate." Hence, my interview guide was not very detailed; it was rather designed to give a basic direction and support to the conversation. My aim with the interviews was to take part of the interviewees' reflections upon the

challenges that the increased use of project-based structures bring, especially concerning the management of human resources. Their perspective on this development and its consequences was important for the study; a pre-designed interview structure could have hampered their own reflections and imposed my own ideas from the beginning (see e.g. Ryen, 2004). Furthermore, as both Ryen (2004) and Miles & Huberman (1994) point out, very elaborated interview questions downplay the importance of the context, which is highly relevant in qualitative studies, case studies in particular (see e.g. Yin, 1994). For the aim of this thesis, the organisational context is at the core and allowing the interviewees to reflect openly gave me a possibility to understand the contextual characteristics.

Moreover, the interviews make up an important first step of the analysis. The interviewees were in a way invited to create theoretical constructs together with me. Through my questions, I tested the theoretical 'fragments' that I had started to construct from earlier interviews, or during the same interview. In the discussion with the interviewee I could discard or affirm and in many cases develop these constructs together with the interviewee.

Of course, making the interviewees feel comfortable to reflect openly puts some pressure on the interviewer to 'set the stage' and create an open and trusting atmosphere. Hence, for example the informal procedures outside the interview have in many cases been of great importance. In some cases, I have gotten more depth in the information given during coffee breaks, or over lunch, which has complemented the information from the interview. Each interviewee has also been informed that the interview material will be handled with caution and that they would get the opportunity to approve the quotations used.

As pointed to in the discussion above, the qualitative and open character of the interview is not about one person handing over information to another; it is much more complex than that. Alvesson (2003:19) describes the qualitative interview as:

> "/…/ complex interaction in which the participants make efforts to produce a particular order, drawing upon cultural knowledge to structure the situation and minimize embarrassments and frustrations, feelings of asymmetrical relations of status and power, and so forth."

Hence, there is a danger is that the interviewees tell what they think that the researcher expects to hear, what they think would give a good image of the company, what they think would make them appear in a good way, etc. As Alvesson (2003) points out, this is not necessarily conscious, but it is still important to be aware of. I have during the interviews tried to ask follow up questions that make the interviewees reflect upon what they just told me, in order to get behind the first informative answers. Often, I have also related to discussions at other companies in order to send the signals that other persons are thinking in similar ways and have trusted me with that information.

I will now continue with describing the actual research process, how one thing led to another, and my reflections along the way.

Case	Interviewees	Total no. of interviews
Posten	2 HR directors 2 Senior project managers 1 Competence Manager, Project Management Center	5
Saab	1 HR director 2 HR managers 2 Line managers with project management experiences	5 (two with the HR director)
Volvo	2 HR managers 1 HR specialist 1 Manager at the Technical Project Management Office	5 (two with the manager at the Technical Project Management Office)
AstraZeneca	1 HR business partner 1 Global Project Manager with experience as line manager 2 Managers at the Project Management Support Office	5 (two with one of the managers at the Project Management Support Office)
TetraPak	Managing Director 1 HR director 1 HR manager 1 Process Owner/Competence Coach for the Competence Coaches 3 Competence Coaches (1 with background as project director)	7

Table 2 Interviews

RESEARCH PROCESS

Given the explorative, qualitative character of this thesis, I want to give you as a reader the possibility to follow my research process in order for you to understand the logic of the studies and to judge the trustworthiness of the results. First of all, I am the first to acknowledge

that a research process is anything but a paved highway from idea to results. It is rather like a brushwood where you try to set a direction without knowing exactly where you are going. From time to time you encounter a trail that leads to an open glade where you can see a number of new and interesting trails to follow. But just as often, you follow an intriguing trail for a time, only to find out that it is going in the wrong direction, or that it leads you to a dead end. However, looking back at the trails that I have followed and the glades that I have found on the way, it is quite easy to follow my way through the brushwood. Every trail that I followed and every trail that I chose not to follow, led me one step closer to where I am today.

My research process from the first broad research aim to the findings presented in this thesis can be divided into four phases, where each phase has resulted in a paper and has set the direction for the next phase. I will here go through each of the four phases in order to give an insight into the work process as well as into my 'road map' through the empirical brushwood and the glades I found along the way. The description of my process also gives a brief introduction to the empirical findings in each study and how each study formed the basis for the following study. This will hopefully clarify the logic and constructs that build up to each of the paper themes. Table 3 displays the four papers, their aims, the case studies that make up the basis for each study, and the total number of interviews for each study.

Phase I: Analysing four projectified firms from different perspectives

As described in earlier sections, I chose to start exploring HRM in four cases of projectified organisations; development units at Posten, Saab, AstraZeneca and Volvo. Actually, some important inputs to this study were the fruits of a pre-study that I conducted at Posten and Saab during the autumn 2002 as a master thesis project (Bredin & Forsström, 2003). This study revealed some interesting trails concerning HRM in PBOs, such as which role and structure the HR department has in the organisation, redistribution of HR responsibilities, and problems with increasing gaps between line managers and their employees operating in projects. In order to broaden the empirical base, following up on the trails from the pre-study and look for new ones, I conducted two additional case studies on R&D units at Volvo and AstraZeneca during summer and fall 2003. I also made complementary interviews at Posten and Saab. Moreover, I conducted a study on Posten during spring 2003, which aimed at developing a case study for educational purposes (Söderlund &

Bredin, 2003). The case was about the strategic change project where traditional post offices were closed and service outlets in supermarkets opened. In this study, the top project managers were interviewed, as well as the CEO and senior managers involved in the project. The work with this case was important both for my general understanding of the company and for my understanding of its project environment.

The four companies are different in several aspects, but in all of them, the increased focus on project operations and on changes in support structures is obvious. Saab, AstraZeneca and Volvo are all depending on their large, product development projects. Posten, however, might seem as an odd bird out as a case of a project-based organisation, since this company is often associated with traditional, hierarchical structures. However, at the beginning of the century, Posten initiated somewhat of a 'radical' projectification process, clarifying in strategy documents and annual reports that the company was going to work in projects and networks. This decision was followed by the creation of a number of programs and support systems to enhance efficient project operations and a project was initiated to investigate how Posten could improve work in projects. This highly deliberate and conscious projectification made Posten an interesting and relevant case for this thesis. Moreover, the case study especially focuses on the operations that deal with product and organisational development, where the use of project-based structures has increased significantly over the last 10 years.

In all four companies I conducted interviews with HR directors, HR managers, project managers and line managers (or with experience from these roles), and with managers at support units for the project operations when such units existed. At Posten and Saab, I conducted in total five interviews at each company (including the pre-study). Both companies have also participated in previous research projects, so within the research team we had a fairly large amount of material and knowledge on general management and organisational aspects of the firms. The interviews that I refer to here focused specifically on HRM and the perceptions of what changes and challenges the projectification had implied for this dimension of management. Since the case studies of Volvo and AstraZeneca were launched at a later stage, the number of interviews in each of these cases was only three and four respectively for this initial study.

This is a weakness with the first study; a larger number of interviews might have contributed to more complete, detailed and trustworthy descriptions of these two firms. However, the case of Volvo is similar to the cases of Posten and Saab; within the research team we had material and experiences from earlier research projects, which increased the overall understanding of the company and its project operations. Furthermore, the interviewees in both cases had long experience from various positions within the firms. Hence they had a deep general knowledge of the firm and its development as well as insights from their current positions as project managers, HR specialists and other management positions. Moreover, in all four cases, I also studied external and internal information material, annual reports, internal reports, etc.

The interviews lasted on average two hours and had the form of open discussions rather than questions with straight answers. I used an interview guide to make sure that all the relevant topics were substantially covered, but within the topics I let the interviewees reflect openly and chose the most interesting focus from their point of view. All the interviews were recorded and transcribed and the transcriptions were then used, together with internal and external information material from the companies, for the first step of analysis. I analysed one company at a time, making within-case analysis and detailed case study write-ups as suggested by Eisenhardt (1989). As Eisenhardt puts it, the overall idea with this process was to:

> "…become intimately familiar with each case as a stand-alone entity. This process allows the unique patterns of each case to emerge before investigators push to generalize patterns across cases. In addition, it gives investigators a rich familiarity with each case which, in turn, accelerates cross case comparison." (p. 540)

The case study write-ups were presented to the interviewees in order to make sure that there where no errors regarding numbers and facts and to sort out possible misunderstandings. The write-ups also lay the foundation for the case descriptions included in Paper I.[2] The cross case analysis consisted mainly in looking for replicating patterns in the four

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[2] One of the downsides with writing papers is the limited amount of space for interesting and rich case descriptions. More extensive versions of these four case studies (in Swedish) can be found in Söderlund & Bredin (2005).

cases. The patterns pointed to four overall themes of inquiry that seemed to be central for the challenges facing HRM in the studied cases: *competence*, *trust*, *change* and *individuals*. In the first paper, these themes are developed into an analytical framework of four perspectives for the analysis of HRM in projectified firms. For this paper, the analytical framework is one of the most important contributions. However, for this thesis, the empirical patterns *per* se and the results from analysing the cases from the four suggested perspectives were even more important since they made up, as I see it today, the first glade on my hike.

The analysis pointed to overall challenges for HRM concerning for example competence development, role structures, management roles, identifying needs for changes in competence and organisation, careers for project workers, matching individuals' competence with future projects etc. But, what consequences does this have for the actual work and organisation of the activities and processes related to HRM? An interesting trail lay open. The empirical findings and the outcomes of the analysis in Paper I suggested to bring the analysis down to a more operational level and see what effects projectification has on the HRM practice and on the HR organisation.

Phase II: Go deeper and learn more
The aim for the second study, reported in Paper II, was accordingly to examine the changes in the HRM practice of projectified firms. This aim implied a further exploration of HRM on a more operative level and I chose to revisit and expand the case studies of Volvo and AstraZeneca. As explained in earlier sections, a reduction of the number of cases would enhance the possibilities to go deeper and accomplish richer case studies. This was also a good opportunity to balance the somewhat weak empirical foundation of these cases in Paper I and make them strong and rich cases for the thesis. Finally, these two firms were especially interesting, firstly because they seemed to face similar challenges, but they also seemed to tackle these challenges in slightly different ways. Secondly, the R&D units studied at Volvo and AstraZeneca appeared to be the cases with the strongest emphasis on the development of project structures. In fact, in this particular study, we refer to a *'project intensification process'* including 1) what I in this thesis refer to as projectification (increased use of project-based structures) and 2) the shortening of lead times, compressing the work in projects, forcing the firm to restructure its project operations.

Hence, during the spring 2004, I went through the interview transcriptions and the case write-ups of these two cases over again in order to create a picture of each firm, focusing on the HRM practice. How was it organised? How was the work in line and projects respectively organised? Which were the central players taking responsibility for HR issues? What changes had been done to meet the challenges of the intensification of project operations?

Much of these issues had been covered in earlier interviews and this information now became the centre of attention for my within-case analysis. In order to fill in some gaps in the case studies and to get an opportunity to discuss these issues explicitly, I conducted follow-up interviews at both firms. At AstraZeneca, I interviewed a manager at the Project Management Support Office at the R&D unit. At Volvo, I conducted a second interview with a manager at the Technical Project Management Office and with an HR manager. These interviews had the same character as the interviews in the first phase and they were also recorded and transcribed.

Mirroring the Volvo and AstraZeneca cases with each other in a comparative analysis indicated some interesting patterns concerning structural effects on the HR organisation and content effects on the HRM practice. As to structural effects, the HR departments seemed to have problems finding their role in relation to other players in the HR organisation in the project-based context. The HR departments in both cases had been restructured, however, not following the same logic. Furthermore, the responsibilities within the HR organisation were going through a transition where line managers were assuming increased HR responsibilities.

As to the content effects on the HRM practice, the analysis of the cases revealed five areas where the projectification had implied the most significant effects. However, the majority of these areas were in one way or another linked to a transformation of the line management role towards being more HR oriented.

Through the analysis of structural and content effects, Paper II alone contributes with identifying five areas within the HRM practice where special attention is needed due to projectification. The paper also suggests two logics for HR specialists in the HR organisation, contributing to the knowledge of the design and structure of the HR organisation and the HR department, and points to the significance of the balance between the line managers' task vs. HR orientation. The findings pointed to two

interesting subjects for further investigation: 1) The transformation of the traditional functional specialist line manager into somewhat of an HR agent, a purely HR-oriented role. 2) The structure and design of HR departments in order to efficiently support a PBO.

I had reached the second glade and two open trails lay before me. The first trail that I chose to follow was the one concerning the transformation of the line management role.

Phase III: Focus and rich description

For some time I had been thinking about the value of adding a single-case study to my thesis project. As reflected upon earlier, this would create a form of methodological triangulation, balancing the possible weaknesses concerning depth and richness inherent in multiple case studies. During literature studies and in discussions with colleagues, Tetra Pak had emerged as a possible candidate. Similar to the other cases, Tetra Pak is a traditional Swedish company, highly dependent on R&D and product development projects. The case study of Lindkvist (2004) of an R&D unit at Tetra Pak that transformed into a strongly project-based organisation illustrated a case where functional units had been abolished and changed into "competence networks" with no formal managers. This strengthened my conception of the transformation of the line manager role as being tightly linked to projectification. The case also pointed to the need for someone to assume HR responsibility for the competence networks, such as securing the development of deep enough competencies. Hence, the research question for the third study deals with the role of line managers in project-based organisations concerning HRM.

In many ways, Tetra Pak seemed to be an interesting company. Through the global HR director at Tetra Pak, I was told that one of the most project-based units recently had been restructured. The line units had been abolished and the line management role had been replaced with so-called 'competence coaches'. This seemed like a golden opportunity for making a single case study of a highly interesting context, which replicates the findings from previous studies (that projectification promotes an increased HR orientation of line managers) and which in addition extends the constructs of the HR-oriented manager in PBOs.

For the Tetra Pak study, we conducted in total seven interviews during fall 2004 and spring 2005 (see Table 2). In this case, we decided that both my co-author and I should participate in all interviews. That way we could complement each other during the interviews, making sure that we got the most possible out of the discussion. Also, our experiences

and impressions from the interviews could complement each other, enhancing confidence in the empirical foundation (Eisenhardt, 1989).

Moreover, I studied internal and external information of the unit in focus for the case study as well as for the global company (e.g. Leander, 1996). I also asked one of the competence coaches to keep a diary for one week, in order to get a direct insight in the daily work of a competence coach.

In Paper III, much of the contribution lies within the case description, which in itself increases the understanding of a pure HR-oriented management role in a PBO. However, the case also makes up an interesting and rich foundation for further studies in the subject and some preliminary findings and constructs are presented.

Phase IV: Broadening to find patterns

The second trail that opened up after the study of the HRM practice was the one concerning the structure and design of the HR department. What different types of HR-departmental structures can be found in the cases? Is it possible to see any patterns suggesting a logic behind the choice of HR-departmental structure in relation to the project-based setting it is supposed to support? Those questions had followed my work for some time. As a matter of fact the initial work with this study started already after the first paper and an early version of Paper IV was presented at a conference in spring 2004 (Bredin & Söderlund, 2004). However, at that stage, the study was based on the four initial case studies of Posten, Saab, Volvo, and AstraZeneca. In the process of analysing and looking for patterns, it became obvious that the number of cases were too few. No substantial conclusions could be drawn on different types and logics of HR-departmental structures based on only four cases.

At this stage, however, I had one additional case study that could be included, namely the Tetra Pak study. I also had access to the material from three case studies of PBOs conducted by my co-author and research assistants. I decided to add those three cases and started off by getting to know them intimately by reading the case material that was available to me. In two of the cases, I studied the case study write-ups and I also conducted a follow-up interview with an employee at one of the companies in order to fill the gaps concerning some basic organisational information. In the third case I mainly studied the interview transcriptions.

In this study, given the increased number of cases, I chose a more structured cross-case analysis method. Based on the findings of previous

studies, I chose a number of parameters across which the cases could be compared. The dimensions were: 1) work organisation, 2) the role and responsibilities of line managers, project managers and HR department in the HR organisation, and 3) the HR-departmental structure. This analysis led to a categorisation of the cases, based on the structure of their HR department. Each category could then be analysed by looking for within-group similarities and intergroup differences (Eisenhardt, 1989). Based on the analysis of the three categories, we suggest three theoretical propositions.

Paper I			
Perspectives on Human Resource Management: An explorative study of the consequences of projectification in four firms.			
Aim	*Cases*	*No. of interviews*	*Main contributions*
To describe and analyse the changes and challenges facing HRM in projectified firms	Swedish Posten AstraZeneca Saab Aerospace Volvo Car Corporation	17	Analytical four-perspective framework: Competence, Trust, Change, Individual

Paper II			
HRM and project intensification in R&D based companies: A study of Volvo Car Corporation and AstraZeneca.			
Aim	*Cases*	*No. of interviews*	*Main contributions*
To examine the changes in the HRM practice in two R&D based firms	Astra Zeneca Volvo Car Corporation	10	Structural and content effects Logics for HR specialists Line mgmt roles

Paper III			
New roles in the projectified firm: The professional Human resource agent.			
Aim	*Cases*	*No. of interviews*	*Main contributions*
To describe and analyse the HR-oriented management role as an alternative line management role in project-based organisations.	Tetra Pak	7	The human resource agent as an inside and outside integrator of individual and organisaitional requirements

Paper IV			
The design of the HR organisation and types of HR departments: A study of project-based firms.			
Aim	*Cases*	*No. of interviews*	*Main contributions*
To analyse and discuss different forms of HR organisation and HR-departmental structures in project-based organisations.	Multiple case study of in total eight cases of project-based organisations.	27 own interviews, plus interviews conducted by others in the three peripheral case studies.	Categories of HR-departmental structures. Propositions concerning the relation between work organisation, line managers' role in HR organisation, and HR-departmental structures

Table 3 Papers and empirical studies

FROM CASE STUDIES TO CONSTRUCTS

As can be seen from the description of my research process, my intention has been to create constructs within this area of research. Each phase of the process leads to some tentative constructs, which on the one hand increase the knowledge of PBOs and on the other and drives the research process forward, to new constructs. Following the arguments of e.g. Eisenhardt (1989), case studies are a good way of creating constructs since, as she puts it, "attempts to reconcile evidence across cases, types of data, and different investigators, and between cases and literature increase the likelihood of creative reframing into a new theoretical vision" (Eisenhardt, 1989:p. 546). The quotation of Eisenhardt actually describes quite well what I have tried to accomplish with my research process. However, I have tried to balance the multiple case study logic, as suggested by Eisenhardt, with the rich story logic of single and comparative cases as suggested by e.g. Dyer & Wilkins (1991).

One of the most important difficulties for myself in this research process has been to not fall in the 'pitfall' of trying to find simple relations of cause and effect. It would have been possible to regard the project-based context as an explanation to almost every challenge the organisations struggle with. As a researcher it is hard to distance oneself from the material and be open to all possible explanations. Nevertheless, I have had this in mind during the process and what I am trying to do is not to find simple relations of cause and effect. It is rather to explore the nature of PBOs from an angle that is likely to increase the understanding of this type of organisation that is becoming an increasingly important part of peoples working life. It is hardly possible to entirely isolate the impact of the project-based organisational context on HRM in comparison with other internal and external contingencies. However, the case studies presented in this thesis reveal that the project-based context is a very important contingency that in various ways challenges the management of human resources and that it is a contextual factor well worthy of special attention.

The iterative process between the empirical material from the cases and existing literature has been a central part of my research process. The basic literature that I have used from the Project Management field of research was introduced in Chapter 1. Now it is time to further introduce the HRM field of research.

Chapter 3

APPLYING THE HRM FIELD TO UNDERSTAND PROJECT-BASED ORGANISATIONS

In this thesis, I use concepts from the HRM field in order to explore HRM in project-based organisations. This field of research is not a common reference base for mainstream project research and hence I dedicate this chapter to a further introduction into the world of HRM. I start off with a historical overview of the development from 'personnel administration' to 'HRM' and a discussion about the HRM concept. The following sections give an introduction to the content and structure of HRM, the changing role of line managers, and the design of HR departments. Apart from providing a background and general insight into the HRM field of research, this chapter also aims at strengthening the argument for the overall aim, as well as at laying down the theoretical foundation for the paper themes.

FROM MANAGING PERSONNEL TO MANAGING HUMAN RESOURCES

The concept of Human Resource Management (HRM) had its big breakthrough in the 1980s in North American management literature. It was a reaction to traditional personnel management, which focused on the administration of personnel issues, such as recruitment, job

evaluation, salaries, training, and union relations (Guest, 1987). The HRM advocators instead proclaimed a more strategic approach to handling people issues in the organisations and a view of the organisation as being dependent on its employees and their competencies, not the other way around. In the 1980s, the North American industry was threatened by the competition of the rapidly expanding and highly efficient Japanese industry. The Japanese management traditions, based on a strong relation between employees and employer, life-long work contracts and working methods directed at quality rather than cost management strongly contributed to the rising interest in HRM (e.g. Guest, 1987; Hendry & Pettigrew, 1990). This was also one of the strong driving-forces for the break-through of the HRM concept at this particular time.

The development of the HRM concept consisted of the development within and interplay between two different fields of research: the strategic management field on the one hand and the human relations field on the other (Hendry & Pettigrew, 1990). The strategic management literature had since the 1950s developed a concern for regarding the 'human resources' as a strategic organisational asset and a base for competitive advantage. The main argument for this stream was to maximise the contribution of people to the organisation. The writings of Fombrun, Tichy & Devanna (1984) was an important contribution to the development of this view The human relations stream on the other hand was, according to Hendry & Pettigrew (1990), more concerned with "the impact of managers on organizational climate (culture) and the relationship between management and other employees…"(p. 23). Here, the interdependence of the organisation and its people was a critical argument and the management of this relationship was in focus for the discussions. From this perspective, HRM as opposed to personnel management is a general management responsibility, not a responsibility for personnel specialists only. One of the key texts representing this stream was written by Michael Beer and his colleagues at Harvard Business School, in which they state that:

> "Human resource management involves all management decisions and actions that affect the nature of the relationship between the organisation and its employees – its human resources. General managers make important decisions daily that affect this relationship." (Beer, *et al.*, 1984:1)

In Europe, and in Sweden, the idea of regarding employees a 'resource' instead of a 'cost' started to enter the academic field during the 1970s, inspired of the U.S. trends. However, the industrial context concerning personnel and employee relations in Europe differed (and still differs) from that of the U.S. One of the most striking differences is the strong labour organisations in Europe compared to the U.S., which also has coloured the development from personnel management to HRM. Some authors even claim that Sweden has developed its own HRM model, due to the country's historically strong cultural characteristics which among other things emphasise consensus in decision making and our historical propensity to organise ourselves in order to reach collective goals (Berglund & Löwstedt, 1996). This is mirrored in Sweden's long tradition of relatively close relations between the industry and the strong unions. Consequently, European research on HRM is quite different from that of the U.S. Generally, the strategic management view on HRM is stronger in the U.S, while the European view rather has its roots in human relations and industrial relations/union relations.

The cases that constitute the empirical foundation for this thesis are parts of large, traditional Swedish companies. Therefore, the development of HRM in Sweden[3] in particular is interesting as a background to the case studies. Damm & Tengblad (2000) identify three central eras in the development of personnel management in Sweden. They refer to the personnel-social era, the personnel administrative era, and the post-bureaucratic HRM era[4]. In the following historical overview, I will lean on the structure of Damm & Tengblad (2000), but I will also refer to some of the changes outside Sweden that had an influence on, or differed from those of Sweden. Moreover, I will extend the overview with some of the recent developments of HRM.

Social commitment: Increasing welfare

The developments during the period from 1920-1950 were basically a reaction to the poor working conditions in the recently industrialised society. Damm & Tengblad (2000) refer to this period as 'the personnel-social era'. Employers started to undertake various types of activities in order to increase the welfare of their workers, who often worked under

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[3] For more information of the development of personnel management in the US, see e.g. Baron, *et al* (1986).

[4] Own translation. The terms in original language are: "den personalsociala eran", "den personaladministrativa eran", och "den postbyråkratiska HRM-eran" (Damm & Tengblad, 2000:27).

very hard and inhumane conditions. According to Baron *et el.* (1986), this period was characterised by welfare work practices also in the U.S, but the main driving force for the development of personnel practices was Tayloristic ideas and scientific management, which increased the interest in job analyses, codification of job requirements and formalisation of job training.

At the beginning of the century the Swedish government, inspired by Great Britain, established a Labour Inspectorate, with the purpose of improving the working conditions particularly for women and minors. This led to the hiring of 'personnel officers' at many companies, who were to be responsible for handling the relation between the company and the Labour Inspectorate. The work of these personnel officers was mainly to supervise the general hygienic conditions, assist in selection and hiring of new personnel, and help employees with information, advice and administration within areas such as loans, education, housing, and child care (Damm & Tengblad, 2000:29).

In both Europe and the U.S., the World War II had great influence on the development and diffusion of personnel practices. The study of Baron *et al.* (1986) suggests a tremendous diffusion of personnel practices and an increase in the incidence of personnel departments in the U.S. industry during the war. Following the argument of Damm & Tengblad (2000), this had most likely to do with the scarcity of work force during the war and the post-war period, which also in Sweden led to an increased interest for the work of the personnel officers. At the end of the 1940s, there were wide discussions about the role of personnel officers, both in the academic and the industrial world in Sweden. Many argued that the social function and the personnel function needed to be separated. Personnel officers needed to become more integrated in the business; not only ally their selves with the workers and their problems, but also with the management of the firms (Damm & Tengblad, 2000). This led to a significant shift in the role of personnel officers, from social commitment to company commitment.

Company commitment: efficient administration of personnel

Between 1950 and 1980, (by Damm & Tengblad, 2000, referred to as the personnel-administrative era), there was a dramatic increase in the number of personnel officers in Swedish companies and they were now increasingly called 'personnel administrators'. These administrators started to take over much of the responsibilities concerning recruitment, introduction and training; activities that traditionally had been the

responsibility of foremen and middle managers. Many companies now started to organise their personnel administrators in centralised personnel departments, which created a new management role: the personnel manager. The development in the U.S., where the commitment to the company and its business already was the foundation for personnel work, was an important influence. Here, central personnel departments with responsibility for bureaucratic personnel practices became very common already in the 1930s-1940s (Baron, Dobbin, & Jennings, 1986).

During the personnel-administrative era, personnel administrators, working at personnel departments to serve the needs of the company, forged a stronger professional identity. Companies also started to demand more scientifically founded knowledge within the area. In Sweden, academic education within social sciences started to have special programmes with a 'personnel' focus (Damm & Tengblad, 2000). A new profession emerged in the industry and it grew rapidly. In the U.S., the number of personnel and labour relations professionals increased with 43% between 1946 and 1950 and with as much as 75% between 1950 and 1960 (Baron, Dobbin, & Jennings, 1986).

However, in the 1970s, the personnel administration area was again subject to discussions and critics, in Europe as well as in the U.S. Just moving from social commitment to company commitment was not enough, the personnel administrative work needed to be more strategically oriented and based on the overall company strategy (Hendry & Pettigrew, 1990). Moreover, personnel departments were accused for being too alienated from the organisation they were supposed to support; they needed to be more integrated in firm operations. Many argued that line managers had to recuperate responsibilities from the personnel departments, which were considered to be too bureaucratic, centralistic and not competent in business issues (Damm & Tengblad, 2000). In addition, new theories and ideas started to influence the field of management. Japanese quality models and the ideas of 'excellence' (Peters & Waterman, 1982) encouraged new ways of thinking concerning management. In Sweden, there was a strong movement of 'industrial democracy', driven by left wing forces which proclaimed a break down of bureaucratic structures and an increase of employees' right to participation. This movement strived for decentralised personnel departments and for devolving personnel responsibilities to the line (Damm & Tengblad, 2000)

People as strategic resources

Damm & Tengblad (2000) describe the period from 1980 until the time of their writing as the 'post-bureaucratic HRM-era', during which there was a wave of decentralisation of personnel departments in Sweden. The work of personnel specialists started to become more oriented towards supporting line managers with personnel responsibilities and meeting their demands. Some scholars argued that the personnel departments had to become more service oriented and that they should not see themselves as specialists but rather as generalists with the role of internal consultants (Hansson, 1988). During the mid-eighties, the term 'human resource management' started to enter the personnel discussions in Sweden and various CEOs at large Swedish companies adhered to the ideas of "dumping the personnel administration terminology" (Damm & Tengblad, 2000:40). The development in Sweden was presumably influenced by the changes and the discussions in the U.S and Great Britain on the field. In one of the first key text within the area of HRM in the U.S., Devanna, *et al.* (1984:preface) described the need for drastic changes in the following way:

> "While the current concern with management technique has all the characteristics of a 'fad', there is a good reason to believe that it reflects an underlying transformation in the organization of work in modern society, one which is expressing itself in the broad concern with general management and the full utilization of human resources in the workplace. On the one hand, economic pressures born of increasing resource scarcities and interdependence on a global scale are provoking a scramble for market share, competitiveness, and the efficient use of resource inputs in the production process. Based on sound economic logic, then, the untapped contributions of the human resources in organizations could make the difference between efficiency and inefficiency, death and survival in the competitive marketplace."

Hendry & Pettigrew (1990:20) points to a combination of various factors contributing to "the feeling that personnel management, in its general and functional sense, was undergoing change and was open to a fundamental reorientation" in Great Britain. The authors mention for example new management philosophies and a demand for a strategic approach towards employment issues. They also point to an increased integration of personnel specialists' activities with top management and

with the long-term strategies of the organisation. Guest (1987) highlights the development towards a workforce with higher educational level that has higher expectations and demands, as well as the changing technology and structural trends leading to more flexible jobs, which together require a new form of personnel management (see also Sisson & Storey, 2003).

According to Hendry & Pettigrew (1990:20), HRM became a general term highlighting the changes in the personnel management field at this time:

> "What HRM did at this point was to provide a label to wrap around some of the observable changes, while providing a focus for challenging deficiencies – in attitudes, scope, coherence, and direction – of existing personnel management."

One important trend during this era was the boost in temporary workforce and employment agencies, which implied fundamental changes in traditional employment contracts. In Sweden, a new law came into force in 1993 which deregulated the market for employment services (law 1993:440). This made it possible for employment agencies to meet companies' increased need for flexible workforce and flexible employment contracts (Pekkari, 1999).

The awareness of the possibilities of considering people and their competencies as strategic resources grew strong. It was also strengthened by scholarly writings, such as Pfeffer's "Competitive Advantage through People" (1994), which attracted much attention. Several researchers see the increased focus on knowledge as a strong driving force for the development of HRM. For example, Brewster & Larsen (2000:ix) argue that:

> "This qualitative shift was caused – and made possible – by changes in societal structure, in particular the transition from a mainly industrial, manufacturing economy to a service- and knowledge-based society. Providing service, knowledge, skills and know-how (at the individual and organizational level) implies an hitherto unseen focus on immaterial resources, core competencies, commitment and other features related to the individuals (that is, human resources) of the organization. The competitive strength of an organization is determined by its ability to attract and develop human resources, rather than

optimizing the use of raw materials, machinery and financial resources."

According to Damm & Tengblad (2000), there were intense discussions in Sweden during the 1990s about the concept of HRM, but particularly about the 'to be or not to be' of personnel departments as separate units. The ideal model advocated for was a small personnel unit close to the top management and as much personnel responsibility as possible delegated to line managers. Fewer personnel specialists should take on a supporting and consultative role towards the line. This was also in line with the need for drastic downsizing during the slump of the 1990s in Swedish economy. Damm & Tengblad (2000) argue that the discussions during the 1990s indicate a vagueness in the meaning of the HRM concept and the justification for having personnel departments or not.

New organisational forms, competence and individualisation
The last of the eras discussed by Damm & Tengblad (2000) ceases at the end of the 1990s and the question is what has happened since? What are the characteristics of the current era? According to Wolfgang Mayrhofer and Henrik Holt Larsen, interviewed in the leading magazine for HR professionals in Sweden, the results from the Cranet Survey 2004[5] indicate a number of general change patterns in HRM in Europe (Åberg Aas, 2005). Firstly, HR departments have been downsized and HR responsibilities transferred to line managers. Secondly, firms invest more than ever in competence development of their employees. Thirdly, reward and bonus systems include more benefits, which are offered to a larger number of employees. Finally, employment contracts are increasingly closed on an individual level; the importance of central union negotiations has decreased.

As it seems, the decentralisation that characterised the former era is still going on. Tina Lindeberg, responsible for the Swedish part of the Cranet Survey and interviewed in the same article as Mayrhofer and Holt Larsen, argues that even if HR departments are downsized, HRM seems to become increasingly important in Swedish organisations (Åberg Aas, 2005). One sign of that is the increased influence of HR directors in strategic business processes, a development supported by (and maybe influenced by) recent research on HRM (e.g. Jamrog & Overholt, 2004; Ulrich & Beatty, 2001). The question of the role and function of HR

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[5] The Cranet Survey is an international comparative survey of organisational policies and practices in HRM in Europe. For more information, visit www.cranet.org

specialists in the organisation seems to be somewhat of a never-ending story. However, this is for natural reasons; requirements and needs of the organisations are constantly changing. In their analysis of the results of the Cranet Survey, Mayrhofer, Morley & Brewster (2004) particularly point to the increased use of flexible, project-based forms of organisation, which according to the authors leads to greater autonomy and increased HR responsibilities for line managers as well as changes for HR departments. For example, the authors argue that:

> "/…/ there is no doubt that both the rhetoric and the practice of HRM is influenced by these developments. /…/ For example, if organisations are moving away from large, centralised (staff) units and assign more responsibility and resources to 'local' or 'front line' managers, this has a direct effect on the HR department: it has to think about new ways of supplying the necessary services, performing its functions and equipping line managers with the necessary skills and competencies to handle the new HR tasks that they are confronted with" (Mayrhofer, Morley, & Brewster, 2004, p. 419).

Later in this chapter, I will return to the discussion of changing HR departments and line management roles. Apart from these two topics, *competence* and *individualisation* seem to be at the core of contemporary HRM.

The increased importance of competence development is highlighted also by the chairman of the Swedish HR society, Sune Karlsson. He argues that today's working life, where employees change employer and assignments increasingly often, requires a solid competence base and an individual responsibility to develop that base (Hedlund, 2004). Karlsson claims that the only realistic alternative for companies who want to stay competitive is to back the competence issues. Moreover, the knowledge of employees is increasingly seen as the basic source of competitive advantage. For example, Legge (2005) discusses the 'knowledge workers' as "*the* wealth-generator of the networked 'information society'" (p. 13, italics in original).

However, the results of the Human Capital Survey 2002/2003, performed by the Swedish Institute for Personnel and Corporate Development, reveal severe drawbacks in competence developments programmes in Swedish companies due to the economic slump in 2001 (Hansson, 2003). The question is who is really responsible for competence

development – the company or the individual? Damm & Tengblad (2000) argue that contemporary working life promotes loyalty to the own competence area, rather than to an organisation, which should lead to a break up of the traditional concept of employment. According to the authors, this might imply that organisations no longer have to take on the responsibility for competence development, but that it is each individual's own responsibility to develop her competencies in order to be attractive for future assignments.

This bridges over to the 'individualisation' of society, which has had, and keeps having, a great influence on HRM (cf. Damm & Tengblad, 2000). The Cranet Survey 2004 indicates that individuals seek less support from central unions and increasingly act independently. Lindgren, Packendorff & Wåhlin (2001) argue that work and career have become a 'life-project' with the purpose of self-realisation and that loyalty therefore is closer attached to the own person than to any collective forms of loyalty bases. The authors claim that jumping between organisations is becoming a natural part of working life. As Damm & Tengblad (2000) points out, that implies increased requirements on organisations to create attractive and developing working environments in order to keep their employees. In an article in the Swedish magazine for HR professionals, one of the most important challenges for HRM in the 21st century is expressed as "Winning the battle for talents" (Hedlund, 2000). This might also be one underlying reason to the changes in reward systems observed in the Cranet Survey.

The individualisation implies an empowerment of the individuals in their working life, but there also seems to be a backside of the coin. The problems with stress and burnout are central issues in many firms today and some explanations to the growing ill-health point to for example the increased requirements on individuals without the support to handle them (Strannegård & Rappe, 2003) and the increased work in short-term assignments towards strict deadlines (Lindgren, 1999).

As it seems, the contemporary era is characterised by changing roles for HR specialists and line managers, and by an increased focus on individuals and competence in an organisational climate that is increasingly built on short-term employment contracts and assignments. This makes up an important background for the upcoming discussion about the HRM concept and the approach to HRM that I take in this thesis.

THE CONCEPT OF HRM

Having read this far, the reader is probably aware of that a well-defined and all-embracing definition of 'HRM' is not available. I would like to believe that is actually a good thing, since a variation of perspectives and opinions together cover the area in a better way than a single view. Browsing through HRM literature, the different views of HRM can be summarised in three main approaches (similar divisions have been done by e.g. Guest, 1987; Legge, 2005; Sisson & Storey, 2003).

1. HRM as a 'new label for personnel management'
2. HRM as a 'management philosophy'
3. HRM as the 'management of the relation between individuals and their organisational context'.

A new label for traditional personnel management activities

The first approach is that HRM is basically the same activities as traditional personnel management; it is just a new label. This approach is described by e.g. Guest (1987), who discusses various ways in which HRM has been used. In the words of Guest, this approach is to "retitle personnel management to capture the new fashion" (p. 506). By 'new fashion', Guest refers to, for example, new models of excellence, changes in the workforce and the nature of work, and the search for competitive advantage through people. According to Guest, this approach is evident for example in cases where 'personnel departments' have become 'HR departments' without any obvious changes in role and where textbooks with new editions contain only minor changes, but have a new title. The change of label is rather a sign of the need for a modernisation of personnel management activities in order to deal with a changing context, for instance, increased globalisation, new flexible organisational forms, and an increased focus on knowledge workers.

Inherent in this approach is the conception of HRM as the traditional activities directed towards the management of employees, carried out by managers and/or HR departments. This can be seen in for example the definition provided by Dessler (1999:2)

> "Human Resource Management refers to the practices and policies you need to carry out the personnel aspects of your management job, specifically, acquiring, training, appraising, rewarding, and providing a safe and fair environment for your company's employees"

The risk with this kind of definitions is that HRM is broadly defined, but still misses out on processes, activities and structures that include others than managers. The conception of HRM as the work carried out by HR departments (see e.g. Guest, 1987) is even more common. Even if one of the key arguments for HRM, regardless of the approach applied, stresses line management's active participation in and responsibility for personnel issues, both academics and practitioners often regard 'HR' as a matter for the HR department. However, regarding HRM as solely the activities carried out by the HR department creates a very limited definition of HRM. This is acknowledged by e.g. Hendry & Pettigrew (1992), who in their case study of strategic change in the development of human resource management argue that what they refer to as 'front-end' HRM activity "/…/ is more probably the preserve of key line or general managers, rather than of the personnel specialist. This argues for expanding the concept of HRM further, to embrace the political and change management skills of the line/general manager" (p. 154).

My strongest critique towards this approach to HRM is directed towards the limitations of considering HRM to be the personnel activities carried out by managers and/or the HR department. I argue that this view is too narrow to describe the structures, processes and tasks involved in the management of human resources. If the managers have no personnel responsibilities, does that mean that the organisation does not have any HRM activities? Or, if the organisation does not have an HR department (like for example in the study of Oticon, by Larsen, 2002), does that mean that the organisation has no structures, processes and tasks directed towards managing the human resources? My answer is no; new organisational structures also imply new ways of handling and organising HRM. Hence delimiting HRM in the way that this approach suggests would not be appropriate for the purposes of this thesis.

A new management philosophy
The second approach to HRM is that it is a management philosophy, offering a new approach for management. This view seems to be particularly common among scholars during the period of transition from personnel management to HRM. For example, in his article from 1987, Guest adheres to this approach, stating that HRM is usually contrasted to personnel management with the assumption that HRM is better, but without taking variations in context into consideration. Guest suggests that there are organisational contexts where traditional personnel management could be more successful, arguing:

"Until convincing evidence to the contrary is available, this suggests that human resource management can most sensibly be viewed as one approach to managing work force. Other approaches are equally legitimate and likely in certain contexts to be more successful" (Guest, 1987p.508)

Also Hendry & Pettigrew (1990:35) subscribe to this approach, by seeing "HRM as a perspective on employment systems, characterized by their closer alignment with business strategy". In contrast to the first approach, where HRM is treated as a modern form of personnel management itself, this approach rather considers HRM to be "a 'special variant' of personnel management, reflecting a particular discipline or ideology about how employees should be treated" (Legge, 2005:107). According to Guest, the 'HRM approach to management' is distinct to other approaches, and it strives to achieve the goals of integration, employee commitment, flexibility/adaptability and quality. If these goals could be achieved, "then the company's strategic plans are likely to be more successfully implemented" (Guest, 1987:512).

Considering HRM as a 'management philosophy' strengthens the strategic dimension. In fact one might say that HRM *per se* is a distinctive management strategy from this approach. And it probably was just that in the 1980s, when the ideas were new and posed a clear contrast to traditional personnel management. However, since then, this 'management philosophy' has come to dominate and today it is regarded more or less as general knowledge of how to run a company. If we look back at the goals of 'the HRM approach to management', as suggested by Guest (1987) cited above, most of today's managers would probably not regard this as a particular HRM approach, but rather as the general way of doing business in order to stay competitive.

Guest lays out a critique against regarding HRM as a generally 'better' management approach and argues that some contexts might be better off with personnel management. On the contrary, other researchers, such as Brewster & Larsen (2000:2-3), claim that the core difference between HRM and personnel management is that HRM takes the organisational context into consideration:

"An assumption in traditional personnel management activities has been the perception of the organization as an extraneous, given and stable context for these activities – without actually interacting with them. Such a view on the personnel activities has

lost credibility and legitimacy, because it disregards the contextual impact on human resource issues. By contrast, HRM rests on the assumption of an organizational interplay between individuals and their organizational contexts".

I argue that the concept of HRM as a 'new management philosophy' might have been relevant in the 1980s, lifting up the employees and their competencies as strategic resources and thereby putting traditional personnel management under scrutiny. However, employees, or 'the human resources', have since then become recognised as one of the key elements for success and therefore, focusing on the interplay between individuals and their organisational context is no longer a separate management philosophy, it is an integrated part of every firm's systems and processes. As Brewster & Larsen (2000:2) put it: "It is, therefore, no surprise that the importance of HRM as an institutionalized way of handling the central issues of selecting, appraising and developing people has grown in prominence over the past few years."

Managing the relation between the individuals and their organisational context

Following the last quotation of Brewster & Larsen (2000) above, are we not back in the first approach? Is HRM nothing but a new label on the traditional personnel management activities? Actually, there is another way of understanding the concept. While the first approach regards HRM to be managing the employees and the second regards HRM to be a particular philosophy about how to manage the employees, this approach is that HRM essentially concerns managing the *relation* between the people working in the organisation and the organisation.

This approach builds on for example Beer, *et al.* (1984:1), referring to HRM as "all management decisions and actions that affect the nature of the relation between the organization and employees – their human resources" and on Brewster & Larsen (2000) who, as quoted above, consider HRM to rest on the assumption of an organisational interplay between individuals and their organisational contexts. However, Brewster & Larsen never say clearly if they see HRM as an approach to management or as the actual management activities. They speak of the assumptions and focus for HRM as opposed to personnel management, which would suggest the former. On the other hand they also say that HRM has become the institutionalised way of handling the central personnel management activities. Therefore, building on Beer, *et al.* (1984)

and Brewster & Larsen (2000), but clarifying the definition, my approach to HRM is that it refers to *the structures, processes and activities directed towards the management of the relation between individuals and their organisational context.*

Inherent in my definition of 'relation' in this context is that it is of a professional character; it is a work relation where the individual provide the organisation with labour force, competence, knowledge and experiences. In return, the organisation compensates the individual in different ways; with money, challenges, motivation, a nice work environment, personal development, increased knowledge, etc. It is also important to clarify that my definition of HRM rests on the assumption that the main purpose for HRM is to contribute to building a successful organisation. This definition of HRM provides a number of interesting openings which makes it highly relevant for the purposes of this thesis.

Firstly, HRM is not limited to the activities carried out by managers or an HR department – the individual can also be an important player. The definition of Beer, *et al.* equates 'employees' with 'human resources. However, 'human resources', defined as "the training, experience, judgement, intelligence, relationships, and insight of *individual* managers and workers in a firm" (Barney, 1991:101, italics in original), implies that it refers to the non material capital provided by individuals to an organisation, not to the individuals themselves. Managing these human resources then becomes basically about managing the interplay between the individuals providing the human resources and the organisation receiving the human resources. This view clarifies the danger with considering HRM as the activities carried out by a personnel department or by managers. All individuals who contribute to an organisation can in this approach be made partly responsible for managing the 'human resources' that they provide, by keeping themselves 'employable'. They need to ensure that they possess and develop the competencies that their organisation demands and maintain efficient relations with their organisation. At the same time, the individuals have the power to take their resources and go to another organisation, so it is very much in the interest of the organisation to manage the relation with the individuals who can provide what the organisation needs. In other words, this definition opens up for including individuals as active participants in the structures, processes and activities directed towards managing the relation, not as passive receivers of HRM practices.

Secondly, the organisational context is critical for the relation and thereby also for the management of the relation. My definition of HRM rests on the assumption of an active relation between individuals and their organisational context and logically, both parties in the relation influence the nature of the relation. The broad survey of organisational change reported by Whittington *et al.* (1999) suggests that organisations are becoming increasingly decentralised and project-based and that "there seemed to be considerable increases in the emphasis put on human resource management to provide the skills and the glue to make the flatter and more horizontal organizational structures work" (p. 591). Also Ekstedt (2002) argues that temporary organisational solutions are becoming more common and that an increased use of projects "will also influence the contractual relations between organizations and the individuals" (p. 59). Ekstedt points for example to an increased use of short assignments and temporary employment in organisations that rely heavily on project-based structures. Hence, this definition of HRM is highly adequate for the purposes of this thesis, since it highlights the importance of the organisational context.

Thirdly, the relation is between the organisation and the individuals who contribute to the organisation, not only between the organisation and their permanent employees. In organisations that struggle for flexibility, the use of temporary labour increases (e.g. Guest, 1987). As suggested above, firms become increasingly dependent on consultants and other types of temporary work force. Whittington *et al.* (1999:587) discuss the 'changing boundaries' of organisations and argue that increased competitive pressures force companies to "focus on 'core competencies', redrawing their boundaries around what constitutes or supports their true competitive advantage". Moreover, they state that "/.../ firms appear to drawing in their boundaries around narrower spheres of activity" (p. 587). However, while the boundaries of permanent employees are narrowed, the boundaries for individuals contributing to the organisation in various ways are broadened. Hence, from the organisation's perspective, delimiting HRM to concern only the management of the relation between permanent employees and their organisational context is too narrow to capture the management of all human resources contributing the organisation. This seems to be particularly important in flexible organisational forms, such as project-based organisations.

To summarise, the approach to HRM that I subscribe to in this thesis implies that the individuals as well as the organisational context actively

influence, and have a responsibility for managing, their mutual relation. Moreover, this relation refers to the relation between the organisation and all individuals contributing with their human resources, not only the permanent employees.

HRM: CONTENT AND STRUCTURE

After having clarified my approach to HRM, it is time to get down to what HRM is really about. The focus of this thesis is the HRM dimension in PBOs. Following the definition subscribed to, HRM refers to the dimension of management focusing the structures, processes and activities directed towards managing the relation between individuals and their organisational context. But, what structures, processes and activities are we talking about? In the following paragraphs, I give my view of what current HRM research is telling us about this. I have divided the description in two parts. The first part deals with the processes and activities, i.e. the *content* of HRM, while the second part deals with the organisation of those processes and activities, i.e. the *structure* of HRM.

The content of HRM: the HRM practice

One of the more classical descriptions of the processes and activities of HRM – from now on referred to as HRM practices – is the one provided by Devanna, Fombrun & Tichy (1984). They refer to four generic functions for HRM; selection, appraisal, development and rewards. According to the authors, these functions "are ideally designed to have an impact on performance at both the individual and the organizational levels" (Devanna, Fombrun, & Tichy, 1984:41). In contemporary HRM literature, these functions are still considered to be at the core, but an overview of the writings since 1984, depicts a more elaborate image of the central HRM practices. However, it is important to be aware of that most of the literature that discusses HRM practices does that in terms of the responsibilities and functions of HR specialists in the organisation. As pointed out earlier, my approach to HRM is broader than that. However, I still argue that the practices discussed are central for the content of HRM. In this section I therefore focus on *what* the HRM practices are and in the following section, I discuss *how* they are organised.

In order to get a picture of what HRM researchers concern to be the core processes and activities, I consulted ten well-cited sources, covering

the time period from 1984-2003[6]. I listed the HRM processes and activities focused by these researchers and categorised them according to their main functions and purposes. As a result, the core content of the HRM practice, as perceived by the HRM field of research, can be summarised in five core areas (see Table 4):

Managing human resource flows:	Directed towards the selection, recruitment and deployment of human resources. Basically about managing in- and out flows of human resources.
Managing performance	Directed towards the design of work systems, appraisal and reward systems
Managing participation and communication	Directed towards the individuals' influence on the organisation's operations, communication and motivation, as well as relations with trade unions.
Managing and developing competencies	Directed towards competence planning, mapping, and development. Also about managing careers and career structures.
Managing change	Directed towards identifying needs for change and contribute to business strategy development. Also about facilitating change implementation.

Table 4 Core areas of the HRM practice

This overview of the core content of HRM practice does not attempt to be all-embracing. There may be aspects not covered by existing literature and other researchers may chose to categorise them differently. However, it provides a useful theoretical basis for the analysis of the content of HRM.

The structure of HRM: the HR organisation

Previous section aimed at giving a picture of what HRM delivers, a topic quite well covered in HRM literature. However, if we turn to how these HRM practices are performed – the structure of HRM – it is much harder to find research to help us draw the picture. One of the problems is related to what I have discussed earlier: Even if most HRM researchers seem to agree on the important role of for example line and general managers in performing HRM practices, their research is very much focused on the role of HR specialists and the HR department. The argument seems to be that since HRM is becoming increasingly

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[6] Beer *et al.* (1984), Devanna, Fombrun & Tichy (1984), Hendry & Pettigrew (1992), Mohrman & Lawler (1997), Ulrich (1997), Brewster & Larsen (2000), Redman & Wilkinson (2001), McKenna & Beech (2002), Sisson & Storey (2003), Lengnick-Hall & Lengnick-Hall (2003).

recognised as central for the competitiveness of a firm, the HR department must change. For example, Lawler (2005:165) uses the term 'HR' synonymously to HR department and argues that "HR can and should add more value to corporations. … It needs to move beyond performing the many administrative and legally mandated tasks that traditional personnel functions have performed…"

However, the approach to HRM that I subscribe to in this thesis implies that there are other players that could be (and probably are) critical participants in HRM. I already mentioned the active role of all individuals contributing with their human resources in managing the relation to their organisational context. Depending on the character of the organisation, other players might also be critical. For example, in PBOs, project managers might assume a greater responsibility for some of the HRM practices. My point is that HRM can be organised in different ways and consist of different central players, depending on the needs of the organisation and the individuals in it.

Hence, I see a need to analytically separate the term 'HR department' from 'HR organisation'. While the HR organisation refers to the way an organisation chooses to structure the HRM practices, the HR department refers to the unit containing the HR professionals within the organisation. The HR department might be, but is not necessarily, an important player in the overall HR organisation. The competitiveness of an organisation is not only dependent of an efficient HR department, but of an efficient HR organisation (this separation is further discussed in Paper IV). For the purposes of this thesis, this is an important distinction, since the particularities of the PBO as an organisational context might imply changes and challenges for HRM which would not be captured solely by a study of the HR department.

LINE MANAGERS: FROM SPECIALISTS TO HR MANAGERS

One of the key themes in contemporary research on HRM is the devolution of HR responsibilities from HR departments to line managers (e.g. Cunningham & Hyman, 1999; Larsen & Brewster, 2003; Thornhill & Saunders, 1998). Responsibilities that were taken over by personnel departments during the personnel administrative era are now being devolved to line managers. This development is very much in line with the HRM advocates of the 1980s (e.g. Beer, *et al.*, 1984), who argued that HRM is a general management responsibility and not reserved for personnel specialists. More recent research also suggests that

organisational change is a driving force for this process of devolution. For example, Larsen & Brewster (2003:234) argue:

> "Major changes within organisations will influence the allocation of roles in even more fundamental ways. As organisations become more knowledge intensive, dependent on know-how and service, HR becomes a more critical part of the operation and a more critical role for the immediate manager"

The case study by Thornhill & Saunders (1998) also suggests that the organisational structure might influence the devolution process. In their case, a management buyout and privatisation implied new, flatter, non bureaucratic structures, and a requirement for more flexible employees. After the buyout, the organisation had not access to the central HR department of the former owner and no new HR department was set up. Instead, HR responsibilities were totally devolved to line managers, who had already started taking on more responsibilities for HRM prior to the buyout.

However, devolution is not without pain. From the perspective of HRM researchers, the main concern is that the devolution poses a threat to HR departments. Various studies therefore strive to justify HR specialists' prominent role in organisations. For example, in the case study by Thornhill & Saunders (1998:474), the authors claim that line managers have a limited strategic focus and argue that "The absence of a designated human resource specialist role may therefore be argued to have had a significant negative effect on the organization's ability to achieve strategic integration in relation to the management of its human resources, with further negative consequences for commitment to the organization, flexibility and quality". Similarly, the study by Cunningham & Hyman (1999:25) suggests that devolution of HR responsibilities to the line makes HR departments vulnerable, but that "the acknowledged shortcomings of line management, particularly with regard to the management of subordinates, may help to confirm a continued presence for personnel as a discrete, if less than strategic, function".

If one concern is the vulnerability of the HR departments, another great concern is the possibilities for line managers to assume the increased HR responsibility. Larsen & Brewster (2003) question whether line managers have the time, the ability, or even the wish to take on this responsibility. Also the case study by Cunningham & Hyman (1999)

suggests that line managers feel frustration at not having sufficient time to deal with HR issues because of the dominance of 'hard' objectives, such as output and reducing costs.

Larsen & Brewster (2003) also discuss the impact of new organisational forms, such as matrix, network, and project organisations, on the line management's involvement in performing HRM practices. For example, they state that the link between the HR department and the line managers looses relevance in organisations that rely on autonomous teams, where project managers and the project workers themselves handle recruitment, pay, discipline, and resource allocation. The authors argue that:

> "the line manager roles in organisations become increasingly complex because new organisational structures (e.g. virtual and network organisations) have less well-defined line manager roles than the traditional hierarchical, bureaucratic organisation which moulded the line manager role in the first place." (Larsen & Brewster, 2003:230)

However, the authors do not provide any empirical studies on the changes in line management roles in such organisations. Nevertheless, their suggestion is partly supported by some project researchers. For example, in the 'heavyweight team structure' discussed by Clark & Wheelwright (1992), the line manager is no longer the technical expert, but rather responsible for the competencies going into the project and for the long-term career development of the individual project workers. As discussed in the introduction chapter, there are a number of project researchers that have highlighted some shortcomings of the temporary character of PBOs, related to the abolishment of the functional line as home base for technological as well as for competence development (e.g. Hobday, 2000; Midler, 1995). The study of Lindkvist (2004) suggests the emergence of "competence networks" with informal leaders, compensating for some of the losses of abolishing the line units and line managers. Maybe the role of line managers as technical specialists is outplayed in PBOs, but needs to be substituted with a more HR-oriented managerial role that can deal with long-term HR issues that nor the temporary project manager, nor the project workers themselves can handle?

THE DESIGN OF MODERN HR DEPARTMENTS

As mentioned, recent research reveals a picture of HR departments struggling to find their role and defend their existence (Brockbank, 1999; Jamrog & Overholt, 2004; Torrington & Hall, 1996). Similarly, Berglund (2002) argues that HR professionals struggle with problems of legitimacy and difficulties in establishing themselves as an important profession.

One important reason seems to be the trend pointed to in the previous section; that the role of the line managers is growing in importance in most HR organisations. There are a large number of books and articles suggesting how HR departments should change in order to contribute to the success of the firm. The majority of these researchers use the terminology of various 'roles' that HR departments (or HR professionals) need to assume in modern organisations. One of the most famous texts is written by Ulrich (1997), who suggests that HR professionals should assume the roles of change agent, employee champion, strategic partner and administrative expert to contribute to the firm's success. Other researchers have suggested similar frameworks (e.g. Beatty & Schneier, 1997; Mohrman & Lawler, 1997).

However, the problem with these role typologies is that they do not take into account that different organisational contexts might require different 'roles' (or at least different emphasis on the roles) for the HR department, nor that the HR department is one of various players in the HR organisation. Moreover, very few of these scholars discuss how these roles are put into practice. How can you design a HR department in order to deliver these roles? Actually, it is very hard to find any research on the design and structure of HR departments at all. However, after having discussed various roles for the HR department, Mohrman & Lawler (1997:161) conclude:

> "Clearly one of the most important challenges every human resource function faces is to reinvent its structure and organization so that it can deliver in the future the kinds of systems and business partnership behaviour that will make its organisation more effective."

Recalling the purpose of this thesis, one challenge is to design an HR department that contributes to an effective HR organisation. What is the role of the HR organisation and how is the HR department designed?

FROM THEORY TO FINDINGS

In this chapter, I have given an overview over the history of the HRM field. I have also elaborated on the concept, clarified my own approach to HRM - managing the relation between the individuals and their organisational context - and provided primarily three implications this approach brings, which are central for the purposes of this thesis. The chapter has also illuminated the content and structure of HRM. One important issue concerned the HR organisation and its various key players, including for example line managers and HR specialists, but also opening up for the increased role of individuals. The changing role of line managers was highlighted, as well as the importance of setting up HR-departmental structures that support the other players of the HR organisation and that fit the needs of the firm. In the next chapter, I present the main findings of the papers. I will also try to synthesise the contributions in order to show how the papers together achieve the aim of the thesis.

Chapter 4

CHALLENGES AND CHANGES FOR HRM IN PROJECT-BASED ORGANISATIONS

The aim of this thesis is to explore HRM in project-based organisations. More specifically, to identify and analyse the challenges and changes for HRM in this particular organisational context. In this chapter, I present the main contributions from the papers, which each deals with one of the four research questions. However, the discussions are not meant to be summaries of the papers. Instead, I intend to take the discussions one step further, building on the contributions from each paper. I start my discussion with the challenges that HRM in PBOs faces and continue with how the HRM practices on an operative level are affected. I then elaborate on the HR-oriented management role in PBOs and on the design of HR organisation and HR-departmental structures. Finally, I conclude with a discussion where I integrate the findings and clarify the contributions with this thesis.

FOUR PERSPECTIVES TO ILLUMINATE THE CHALLENGES FACING HRM IN PBOS

In Paper I, we study the challenges related to the management of the relation between the individuals and their organisational context in four cases; development units at Posten, AstraZeneca, Volvo, and Saab. The

approach to HRM subscribed to in this thesis made it possible to capture challenges for HRM from various angles. For example it highlights the important role of individuals as active participants of HRM. In the analysis of the cases, four perspectives appeared as critical for the understanding of HRM: Competence, Trust, Change, and Individual. These perspectives are closely nested empirically, but they still illuminate different aspects of the management of the relation between individuals and their organisational context. Thereby, they contribute to a more holistic picture of the challenges facing HRM in PBOs. In Paper I, these perspectives are elaborated upon and used as a model for the analysis of the challenges in the studied firms. In this concluding discussion, I intend to draw out the essence of the challenges related to each perspective, as well as clarify the relation between these challenges and the project-based context.

Competence: where to draw the line and how to develop competencies
As pointed out in Chapter 1, competence has grown to become one of the most important competitive factors for today's companies, not only for PBOs. In all four cases analysed in Paper I, the companies are struggling with how to handle the building of strategic competencies, competence tracking, competence development, etc. The move towards a more project-based context challenges these issues, firstly because work in projects is generally more knowledge-intensive, putting an even greater emphasis on the importance of attaining and developing the right competencies. Secondly, because work in projects is more difficult to track and monitor compared to traditional line assignments. This creates a situation where competence management needs to be emphasised.

Analysing HRM from a 'competence perspective' implies regarding the organisation as based on a combination of competencies that need to be attained, developed and integrated successfully in order to achieve success (see also Dubois & Rothwell, 2004). The individuals in the organisation are primarily seen as 'knowledge workers' in a knowledge-based economy (see e.g. Lengnick-Hall & Lengnick-Hall, 2003). In the following, I will discuss two critical challenges for HRM in PBOs from a competence perspective, identified in the case studies:

The first challenge concerns *defining core competencies; where to draw the line between employees and 'engaged'*. This challenge embraces the questions concerning which competencies the organisation should employ and build on a long-term basis and what competencies should be engaged in projects on a short-term basis (such as consultants or

temporary workforce). This is probably a challenge that most modern firms struggle with. However, the case studies suggest that the PBO context encourage a greater use of temporary workforce contracts. At Posten, a new company was created which employed the senior project managers, who then worked on a consultancy basis in projects within and outside Posten. Moreover, external consultants are becoming a common feature of the project teams. The same pattern is found in the other cases. On the one hand, the use of temporary workforce increases the workforce flexibility of the organisation (see e.g. Handy, 1989). On the other hand, the case studies presented here also display the organisations' concerns about failing to build and sustain important core competencies, which would increase their vulnerability. This challenge is also identified by e.g. DeFillippi & Arthur, (1998:1), who pose the question: "How can project-based enterprises create competitive advantage when its knowledge-based resources are embodied in highly mobile project participants". In all cases, the question of how to improve the strategic use of consultants and avoid impoverishing core competencies within the company is on the top management's agenda.

The second challenge is about *developing core competencies; how to successfully achieve long-term competence development*. The case studies imply that the project-based context does not create the time or 'slack' necessary for formal competence development and training. Project workers rush from one project to another and even if there are a large number of competence development programs available, project workers rarely have the time to follow such programs. This is a problem also recognised in the case study of Hobday (2000), where the high pressured work environment in projects caused a lack of both time and incentives for training and development (see also Lindgren, Packendorff, & Wåhlin, 2001). The case studies presented in Paper I indicate that the answer to this challenge so far seem to be to transfer more of the responsibility for training and development to the individuals themselves. If you want new and challenging projects, you need to "keep yourself employable". However, this transfer has its implications. Apart from implying increased freedom as well as increased requirements on the individual (further discussed under the Individual perspective), it also puts higher requirements on the organisation to find new ways of supporting the development of the competencies that are 'core' in order to stay competitive.

Trust: integrating project teams and managing temporary workforce

The case studies strengthen the argument that projectification implies changes in traditional employment contracts as argued by e.g. Ekstedt (2002). From a 'trust perspective', the organisation is seen as a structure of loosely integrated teams consisting of people who have not worked together before and who will not work together again in the future (cf. Burns & Stalker, 1961). Moreover, as mentioned above, the case studies suggest that the project-based context creates more indistinct organisational boarders when it comes to workforce; temporary workforce and consultants are used to a higher extent in the project operations. Hence, the temporary features of the PBO affect the possibilities to build trust and confidence between co-workers, as well as between the co-workers and the organisation. The challenges for HRM in PBOs from a trust perspective can be summarised in two points:

The first challenge concerns *achieving trust among project workers in order to enhance efficient project operations.* In the case studies we could observe that the HR departments during the last few years have spent time on improving the role structures and set-up procedures of projects. The PBO context implies increased internal mobility; employees and others engaged in the project operations work together during the course of one project, but in the next project the project team consist of other persons. Moreover, an increasing part of the workforce is temporary, or hired on a consultancy basis, which means that the project team members do not only have different competencies, but also different organisational backgrounds. The project team members do not have the possibilities to 'socialise' and build up confidence and trust like in more enduring forms of organisation, they rather have to rely on their knowledge of 'who knows what' (see also Lindkvist, 2005; Meyerson, Weick, & Kramer, 1996).

Various researchers have identified trust as a success factor for projects. For example, Herzog (2001:32) argues that "successful projects are delivered in environments where high levels of trust exist among the collaborators, and in which they may openly share their problems, concerns, and opinions without fear of reprisal". However, according to Meyerson, Weick & Kramer (1996), trust among project workers is primarily built on interaction with roles rather than personalities, and is more about doing than relating. While Herzog (2001) and Meyerson, Weick & Kramer (1996) focus on how to build trust on a project team level, the case studies presented here point to the challenge of achieving

basic trust among project workers throughout the organisation in order to facilitate internal mobility and project team set-ups. One of the efforts seen in the case studies is the improvement of role structures, but another, more implicit effort is the increased concern for the reputation of the project workers (see also Grabher, 2001). At Saab, the HR director made the analogy to a football coach of a junior league, defending each player's future possibilities to play in higher leagues and at Posten the HR director expressed the importance of having a name as a good project worker/manager for getting new interesting project assignments. When people do not have the possibility to build trust based on long-term personal relations, trust must be built on role structures and on reputation.

The second challenge concerns *achieving trust between the project worker and the organisation.* While the former challenge was mostly related to the temporary features of the working organisation within PBOs, this challenge is closely related to the temporary features of the relation between the individual and the PBO to which she contributes. As pointed out by Ekstedt (2002) it is essential for PBOs to have good relations and knowledge of potential project members. I argue that one of the cornerstones in maintaining these 'good relations' is associated with the trust perspective. In a project-based context it is not only important to develop and sustain each individual's reputation as a project worker; it is also critical to develop and defend the PBO's reputation as employer in order to attract and keep the best competencies. To some extent, this relates to the challenges observed from a competence perspective. For example, Lindgren (1999) suggests that the increased freedom, power and independence of the individual implies that in order for the organisation to keep critical competencies, it has to support the competence development that the individual needs for her future career. However, the case studies suggest that individuals working in a project-based context have reasons for questioning the processes of for example evaluation, waging, and long-term career development. There is a risk that this harms the trust and confidence that project workers have for the organisation and decreases organisational commitment, which makes it difficult for the organisation to attract and maintain the competencies needed for its projects.

Change: driving change and providing stability

The case studies confirm what literature on organisation theory and management has discussed for a long time: managing organisational

change is becoming increasingly important in modern firms (Whittington, *et al.*, 1999). A number of HRM researchers have stressed the increased role for HR specialists in managing and facilitating change in organisations (e.g. Beer, 1997; Brockbank, 1997; Ulrich, 1997). In the AstraZeneca and the Volvo cases, we observed that the merger and integration processes have been prioritised HR concerns. In the Posten and the Saab cases, change dealt more with the transformation to meet the new competitive challenges, e.g. the transformation of competence areas.

Analysing HRM from a change perspective implies regarding the organisation as dynamic, flexible, and in constant change (see e.g. Heydebrand, 1989; Miles, *et al.*, 1997). In Paper I, we acknowledge that the importance of managing change *per se* is not unique in PBOs; it can rather be regarded as a general feature of most organisations of today. However, one of the very reasons for adapting flexible, project-based structures is the need to respond swiftly and effectively to changes (Guest, 1987). Therefore change management is particularly important in these types of organisation. Moreover, we argue that change efforts take different forms in PBOs than in other organisations. Firstly, the case studies suggest that change in PBOs is often organised as projects; either as separate change projects or as integrated change processes in regular projects. This implies that organisational change in PBOs tend to increase the level of projectification, since not only core activities but also other types of activities are organised in projects (see also Packendorff, 2002; Whittington, *et al.*, 1999). Secondly, the project-based context creates a complex environment for change management. Bresnen, Goussevskaia & Swan (2005), for example, argue that "understanding and effecting change in project-based forms of organization is made particularly difficult by the complex and dynamic nature of project environments and the effects that they have upon organizational and management processes" (p. 27). As it seems, change in PBOs tends to increase the level of projectification, at the same time as projectification complicates the change management processes.

This brings us to an important challenge for HRM in PBOs, not explicitly discussed in Paper I: *Meeting the conflicting requirements of facilitating and driving change on the one hand and providing stability and permanent features to the temporary context on the other.* According to several HRM researchers, HR specialists should have an important role as "change agents" (Ulrich, 1997) and as developers of change management

capabilities in the organisation (Mohrman & Lawler, 1997). For example, Mohrman & Lawler (1997:160) argue that the HR department should "help the organization develop a new psychological contract, new career tracks, and ways to give employees a stake both in the changes that are occurring and in the performance of the organisation", and that HR professionals need to "be part of cross-functional organization leadership teams that plan and manage the complex issues of rapid change"(p. 161). In a PBO, this role seems to be even more critical, since the project-based context, as discussed above, complicates the change management processes. At the same time, as discussed in Chapter 1 and 4, other researchers address the lack of "important elements of permanence" and the need for HRM to provide "the glue" to make the flexible and increasingly project-based organisations work (March, 1995:434; Whittington, *et al.*, 1999:160).

As it seems, on the one hand HRM needs to be designed to manage and facilitate change, and within some areas even to initiate and drive change initiatives. The case studies give evidence of that especially the HR departments take on a greater role concerning this. On the other hand, HRM in a project-based context needs to be designed to provide and maintain stability in order to balance the downsides of the temporary features of the organisation. The challenge is to design HRM activities, processes and structures that can meet both demands of driving change and providing stability.

Individuals: professional project workers or overloaded individuals

In the approach to HRM suggested in this thesis, the individuals are put forward as an active party in the relation to their organisational context. Individuals are seen as providers of 'human resources' and thereby also as partly responsible for the management of these resources. In all four case studies, we could observe a strong emphasis on the individuals in the organisations. This emphasis seemed to be related to an increased independence and own responsibility of the employees and other engaged. A situation of increased freedom but also increased requirements. Project workers have the possibility to broaden their competencies and try new challenges through the project-based way of working. Moreover, the main resources they provide to the organisation are their knowledge and their experience, which, as pointed out by Lindgren (1999), cannot be owned by anyone but the individuals themselves. Therefore, they have a strong position in the relation with the organisation that is in need of their contributions.

On the other hand, this turns competence development, work situation and career into each individual's own responsibility. As a project worker, you have to keep yourself 'employable'. In the Posten case, for example, an HR director stated that "in a project-based way of working, it is essential that the individual has a strong willingness to develop her competence and to take on new challenges". Similarly, at Saab, one manager emphasised that the project way of working requires individuals who are more outgoing and more active in creating their own career. Similar observations were made in the other cases.

Analysing HRM from an 'individual perspective' hence seems highly relevant, especially in PBOs. From this perspective, the organisation is regarded as based on ambitious individuals, who are looking for self-fulfilment. The projects challenge, develop and motivate the individuals and the PBO provides the individuals with both opportunities and security. However, the project-based context also creates problems from an individual perspective (see also e.g. Boëthius & Durgé, 2002; Hällsten, 2000; Lindgren, 1999; Packendorff, 2002). Based on the case studies presented in Paper I, I see two central challenges for HRM in project-based organisations related to this perspective.

The first challenge concerns *supporting professional project workers.* This challenge essentially concerns the PBO's responsibility for the individuals and their contributions to the organisation. As discussed earlier, the traditional concept of 'employment' and the relation between employer and employee are going through a transformation where long-term, permanent employment forms are on the decrease. Employees do no longer work a life time at the same place and temporary and project contracts are becoming more common (e.g. Ekstedt, 2002). Moreover, the characteristics of long-term employment relations are changed due to the increased use of project-based forms of organising. In many ways, individuals working in project-based organisations – with or without permanent contracts – can be seen as 'professional project workers'. Their careers and development depend on the projects that they have worked in and the projects they might get in the future. And the PBOs are dependent on these flexible, innovative individuals, who have the competence and the initiative to act upon the situations and problems that might arise. However, as Lindgren (1999) points out, if the individuals are supposed to take more own responsibility, the structures in these types of organisation must be designed to support these

individuals and to provide the conditions needed for taking on that responsibility.

Lindgren (1999:89) discusses some of the problems that can arise for individuals working in a project-based context. For example, the author argues that these types of organisation might not provide the security and social continuity that individuals need for their well-being. Another consequence discussed by Lindgren (1999) is that working in projects implies working towards deadlines, which might increase the level of stress. The case studies also give evidence of similar problems. For example, one HR director expressed that they have "a bad schedule" for the project workers, who often have to rush into new projects, sometimes before the ongoing project has ended. As Lindgren (1999) points out, this situation tends to have negative consequences for the personal life outside work, since work in projects aims at reaching a set goal, rather than towards complying with the 'eight-hour day'. Some researchers even argue that individuals working in a project-based environment tend to 'projectify' also their private life, creating what Handy (1989) refers to as "portfolio lives" (see also Packendorff, 2002).

The challenge is how to efficiently support these professional project workers in a PBO. What processes, activities and structures are needed to support their career, their competence development, their reputation and their health? In the case studies, we observed that a lot of effort had been put into new support functions for the project operations, new career paths, new tools for detecting and handling stress among project workers, etc. This is a sign of that the challenge is starting to become acknowledged, at least to some extent. However, there are still a number of unresolved problems, such as for example how to evaluate performance and decide on wages. Line managers are generally responsible for evaluation and waging, but the tasks are performed in projects, where the line managers have no direct overview. In the case studies, we were told about the frustration among project workers concerning these kinds of uncertainties.

The second challenge concerns *clarifying the role of individuals in the HR organisation.* This challenge essentially concerns the individual's responsibility for the relation to their organisational context as well as for their own development and 'employability'. The case studies suggest that the individual takes on an increased responsibility for central HRM processes and activities, such as competence development, career planning, finding new assignments etc. In the Posten case, for example,

an HR manager expressed that the co-workers are expected to take on a greater responsibility for their own development. At Saab, an HR manager argued that co-workers in a project-based firm evidently have to ask themselves what they should do after the next project is finished. They have to plan for their development within, or outside the company.

This highlights the importance of regarding the individuals in PBOs as active participants of HRM, not as passive receivers. Hällsten (2000) analyses the decentralisation of personnel responsibilities in an organisation where projects play an increasingly important role. He argues that HRM essentially refers to a relation between various parties: line manager, project manager, the HR department, and the co-worker, where all parties have a responsibility to maintain the relation and make it work. For the individual, it is hence not only about keeping oneself employable, i.e. to develop one's competencies and social skills in order to remain attractive for project assignments; it is also about 'employeeship', i.e. managing one's relation to the employer (Tengblad & Hällsten, 2002).

This implies that the individual actually holds a critical role in the HR organisation of PBOs, a role that needs to be acknowledged and clarified. As Tengblad & Hällsten (2002) point out, the unclear assignment of responsibilities between the different players in the HR organisation, especially concerning the individual's role, often leads to issues falling between two stools. And in the end, the issues falling between two stools are left to the individual to handle.

Recap
In this section, I have presented and discussed the observations concerning critical challenges facing HRM in project-based organisations. The main contribution of Paper I is the development of a four-perspective framework for the analysis of HRM in project-based firms. In this section I have suggested a number of challenges related to the perspectives of competence, trust, change and individual. Table 5 summarises these challenges:

Competence	Defining core competencies; where to draw the line between employees and 'engaged'.
	Developing core competencies; how to successfully achieve long-term competence development.
Trust	Achieving trust among project workers in order to enhance efficient project operations.
	Achieving trust between the project worker and the organisation.
Change	Meeting the conflictingl requirements of facilitating and driving change on the one hand and providing stability and permanent features to the temporary context on the other
Individual	Supporting professional project workers.
	Clarifying the role of the individuals in the HR organisation.

Table 5 Challenges for HRM in project-based organisations: A summary

The approach to HRM suggested in this thesis made it possible to observe and analyse important challenges for HRM in a project-based context, especially regarding issues of competence, trust, change, and individual. These challenges are interrelated in many ways. For example, the challenges of supporting professional project workers and clarifying the role of the individuals in the HR organisation are probably closely related to the challenges related to trust and to competence development. In the following section, I will bring the analysis to an operative level, addressing changes that the project-based context has implied for the HRM-practices.

CHANGES IN CONTENT AND STRUCTURE OF HRM IN PBOS

The research question of which consequences projectification has for the HRM practice is dealt with in Paper II and the empirical foundation for this study is a comparative case study of R&D units at Volvo and AstraZeneca. In the paper, the main changes related to the 'project intensification' are classified according to whether they primarily concern the content or the structure of HRM. I will in the following sections present the findings of the study presented in Paper II, but also reconnect to earlier discussions to see in what way the changes relate to the challenges facing HRM in PBOs. I start with a discussion of the content changes observed in the cases, which is followed by a discussion of the structural changes. Finally, based on the findings, I suggest two logics for HR specialists and alternative roles for line managers.

Content changes

As described earlier, the content of HRM refers to the HRM practices, i.e. the processes and activities directed towards managing the relation between individuals and their organisational context. In Paper II, we identify a number of HRM practices where we could observe that the development and intensification of the project operations had implied important changes: Career paths, Competence development, and Evaluation/compensation. In this concluding discussion, I have chosen to regard the changes in line management competencies and project management competencies as dealing with the roles in the structure of HRM, rather than as part of the content of HRM as in Paper II. Hence these changes will be discussed in the next section. Table 6 summarises the observations presented in Paper II.

Content changes	Volvo	AstraZeneca
Career paths	Creation of career paths as alternatives for line management: project management and specialist careers.	Creation of career paths as alternatives for line management: project management and specialist careers. Discussions about how to support the project workers in their career development.
Competence development	Difficulties in finding space for formal competence development.	Difficulties in finding space for formal competence development.
Evaluation/ compensation	Difficulties for line manager to make well-founded decisions. More focus on the need for line managers to gather information from project managers	New system for evaluation and performance review introduced. Difficulties for line manager to make well-founded decisions

Table 6 Changes related to the content of HRM

The case studies suggest that of the core areas of HRM practices as described in Chapter 3, the most affected are the ones concerning 'managing and developing competencies' (career paths and competence development) and 'managing performance' (evaluation/compensation). In the light of the previous analysis of the challenges the project-based context poses for HRM, these changes seem logical in many ways. For example, the creation of the project management career path can be seen as a way to building up new core competencies (project management competencies), but also as a way to address the challenge of supporting professional project workers. The study of Allen & Katz (1995) suggests that "project-oriented engineers" are not very interested in gaining technical reputation (specialist) or in hierarchical advancement (line management); they are most interested in obtaining interesting and challenging project assignments. The project management career path

might be a way of giving individuals that chance to build their career on projects.

The creation of a specialist career path addresses the challenge of maintaining and developing core competencies since it gives employees the opportunity to develop and deepen their specialist competencies, without having to take on general management or personnel responsibility. In both firms, the creation of the specialist career path was a way of securing deep technological competencies. Several managers expressed that the project work in cross-functional teams enhance broadening rather than deepening of competencies and they were therefore concerned about losing depth in critical competencies.

However, the specialist career path does not solve the problems with the difficulties to find the time and the space for formal competence development and training. At Volvo, one manager expressed that they had tried to find some space between the projects to let the project workers 'recharge', but that it had been impossible. As it seems, this area of the HRM content is severely affected by the project-based context and this presents a challenge to both practitioners and scholars of HRM.

The case studies suggest that the project-based context separates performance from evaluation, which creates frustration for project workers as well as for line managers, who have difficulties fulfilling their responsibilities. The development of new systems for evaluation and compensation can be seen as addressing the challenges of supporting professional project workers and achieving trust between the project worker and the organisation. These two challenges are closely related, since a PBO that succeeds with supporting its individual project workers in a satisfactory way are likely to also gain their trust and commitment.

In Paper II, we argue that one recurrent theme in the content changes of HRM in the cases is the changing role of the line manager, and more specifically the line manager's increased role in the HR organisation. That leads us over to the structural changes of HRM observed in the case studies.

Structural changes

The structure of HRM refers to the how the HRM practices are structured, i.e. the HR organisation. The HR organisation consists of the various players that interact and share the responsibility for managing the relation between the individuals and their organisational context. In Paper II, we identify four central players in the HR organisation: the HR department, line managers, project managers, and HR support to

projects. In Chapter 3, and earlier in this chapter, I argue that the individual is an important player in the HR organisation of PBOs and that this role should be acknowledged and clarified. This is something I hope to develop in future studies, but for this licentiate thesis, the focus for the empirical studies is primarily the organisational parties of the relation. Hence, the players identified in Paper II should be understood as the organisations' representatives in the HR organisation. Table 7 presents the changes observed related to the HR organisation and its players.

Structural changes	Volvo	AstraZeneca
HR department	From centralised to decentralised. Increased gap between HR department and project operations. HR departments on project-based units work more with HRM related to the project operations. Task-based logic for HR specialists.	From decentralised to centralised. Increased gap between HR department and project operations. HR department divided in different HRM competence areas. Works on consultancy basis towards line units. HR-based logic for HR specialists. Creation of new HR-specialist role: HR business partners affiliated to particular business units.
Line manager	Increased responsibility for HRM and taking back of of responsibility for technological development. Need for increased HR orientation. Difficulties to balance task- and HRM responsibilities. Difficulties to overview and plan the individuals' work situation	Increased responsibility for HRM and decreased responsibility for scientific development. Need for increased HR orientation. Difficulties to balance task- and HRM responsibilities. Difficulties to overview and plan the individuals work situation
Project manager	Increased responsibility in performance reviews.	Top project manager is also the the formal manager for the assistant project manager. Increased responsibility in performance reviews. Ongoing discussions about the HRM responsibilities of project managers
HR support to projects	No specific unit. Handled through the HR departments on the most project-based line units.	New unit created in order to support the projects in e.g. project management development, learning and development, and knowledge management.

Table 7 Changes related to the structure of HRM

In Paper II we pay special attention to the first two players, the HR department and line managers, since the roles of these players are the ones going through the most important changes. Moreover, the changes to the line management role seem to be closely related to the content changes.

The case studies suggest that HR responsibilities are increasingly decentralised from HR departments to line managers, a trend that is widely recognised in the HRM field of research (e.g. Cunningham & Hyman, 1999; Larsen & Brewster, 2003; Thornhill & Saunders, 1998). This trend is also in line with some of the early writings on HRM, where one of the central arguments was that HRM as opposed to traditional personnel management is a general management responsibility and not a responsibility for personnel specialists only (Beer, *et al.*, 1984). There are many interrelated forces behind this devolution of HR responsibilities and the case studies presented in Paper II strengthen the argument that the increased use of flexible organisational structures, such as project-based organisations, is one such important force (see also Hällsten, 2000; Larsen & Brewster, 2003; Thornhill & Saunders, 1998). The cases point to mainly two reasons. Firstly, because the project-based context creates a more 'scattered' and short-term work structure, which makes it hard for an HR department (centralised or decentralised) to keep track of employee performance and development. Secondly, because the management of the core activities in a project-based organisation is mainly a task for project managers, while line managers keep the responsibility for coordinating, developing and supporting the project workers' contributions to the projects.

The devolution of HR responsibilities to the line not only implies a changed line management role; it also points to the need for the HR department to reinvent its role and structure (Larsen & Brewster, 2003). In fact, the devolution, in combination with the changes required in HRM practices of PBOs, implies that the responsibilities and interaction between the players in the HR organisation of a PBO should differ from that of a functional organisation. In Paper II, we suggest two logics for HR specialists in PBOs when adapting the HR departmental role and structure to the requirements of the firm operations. We also argue that the line management role in PBOs needs to be addressed and suggest three alternative roles for line managers to adapt, clarifying the balance between HR and task orientation.

Logics for HR specialists and alternative roles for line managers
The case studies suggest that one logic for HR specialists would be to regard their role to be mainly about providing competencies within specific competence areas of HRM, such as staffing, training, union relations, legal issues etc. In Paper II, we label this logic the *HR-based logic* for HR specialists. Another logic for HR specialists would be to regard

their role to be mainly about specialising on giving general HR support to a specific unit. In Paper II, we label this logic the *task-based logic* for HR specialists. Table 8 summarises the differences between the two logics.

HR-based logic	Task-based logic
HR specialists seen as:	*HR specialists seen as*:
• Specialists in specific competence areas of HRM	• Specialists on HR support for the operations of a certain line unit
• Internal consultants	• Part of the line unit
• Resources available to line management when needed	• Close collaborators to the line management
• Providers of competence development in soft skills.	• Providers of competence development in both soft skills and task-related skills

Table 8 Logics for HR specialists

The choice of logic affects the structure of the HR department and should logically depend on the role of the other players in the HR organisation, line managers in particular. As pointed out earlier, the case studies suggest that the project-based context is an important driving force for the devolution of HR responsibilities to line managers. However, the project-based context also aggravates the possibilities for line managers to take on the increased responsibility for HRM. One aspect of the difficulties is directly associated with the challenges of developing competencies, achieving trust between the project workers and the organisation, and supporting professional project workers. The line managers have the responsibility for developing competencies needed in the project operations, for evaluation and compensation, for supporting the individuals' careers, for work environment, etc. However, the content changes indicate that particularly evaluation and compensation and competence development are areas where the line managers have great difficulties. The project-based context creates a 'gap' between the project worker and her line manager, which affects the line manager's possibility to overview the project worker's situation and support her adequately.

The other aspect of the difficulties is the 'fuzzy' role of line managers in PBOs. This is something also acknowledged by Larsen & Brewster (2003:230), who argue that "the line manager roles in organisations become increasingly complex because new organisational structures /.../ have less well-defined line manager roles than the traditional

hierarchical, bureaucratic organisation which moulded the line manager role in the first place". The devolution of HR responsibilities to the line implies an increased role of the line manager in the HR organisation, but in many cases line managers are also expected to keep the main responsibility for technical development. This is presumably more common in projectified organisations than in original PBOs, since the projectified organisation has a history of functional structures where the line management role usually implied specialist technical leadership. The cases indicate that the former requirements for line management positions have changed and that line managers that once were promoted based on their scientific or technical excellence, now need to improve their 'soft skills' and HRM competencies. In Paper II, we argue that the balance of task-orientation and HR orientation of the line management role needs to be addressed in order to clarify the alternative roles for line managers in PBOs. We suggest the following three alternatives (see Table 9):

Alternative roles for line managers	Focus
HR-orientated	Mainly responsible for the staff, their competence and development, evaluation and compensation, and balancing and planning their project participation.
Task-orientated	Main focus on the technological or scientific development in the line unit.
Balancing	Focus on both HRM and task, i.e. balancing the two orientations

Table 9 Alternative roles for line managers

In the cases studied, the increased HR orientation of the line management role is evident, but the line managers are mainly balancing. This is probably related to the character of the core activities which demand functional coordination concerning technological and scientific development. At Volvo, the line mangers have even regained some task-orientation lost in an earlier reorganisation; the risk of loosing deep technical competencies was urgent and the line units needed to make up a home base for technical development. However, the balancing line manager role is not easy. Firstly, the task-oriented responsibilities tend to be seen as more 'urgent' due to strict project deadlines and are therefore often prioritised over the responsibilities related to HRM (cf. Cunningham & Hyman, 1999). Secondly, HRM-oriented efforts are harder to express in economic terms, which also implies that task-oriented efforts tend to get more time and attention (Barney & Wright,

1998). Thirdly, if the career structures and promotion policies emphasise specialist competencies over HRM competencies, line managers will logically spend most of their time doing what they are best at and most interested in. And that is probably not HRM (cf. Larsen & Brewster, 2003).

The balancing line manager is not able to take on as much HR responsibility as the HR-oriented line manager and the task-oriented line manager is not expected to take on much HR responsibility at all. Logically, this should also affect the roles of and interaction between the remaining players in the HR organisation, particularly the support needed from an HR department. Hence, the logics for HR specialists are closely related to the level of HR orientation of the line management role. For example, a task-oriented line management role may promote a more important role for the HR department in the HR organisation and probably a need for HR specialists to be more involved in each line unit. This will probably call for a task-based logic for HR specialists. An HR-oriented line management role, on the other hand, implies that line managers have a central role in the HR organisation. This will most likely promote the HR-based logic for HR specialists, where line managers ask for support when it is needed.

Recap
In this section I have discussed the changes in content and structure of HRM. The observations of changes in the content of HRM suggest that special efforts have been put into the creation of new career paths and into finding solutions to difficulties of managing competence development and evaluation/compensation. The observations of changes in the structure of HRM suggest that the roles of the players in the HR organisation, and the interaction between them, have been affected. The most important changes were observed in the role and structure of the HR department and the role of line managers. These changes are highly interrelated and I suggest two alternative logics for HR specialists when designing the structure of the HR department and its role in the HR organisation. Furthermore I suggest three alternative roles for line managers in PBOs, depending on their HR and task orientation.

In Paper II, we propose that the HR-oriented line manager is a role that is gaining ground in PBOs, especially when the role of the line units as defenders and developers of technology is downplayed. Hence, the next research question specifically deals with the emergence of the HR-oriented management role in PBOs.

FROM LINE MANAGERS TO HUMAN RESOURCE AGENTS

The findings from Paper II suggest that the line management role in project-based organisations needs to be addressed. When core activities increasingly are performed in projects instead of functional units, the former line management role seems to become more about managing the human resources needed in the project operations and less about being the technical specialist managing and developing technology. As mentioned earlier, the devolution of HR responsibilities to line managers has been widely discussed by HRM scholars, but the focus has mostly been directed towards the implications for HR specialists and not towards the implications for line managers.

In Paper III, we present a single-case study of a project-based organisation where the line management role had been abolished and replaced with so called "competence coaches". The organisation is a unit of a company within the Tetra Pak group, called Plant Engineering and Automation (PE&A). The main contribution with this study is the interesting case of an organisation that tried something new in order to improve their project operations, including the descriptions of a new HR-oriented management role replacing the line management role. In this section, I will therefore give a brief summary of the case, with the main focus on describing the new organisation and the main responsibilities of the so-called "competence coaches" at PE&A. In Paper III, we discuss the role of the new HR-oriented management role in the terms of 'human resource agents', responsible for 'inside integration' and 'outside integration'. In this section, I elaborate on that discussion and on a number of critical functions for the human resource agent in a PBO. However, first a brief summary of the Tetra Pak case of PE&A.

The case of PE&A

PE&A is a unit of Tetra Pak Processing Systems. The unit is a project-based organisation and its core activities are directed towards managing customer projects which develop and implement food processing systems. The unit also develops automation systems for food processing plants.

During the 1990′s the need for changing the organisation in order to improve the project operations became critical. The classical matrix was split up and the line manager role was abolished. Instead, permanent cross-functional teams were created, which had no formal manager.

These teams became the physical "home-base" for the employees and serve as the permanent resource base for project teams.

Apart from the cross-functional team, each employee was assigned to a competence centre, coordinated by a competence coach. These competence centres are not physically co-located, but have meetings once a week with their competence coaches. In the new organisation, the individuals were given an increased responsibility for their own contributions, their development and careers. The idea was to "spur" the individuals by giving them a greater freedom.

The competence coaches do not have any responsibility for the core activities performed in the projects, but they need to have adequate technical competencies and knowledge about the core activities in order to fulfil their responsibilities. Their main focus is HRM processes and activities. The critical responsibilities for a competence coach are: resource planning for the projects, competence development and career planning, evaluation and waging, individuals' work situation, and individuals' health and well-being. The responsibility that the line managers traditionally had for technology and production solutions has been transferred to a so-called "design owner".

In the new organisation, the competence coaches have taken over many of the responsibilities formerly assigned to the HR department and are seen as "the HR department's extended arm". The HR department at PE&A has been downsized and its main responsibility is to support the competence coaches and inform them about new policies and systems, work with strategic HRM issues, and handle more complicated cases that require specialist HRM competencies. Furthermore, a new support unit for HRM has been created, offering support to all Tetra Pak units within the country area in recruitment, training, and internal mobility.

In Paper III, we discuss the Tetra Pak case as an "inversion of the matrix", where the project operations have gone from 'virtual' to 'permanent', while the skill-based, functional units have done the opposite. According to the definitions of PBOs by Hobday (2000) and Lindkvist (2004), discussed in Chapter 1, this organisation would certainly qualify as project-based. However, the case study strengthens what I argued early on in this thesis, that projectification does not necessarily imply that permanent structures are abolished, or as argued by Hobday (2000) that project-based organisations have no functional coordination across project lines. At PE&A, the cross-functional project teams were transformed into permanent structures and the competence

centres maintained a strong functional coordination across project lines. The functional coordination in PE&A was transformed from focusing technology to focusing HRM. With the former line managers, whose role implied balancing HR and task orientation (as discussed in Paper II), the responsibilities for supervising the work had been prioritised over the HRM responsibilities. The new organisation instead implied a purely HR-oriented management role responsible for supporting and assessing the project workers in their work, competence development, careers, and work situation.

The human resource agent: managing inside and outside integration
The role of the competence coaches can in several ways be seen as a way of dealing with some of the challenges identified in Paper I. The role is very much oriented towards supporting the project workers and by doing that it also deals with the challenge of achieving trust between the project worker and the organisation. The new role is less of a traditional 'manager' and more of an 'agent' for the project workers. Moreover, it is particularly directed towards supporting and facilitating competence development.

In traditional studies of management roles and functions, one key concept has been that of the 'integrator'. Lawrence & Lorsch (1967), for example, discuss the increased need for managers, particularly in R&D-intensive firms with a strong need for cross-functional coordination, to integrate the efforts among the major functional specialists in a business. However, the management role that the authors refer is more of a task-oriented role, directed towards the integration of the various specialist contributions. In a project-based organisation, this role is mainly held by project-managers. The case study of PE&A suggests that the emerging HR-oriented management role deals with other forms of integration. In Paper III, we point to two domains of integration activities that the human resource agent is set to handle; the inside integration domain and the outside integration domain. In the following sections, I will discuss these two domains and clarify the activities related in each domain.

Inside integration
Inside integration concerns integrating the requirements of the organisation and the resources offered by individuals in the organisation. This also regards taking the demands that the individual project worker has on the organisation into consideration. As discussed earlier, one challenge for PBOs is to achieve long-term development of core

competencies and another challenge is related to the importance for PBOs to support the individual project worker in her personal development ambitions in order to maintain the most attractive project workers. It becomes strategically important to match the organisation's core competencies with the competencies that individuals are interested in developing. The human resource agent has an important role to integrate these needs and requirements in order to support the success of the organisation as well as for the individual. Similarly, the role of the human resource agent integrates the individual as well as the organisational interests in assigning the right people to the right projects. The PBO requires successful project teams and the individual needs the right assignments to build her 'project-based career'. This also highlights the human resource agent as a career guide, integrating the PBO's requirements of competent individuals taking on central functions, and the individual's requirements of advancements.

As discussed earlier, the project-based context complicates the possibilities to evaluate the performances of project workers and decide on compensation. In the PE&A case, the new HR-oriented management role had an important responsibility for gathering the information necessary to perform a well-founded assessment. As it seems, in PBOs, where the line managers no longer lead and supervise the core activities and where the project managers have a clear task-orientation, an important function for the new HR-oriented manager is to act as a form of 'assessment hub' for the project workers. Related to the above mentioned activities of inside integration is the important activity of setting a limit to the individual's high ambitions. The case study of PE&A as well as the case studies discussed in earlier sections, indicate that the project-based context creates a high-pressured work environment. Several of the organisations have initiated programmes for handling the problems of stress and burnout. The competence coaches at PE&A express that they have an important role in limiting the inhumane speed that many of the project workers feel that they are required to keep up in order to stay attractive on the project market.

Outside integration
Outside integration concerns integrating the organisational requirements on the individuals and the requirements and ambitions that the individual has outside the organisation. As earlier discussed, the organisational borders tend to be more indistinct in PBOs than in traditional organisational forms. This implies that not only processes

inside the firm are of importance for the human resource agent. As the employees become professional project workers, and the competitiveness of the firm depends on these individuals, HRM needs to be boarder-crossing and take the individual's whole life situation into consideration. First of all, the best professional option for the individual might not be to stay in the organisation, but to take opportunities elsewhere. As several scholars (e.g. Ekstedt, 2002; Lindgren, 1999) argue, people do no longer stay a life time with one employer. Maybe it is time to start facilitating mobility not only within the organisation, but also between organisations? It is in the PBOs interest to maintain a reputation as an attractive employer and given the increased flexibility on the labour market this reputation might well build on the quality of projects that a project worker can get in the future. The human resource agent has an important role to integrate the organisation's wish to keep the most talented people and the best interest of the individual. In that sense, the human resource agent is somewhat of a mentor in the project worker's professional life. This responsibility also implies promoting the project worker's professional network outside the organisation.

Finally, outside integration is about supporting the ambitious project worker in their personal well-being. As Packendorff (2002:54) argues, many project working individuals have more freedom to allocate their time and efforts, but self-responsibility means flexible working hours and flexible working hours mean flexible family hours. If the organisation is dependent on its flexible and self-responsible project workers, it also needs to find a way to support the project workers in finding work-life balance. As I see it, the human resource agent has a critical function to provide this support.

Recap

This section has been dedicated to the HR-oriented management role that is an alternative line management role in PBOs: the human resource agent. The project-based context requires other management roles and structures compared to traditional organisational forms and the increased HR orientation of line managers seems to be particularly important. The approach to HRM suggested in this thesis highlights the importance of paying attention to the interplay between individual project workers and the PBO. The analysis of the human resource agent also puts this relation at the core. I suggest that the responsibilities of the human resource agent in a PBO primarily revolve around the integration of the individual and organisational requirements, both inside and outside of the organisation.

Figure 3 summarises the main activities and responsibilities related to the domains of inside and outside integration.
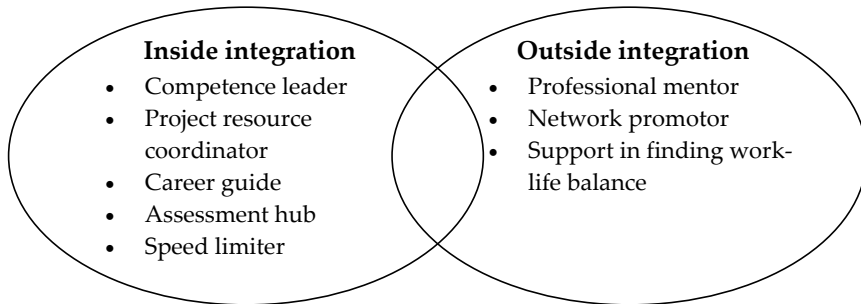
Inside integration
- Competence leader
- Project resource coordinator
- Career guide
- Assessment hub
- Speed limiter

Outside integration
- Professional mentor
- Network promotor
- Support in finding work-life balance

Figure 3 Integration domains for the Human Resource Agent in a PBO

In the discussion of the changes in the structure of HRM in PBOs above, the changes in the line management role was one of the critical changes identified. Another critical structural change identified was the role of the HR department in the HR organisation of a PBO. In the following section, I present and discuss the findings of the study presented in Paper IV, which focuses the design of the HR organisation, and particularly the role and structure of HR departments in PBOs.

DESIGN OF HR ORGANISATION AND HR-DEPARTMENTAL STRUCTURES

The final research question of this thesis is sprung from the observations and analyses of the previous studies and aims at further exploring the design of the HR organisation in PBOs, addressing different forms of HR-departmental structures in particular. The study is presented in Paper IV and is based on a multiple case study. The eight cases are all project-based, but the core activities differ among the firms, as well as the basic organisation of work. The main contribution with this paper in this stage is the broad empirical base, which provides a range of opportunities for various tracks of analysis regarding the design of the HR organisation of PBOs. In this paper, we have chosen to specifically focus the structure of the HR departments and the relation that the HR-departmental structure have with the character of the work organisation and the design of the HR organisation.

One central problem addressed in Paper IV is the rather decontextualised approach in previous research on HR-departmental structures. Overall, the structure of HR departments has rarely been the centre of attention for HRM researchers and when it is, the analysis does not take the firm's organisational structure into consideration (cf. Beer, 1997; Sisson & Storey, 2003). Sisson (2001) acknowledges that there are a number of organisational contingencies (e.g. size, sector, ownership and whether the firm is joining, continuing or leaving the business), which are critical for the understanding of what is happening to the HR department. However, he does not bring up organisational structure as one of these critical contingencies. The studies presented so far in this thesis indicate that the organisational structure in which the core activities are performed is a critical contingency for the design of the HR organisation, the role of HR specialists, and hence for the design of the HR department. In the following, I will discuss the patterns observed in the multiple case study regarding HR-departmental structure, work organisation, and HR organisation.

Functional HR departments or HR-centres of expertise
In Paper IV, we compare the HR-departmental structures of the eight firms and identify two basic categories, which indicate two alternative 'ideal types': *1) Functional HR departments*, which are structured according to the line structure of the organisation. *2) HR-centres of expertise*, whose structure is based on competence areas of HRM (for example recruitment, training, contracting, compensation/benefits). In the case studies, both categories have examples of centralised and decentralised structures, but the functional HR departments tend to have a higher propensity to be decentralised than the HR-centres of expertise.

We also identify a third category, which we label 'Emergent HR departments'. This category consists of non-existing or undeveloped HR departments, which was observed in two out of the eight cases. This category is an important sign of the possibility to have an HR organisation that does not include the player of an HR department. The features and logics of such an HR organisation would be an interesting topic for further research, but in this discussion I will focus on the two ideal types of existing HR departments and the patterns in work organisation and HR organisation related to these two types.

It should be pointed out that the ideal types are simplifications of the alternative HR-departmental forms. Some of the cases have mixed forms of HR departments, with features of both types. For example, some of the

cases with HR-centres of expertise as main structure for the HR departments also had a structure of HR specialists especially assigned to particular line units. Similarly, one of the cases with functional HR department as main structure also has a small HR-support unit with HR specialists working on a consultancy basis towards the line. The basic categories are nevertheless quite clear in the case study and it seems relevant to compare them to observe whether there are patterns concerning the way work is organised and the roles of the different players in the HR organisation that could be related to the choice of HR-departmental structure.

In paper IV, we therefore make a cross-case analysis focusing on the one hand the work organisation and on the other hand the roles and responsibilities of the players in the HR organisation. This analysis aimed at detecting possible similarities among the cases having the same type of HR-departmental structure, as well as differences between the cases with different types. In the following sections, I discuss the patterns observed and suggest three propositions related to the design of HR organisation and HR-departmental structures in PBOs.

Characters of functional coordination and project work
In the analysis of the work organisation, we address 1) the character of functional coordination, 2) the basic affiliation of project workers, 3) the character of project work, and 4) the co-localisation of project teams. In some of the cases, there are no traditional 'line departments', but rather other forms of coordination across projects, such as 'competence centres'. Therefore, I have chosen to use the term 'functional coordination' when referring to the coordination across projects regarding project-workers and competence (cf. Hobday, 2000).

When searching for cross-case patterns related to work organisation between the types of HR-departmental structures, the strongest pattern observed regard the differences in functional coordination. The cases with a Functional HR department tend to have more traditional line departments with responsibility for both technology and HRM. In the cases with HR-centres of expertise on the other hand, the functional coordination tends to be more directed towards providing 'competence networks' and 'project work pools' from which the project managers recruit resources to the projects. The main function of these networks is HRM, not technology. The cases with 'Emergent HR departments' had very similar work organisations as the cases with HR-centres of expertise.

In the analysis of the character of project work and the co-localisation or not of project teams, the patterns were not that obvious, but we could still observe some tendencies. In the cases with Functional HR departments, project workers tend contribute to various projects simultaneously and are hence not co-located with one project team. This situation can be described as 'Fragmented project participation'. In the cases with HR-centres of expertise, on the other hand, project workers are normally assigned to one project at a time and the project team members are co-located during the course of the project. This can be described as 'Focused project participation'. As already mentioned, the patterns are somewhat weak in this study; additional studies are needed to strengthen this suggestion.

One reason for the indistinct patterns might be that the PBOs under study have not considered the character of project work, but mainly the character of functional coordination, when designing the HR department. One might assume that fragmented project participation, where highly specialised project workers contribute to various projects at the same time, promotes a stronger affiliation to the line, but at the same time creates a somewhat 'scattered' work situation that might be hard to overview, assess and support. Focused project participation, on the other hand, might promote a stronger affiliation to the project, creating a larger 'gap' between project workers and their line organisation. As discussed earlier this implies difficulties for the performance of HRM practices. Accordingly, I suggest that the character of project work should be taken into consideration in the design of the HR organisation and the HR-departmental structure.

The players in the HR organisation
In the analysis of the design of the HR organisation (i.e. the roles and responsibilities of the various players responsible for the management of the relation between the individuals and their organisational context), we particularly addressed the roles of line managers, project managers and the HR department. The focus of these particular players is based on the observations from previous studies, where these roles have emerged as important in the HR organisation. Hällsten (2000) also identifies the same players as crucial for HRM in PBOs, including the individual as an important player. In this study, the role of the individual is not part of the analysis, even if this role is regarded as increasingly important in the HR organisation of PBOs. However, as pointed out earlier, this licentiate thesis mainly focuses on the organisation's part of managing the relation.

In the comparisons of the roles of the players in the HR organisation, the most prominent patterns regarded the role of line managers and the role of the HR department. There were no obvious differences between the cases regarding the role of the project managers in the HR organisation. In all cases, project managers have an important role – formal or informal – in the HR organisation. This responsibility is mainly about the day-to-day work relation with the project workers and about having a dialogue with the line manager concerning the project worker's performance and work situation.

The cross-case patterns regarding the roles of line managers and the HR department seem quite logical in the light of the cross-case patterns of the work organisation. Regardless of the type of HR department applied, the HR department has a strategic and administrative role in the HR organisation. However, when it comes to the relation to the line, the patterns between the two types differ. In the cases with Functional HR departments the line managers tend to have a 'balancing' line manager role (as defined in Paper II), responsible for both technology and HRM. In these cases, the HR department actively work together with the line managers on each line department and support them in their HR responsibilities.

In the cases with HR-centres of expertise, on the other hand, the line managers have a more HR-oriented role. In these cases, the line managers turn to the HR-centre of expertise for special services when needed.

As it seems, there are patterns regarding the character of functional coordination, the character of project work, and the roles of the line manager and HR department in the HR organisation. These patterns also seem to coincide to a great extent with the type of HR-departmental structure applied.

Recap and propositions
The cross-case analysis based on the two categories of HR-departmental structures reveal a number of interesting patterns well-worthy of further investigation and analysis. The main patterns regarding the differences between the cases, based on their HR-departmental structure, are summarised in table 10.

Work organisation	Functional HR departments	HR-centres of expertise
Functional coordination	Line department Technological development Ensuring that the projects have competent resources Base for developing and assessing co-workers Basic affiliation and geographical home-base of co-workers	Project work pool Competence network Base for developing and assessing co-workers To some extent safeguard the maintainance and development of deep specialist competence. Might be 'virtual', not necessarily the geographical home-base of co-workers
Character of Project work	Tendency towards fragmented project participation Project teams not co-located	Tendency towards focused project participation Co-located project teams
HR organisation		
Line manager	Engineer/specialist Responsible for technology delivered to the projects Supervising and coordinating line activities Responsible for performing HRM-practices: resource allocation, competence development, performance reviews, waging, recruitment, work environment	Engineer/specialist with talent for personnel issues, or generalist Responsible for performing HRM-practices: resource allocation, competence development and planning, performance reviews, waging, recruitment, work environment
HR department/HR specialists	Representing a strategic HRM perspective in the top management team and developing central HR policies Handling of traditional personnel administration issus (legal issues, pensions, administration of salaries) Supporting line management in their HR responsibilities and administration of the personnel	Representing a strategic HRM perspective in the top management team and developing central HR policies Handling of traditional personnel administration issus (legal issues, pensions, administration of salaries) Offering specialist HR services within certain HRM competence areas

Table 10 HR-departmental structures, work organisation and HR organisation

My observations of the empirical patterns so far in the study presented in Paper III can be summarised in three interrelated propositions concerning the HR organisation and the HR-departmental structures in PBOs:

- **Proposition I** *(Project participation and functional coordination):* 'Fragmented project participation' promotes functional coordination in the form of line departments, focusing technology and HRM, while 'Focused project participation' promotes functional coordination in the form of project work pools, focusing HRM.

- **Proposition II** *(Functional coordination and line management role):* Line departments with the dual function of technology development and HRM promote a balancing line manager role, while project work pools focusing HRM promote an HR-oriented line management role.

- **Proposition III** *(Line management role and type of HR department):* The balancing line management role promotes a Functional HR department in the HR organisation, while the HR-oriented line management role promotes an HR-centre of expertise.

HRM AS INTEGRATING THE REQUIREMENTS OF THE PBO AND THE INDIVIDUALS: CHANGES IN THE ROLES OF LINE MANAGERS AND HR SPECIALISTS

The four papers in this thesis each deal with different aspects of HRM in PBOs. However, these aspects are closely interrelated and together they provide a basic understanding of the challenges faced by HRM in a project-based context. Moreover, the studies give some implications for the need of changes in both content and structure of the HRM practice. In this section, I will draw on the four studies in order to clarify the main contributions of this thesis.

Meeting the dual challenges facing HRM

In this thesis, I propose a number of challenges, related to competence, trust, change, and individual, which HRM faces in project-based organisations. The approach to HRM suggested and subscribed to has permeated the analysis and it also makes it possible to see the dual character of the challenges. On the one hand, they concern the requirements for a PBO of defining core and peripheral workforce, maintain and develop core competencies, maintain flexibility, successful and efficient project teams, individuals that drive their own development. On the other hand, the challenges concern the requirements of the

individuals in a project-based context regarding personal development, challenging project assignments that build on their reputation and their 'project-based career', reliable structures and processes, well-functioning and healthy work environment and balance between freedom and responsibilities.

Managing the relation between the individuals and their organisational context implies integrating the requirements and needs of both parties. The studies presented in this thesis suggest that a project-based context implies changes in both content and structure of HRM in order to achieve a successful integration. In the cases, the change efforts in HRM content from the PBOs' point of view have primarily been directed towards developing adequate HRM practices for managing performance and for managing and developing competencies and careers. However, the challenges also indicate that the HRM practices related to managing human resource flows, managing change, and maybe even more importantly; managing individuals' participation and communication, need to be readdressed in a project-based context. For example, managing the relation to consultants and temporary workforce seem to be central for a PBO, as well as facilitating the building of swift trust to enhance efficient and successful project team work. Also, acknowledging and developing the forms for the individuals' increased responsibility for own development and 'employability' is particularly central for PBOs.

The most important change efforts observed in the cases have been directed towards changing management structures as well as changing the design of the HR organisation and the HR-departmental structures. All types of organisations require an HR organisation designed to fulfil its purposes, the PBO is no exception. The initial separation in this thesis of the terms "HR department" and "HR organisation" has made it possible to analyse the structure of HRM in PBOs, including not only the organisation of HR specialists, but also the increased role of line managers. The analysis also points to increased responsibilities of project managers and of project workers, which make up interesting paths for further investigation. Based on the studies presented, I argue that the project-based context implies devolution of HRM responsibilities to the line and hence promotes an increased HR orientation of line managers. This devolution changes the traditional line management role, as well as the role of the HR department.

Cross-project coordination and human resource agents

An important implication of the research presented in this thesis is the distinction between 'line department' and 'cross-project coordination'. As pointed out in Chapter 1, definitions of project-based organisations usually imply that functional coordination is downplayed, weakened, or even abolished (e.g.Hobday, 2000). However, from an HRM perspective, it may actually be the other way around; the coordination across projects is strengthened regarding HRM responsibilities. It is true that the traditional form of line departments as the base for core activities is downplayed in a PBO, but the coordination across projects still seems to be critical. Hence, projectification can be interpreted as a redistribution of responsibilities, where core processes and activities are increasingly performed through cross-functional coordination, while HRM processes and activities are increasingly performed through 'Cross-project coordination'.

This implies that the players responsible for the cross-project coordination of HRM will hold a critical role in the HR organisation of the PBO. The challenges observed, as well as the analysis of the HR-oriented management role at PE&A, indicate that the function of this role contributes to meeting some of the challenges of integrating the requirements of the project-oriented individuals and the requirements of the PBO. Research on the function and management of PBOs has very much been focused on the cross-functional part of the PBOs; how to achieve successful project teams, integrating knowledge across functional borders, etc. Researchers have also paid attention to some aspects of cross-project coordination, even if this term is not used (e.g. Lindkvist, 2004). However, only limited efforts have been directed to the cross-project coordination of HRM. Similarly, research have paid extensive attention to the development of project management competencies, the role and function of project managers, etc., while the research reported here indicates that the role and function of the player responsible for cross-project coordination of HRM needs to be further addressed.

For example, the research reported on here indicates that the cross-project coordination can have different levels of HR orientation, depending on the requirements of the firm operations. This naturally also affects the HR orientation of the management role. I suggest that the management role responsible for cross-project coordination will either balance HR and task orientation, or have a purely HR-oriented role.

The terminology for the management roles in a PBO might also need to be readdressed, since the existing terminology is based on traditional organisational forms and do not always apply in a project-based context. For example, based on the case studies, I suggest that the HR-oriented role responsible for cross-project coordination is more about being an 'agent' for the project workers than being a 'manager'. An analogy could be that of an artist agent, supporting, promoting, finding gigs, but also helping the artist to choose the "right" gigs and to decide when it is time to take some time off to write new material or go into the studio.

Suggestions for the structure of HR departments in PBOs

The studies presented in this thesis suggest that the redistribution of responsibilities in the HR organisation also implies changes in the role of the HR department and its relation to the rest of the HR organisation. The relation between the structure of the HR department, the role of HR specialists, and the interaction between the HR department and the HR-oriented management role in PBOs is an area that needs to be further investigated. However, based on the observations and patterns so far in this research, I suggest that the increased HR orientation of the cross-project coordination should promote an HR-based logic for HR specialists in their relation to the 'human resource agents'. In that type of organisation, the human resource agents have no responsibility for core activities and technology but focus on HRM only, which implies that the HR specialists' direct involvement in operative HRM is minimal. This should call for an 'HR-centre of expertise' type of HR-departmental structure.

On the other hand, the there are strong reasons for many high-technology PBOs to have cross-project coordination that is not only HR oriented, but that also coordinate technology development. Moreover, the character of the project participation in many high-technology PBOs tends to be 'Fragmented', which implies that the cross-project coordination make up the physical home base for the project-workers. In these cases, the resemblance with line departments is greater and the line manager role needs to balance HR and task orientation. I suggest that this context calls for a higher involvement of HR specialists in operative HRM on each line department, which would imply a 'Task-based logic for HR specialists' and a Functional HR-departmental structure.

Concluding remarks and suggestions for future research

In this thesis, I have explored the area of HRM in project-based organisations and I have been able to develop some initial constructs. I have not been able to follow all the interesting trails that have revealed themselves during the research process. On the one hand, that implies that probably there are some important discussions missing. On the other hand it leaves many openings for future research. In the following paragraphs, I will point to some interesting avenues.

Firstly, there is a continuous need for studies that not only focus the project dimension of PBOs, but that increases the understanding of the various critical aspects of cross project coordination. I argue that the cross project-coordination of HRM is particularly critical, especially for the relation to the increasingly independent individuals who are searching for ways to build a 'project career'. The increased role of the individuals as active participants in the HR organisation of PBOs is a theme that has coloured many of the discussions in this thesis and that deserves to be further developed. To what extent can the individual take on the responsibility for her own competence and employability and what support does she need? What are the opportunities and obstacles for this development?

Secondly, this thesis has given some implications for the management structures in PBOs, especially concerning the changed line management role. More studies are needed to further develop the understanding of this new role and the interplay between the different players in the HR organisation, including project managers and project workers. One interesting observation related to the management structures is that projectification seems to divide the traditional line management role, in several roles specialising in different areas; a project manager role, a technical management role and an HR-oriented role. Project workers, on the other hand are often required to broaden their competence base to work efficiently in the cross functional teams. Does projectification lead to generalist employees and specialised management roles? Is the purely HR-oriented management role a sustainable solution in the long-run?

Thirdly, there are many opportunities for further research on the alternative types of HR departments in different organisational contexts. Taking the organisational context as a starting point and considering the HR department as one of various players in the HR organisation might give new implications for e.g. outsourcing. The HR-departmental type

that I in this thesis chose to label 'Emergent HR departments' also opens up for studies of HR organisations that do not include an HR department. Which kind of organisation can benefit from this solution?

Finally, a concluding remark. Many of the challenges observed in this thesis are related to the indistinct organisational borders of PBOs. HRM cannot be concerned with solely the relations within the organisation, but has to be acknowledged as border-crossing; HRM is not only about inside integration, but also about outside integration. The concept of 'employee' is changing and even if permanent employment contracts probably will remain as an important feature of the labour market, the employee-employer relation needs to be reconsidered. Many times, it might be more relevant to speak of 'engaged' instead of 'employees'. The project-based organisational form calls for rethinking the organisational borders as delimiting the 'playing field' for HRM.

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