

Convergence or Divergence? Evaluation of Human Resource Practices in Turkey

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Abstract: This study investigates human resource (HR) management (HRM) practices in Turkey vis-à-vis history, religion, culture, and economic systems. It hopes to contribute discussion on convergence and divergence by assessing traditional values' impact on shaping HR practices. The study reviews the journal articles, thesis and conference proceedings addressing major human resource functions, namely job analysis, training, performance-management, recruitment and selection in Turkey. Review suggests directional convergence's presence, meaning companies in Turkey follow the same trends prevailing in the USA or Europe, yet the patterns differ with respect to Turkish firms' understanding and implementation of these trends. Collectivism, paternalism, and uncertainty avoidance seem to profoundly impact HRM practices in Turkey, decreasing the possibility of full convergence. HR literature is dominated by U.S. and European-oriented research. As this study provides a detailed, though not comprehensive literature review concerning HR practices in Turkey, its conclusions also may be extrapolated to countries with a similar socio-cultural dynamic, in addition to suggesting avenues for future research.

Keywords: *Convergence, divergence, human resource management, Turkey*

1. Introduction

Can we claim "human resource practices all over the world are just derivative of or deviations from the U.S. model?" (Locke, Kochan & Piore, 1995). Terms deriving from human resource (HR) management (HRM) practices in the United States, such as *downsizing*, *flexible working hours*, and *pay-for-performance schemes* in other countries, feed an assumption: There is one best way, at least one dominant way, which is the U.S. way. However, an increasing number of studies and real-life examples demonstrate that what is working in the United States [does] not always [work] in other countries. Even when such practices are effective in companies operating in other countries, it cannot be assumed a convergence in management literature is evident, because U.S. style is implemented or understood differently among countries. As Brewster (2004) asserts, talking about directional rather than final convergence is best, given that companies in different countries can follow similar trends yet retain their uniqueness. This paper focuses on HR practices in Turkey, a country influenced by Western-style management practices yet operating under a unique business culture. The paper's aim is threefold. First, being positioned at the crossroads of Europe and Asia, Turkey presents a unique opportunity to investigate how Eastern business style adapts to, or blends with, Western business style. By reviewing studies on Turkey's business operations, this paper will reveal whether traditional values are preserved or lose their dominance, in response to pressures exacerbated by globalization and multinational corporate dominance. This understanding will contribute to increased convergence and divergence discussions in the literature. Second, by reviewing previous studies' results, this study offers insights about HRM practices in countries resembling to Turkey in terms of socio-cultural characteristics. Last, this study hopes to provide practical guidance in the areas of personnel selection, training, and performance appraisal.

As Aycan (2001, p. 252) notes, HRM is a "developing field" in Turkey; knowledge and expertise to both guide practitioners and meet the demand from the businesses continues to develop. By reviewing previous studies and relating them to Turkey's current situation, this study can assist practitioners and direct researchers' attention toward future research. This study mainly aims to question the unfounded assumption that leads practitioners to implement US originated practices without adjusting to Turkish business environment and culture. Although I acknowledge other HR practices' importance (e.g., career management, safety, and health), this study focuses on staffing, training, performance appraisal, and compensation. These four areas have been studied extensively, allowing for a robust analysis and interpretation of prior research. Besides, staffing, training, performance appraisal and compensation constitute HR departments' major activities; thus, analyzing these activities is believed to contribute effectively to both literature and practice. Organizations and their practices cannot be evaluated in

isolation. One must mention demographic, economic, and socio-cultural characteristics of Turkey before evaluating HRM practices therein. The following sections summarize unique and important characteristics believed to shape the Turkish business climate.

2. Characteristics of Turkey

Brief History: Anatolia, ancient land of Turkey, hosted important civilizations, such as the Persian and Roman Empires. Throughout the history, it functioned as a bridge between Asia and Europe, and became one of the world's most economically and socially developed regions. The Turks' history in Anatolia began with tribal migration from Central Asia in the 10th century. Some tribes united by accepting Anatolian Seljuk sovereignty. Economic contact with Muslims facilitated Turks' conversion to Islam (Kabasakal & Bodur, 2002, p. 43). Accepting Islam was a turning point for Turkish history, because the sacred duty of extending the faith (i.e., being *Ghazi*, warrior of Islamic faith) provided the impetus to conquer new lands and significantly shaped Turkish culture and economic activities. Ottomans, who had grown from a small Turkish tribe, ruled in Africa, Europe, and the Middle East, becoming known as the people of one of history's most powerful empires. The despotic governing of the empire, however, shaped Turks' regard of commercial activities and how they earned their livelihoods. Despotism negatively affected property rights, technological advancements, and possible capitalistic developments within the Ottoman Empire (Arslan, 2008). Restricted private property rights and a Muslim warrior ethic shielded Muslims from trade and industry. Most production and trade activities, except for agricultural production, were handled by non-Muslims in lands ruled by the empire. Its Greek, Armenian, and Jewish populations prospered in comparison with peasant Turks (Arslan, 2008), who only started engaging in commercial activities and trade when the Turkish Republic was established in the 20th century. This placed Turks at an economic disadvantage, compared with others more accustomed to commercial activities centuries earlier. Although the Turkish Republic is regarded as a continuation of the Ottoman Empire, it affords unique characteristics in terms of legal structure and administrative bodies. Since its establishment, Turkish Republic concentrated on westernizing the country by implementing social, economic, and political reforms (Kabasakal & Bodur, 2002), which rested on secularism, nationalism, and modernization, reflecting the Turkish Republic's guiding principles. As part of this Westernization policy, Turkey applied for membership to the European Union in 1959 and joined the Customs Union in 1996. Alliances with European countries and trade agreements enabled economic and social cooperation with European and Central Asian countries (Aycan, 2001).

Economic and Political System: The Turkish Republic is governed by parliamentary rule, with members selected via nationwide elections. Its political system is based on a separation of powers, meaning executive, legislative and judicial branches are separate and cannot interfere in each other's affairs. In Turkey, executive power is given to the Council of Ministers, whereas legislative power is vested in the Grand National Assembly of Turkey. The judiciary is independent of the executive and the legislature branches, and independent courts dispense justice by applying designated laws. Both Turkish and foreign enterprises in the country are expected to abide by "Turkish Business Law" and other laws regulating business activities (e.g., Social Security Law and Common Law). Turkey adopts principles of both socialism and mixed capitalism in terms of its economy. As in other socialist countries, the Turkish government owns industrial institutions vital to the common welfare, such as transportation, utilities, and health-care. However, private ownership is allowed in all industries, provided that companies do not act against the common welfare. Since the 1980s, the Turkish government has followed a more liberal economic policy, allowing market forces to dictate production decisions. Moreover, the government encourages private ownership by providing incentives, such as offering loans and selling public institutions to entrepreneurs and private institutions. Both this liberal policy and increased privatization create new opportunities for organizations, investors, and entrepreneurs.

Turkey's economy has become the sixteenth largest among the Organization for Economic Co-operation and Development (OECD) countries (Turkish Republic Treasury Report, 2011). Since the 1980s, Turkey has witnessed an ever-increasing trade and foreign direct investment rate (Aycan, 2001, p. 252). Turkey's gross domestic product increased by 8.5% compared to 4.3% annual growth rate in world economy (International Monetary Fund, 2011) in 2011. With this figure, Turkey became the second fastest-growing country after China (Turkish Republic Treasury, 2011). Despite severe economic crises in European countries and USA, Turkish economy was able to grow about 2% in 2012 (Republic of Turkey Ministry of Finance Economic Indicators, 2012). Investing in Turkey remains a good prospect, with its openness to trade, geographic location, and market size. That is why, for the last twenty years, foreign direct

investments in Turkey and partnerships between foreign and Turkish firms have been on the rise. Undeniably, such investments and partnerships changed the Turkish economy and business environment remarkably.

Through interacting with foreign companies, Turkish firms have increased opportunities to import knowledge concerning management and HRM systems (Aycan, 2001), raising the HR practices' quality. However, as in many other developing countries, Turkey has structural problems. Although Turkey solved the inflation problem causing uncertainties for enterprises and economy, still it experiences problems regarding trade and payment balance. Trade deficit and payment imbalance exacerbates a fragile economic situation for Turkey, raising doubts about future prospects. Thus HR managers sometimes find it very difficult to make long-term plans that hinder effective human capital utilization. About 99% of Turkish firms are small or medium in size, resulting in limitations for HR activities. Previous studies (e.g., Coetzer, 2001; Kotey & Sheridan, 2004) show small- and medium-sized enterprises (SMEs) generally experience different staffing, training, and performance-management strategies compared with large firms. Deshpande and Golbar (1994) claim SMEs prefer to fill vacancies from within the organization, rather than hiring through employment agencies. Johnson (2002) asserts SMEs implement informal, on-the-job training activities to achieve short-term objectives. Consistent with Johnson's (2002) arguments, SMEs were found to rarely carry out formal training-needs analyses and to have no systematic approach to training (MacMahon & Murphy, 1999). A study conducted in Turkey (Cetinel, Yolal & Emeksiz, 2008) supports the findings and arguments cited above. It found a majority of tourism-sector SMEs conducted on-the-job training without carefully assessing training needs or linking training to HR planning. Cetinel et al. (2008) note an unsystematic approach to performance appraisal and job analysis, given findings that many SMEs evaluate performance appraisal and conduct job analysis only when needed. Comparable to many countries, Turkish SMEs generally implement reactive strategies rather than proactive ones, executing HR practices unsystematically and informally.

Religion: Religion plays no significant role in legislation, execution, and judiciary systems in Turkey, yet it still underlies the population's values and business practices. The majority of the Turkish population is Muslim, with most belonging to the Sunni sect. Others believe in Shiite doctrines, another well-known Islamic sect (Kabasakal & Bodur, 2002). Believers of both Sunni and Shiite sects differ with respect to Islamic practices, along with other cultural beliefs. Kabasakal and Bodur (2002) observe Sunni doctrine stresses collectivity and unchanging rules, whereas Shi'ism stresses individuality and change. Shi'ism allows individual freedom and shows openness to change and in practicing religion in a much looser way, compared with Sunnism. Indeed, doctrines of Shi'ism are similar to those of Protestant Evangelicalism, which supports individual freedom and change. Islam and its different sects promote a set of moral values and behaviors in society through the verses of the Koran and sayings of the prophet Muhammad (Kabasakal & Bodur, 2002, p. 45). For example, Islam reinforces the family's importance and the patriarchal relationship within it. Family members are expected to act according to the father's directions and desires, regarded as both leader and authority figure. Patriarchal relations and familial norms are believed to affect work life and cause power inequalities in organizations (Kabasakal & Bodur, 2002). Numerous studies (e.g., Aycan et al., 2000) demonstrate paternalism exists in Turkish organizations in which supervisors assume a parental role providing support and care, and subordinates assume the children's role, reciprocating with loyalty, deference, and compliance. Although not tested empirically, paternalism could be related to Islamic tenets, which reinforce patriarchal relationships within societies. Apart from paternalism, Islam could promote other cultural and moral values, such as the dimensions of collectivism and power distance.

In the GLOBE study (Kabasakal & Bodur, 2002), countries in the Arabic Cluster, which predominantly accept and practice Islam, scored high on collectivism and power distance and low on gender egalitarianism. In many studies (e.g., GLOBE study, 2004; Hofstede, 1980), Turkish people were found to be collectivistic and tolerant of power distance, which could be attributed to Islamic doctrines. Although interpretations of Islam differ from one sect or country to another, overall, the religion seems to promote collectivity and power distance by emphasizing religious brotherhood and accepting those in leadership positions of authority (Kabasakal & Bodur, 2002). Islamic adherents' belief in fatalism also seems to affect people's future orientation in Arabic Cluster countries, including Turkey. The verses of Koran indicate all deeds that both have occurred in the past and will occur in the future are preordained by God (Kabasakal & Bodur, 2002). However, some verses stress the importance of an individual's responsibility and one's free will, clearly contradicting fatalism. According to Kabasakal and Bodur (2002), although Islam offers a complex understanding about fate and free will, interpretations of the faith tend to focus simply on the aspect of predestination. Such interpretations are believed to induce passive attitudes towards the future,

thereby decreasing future orientation in Muslim societies. The GLOBE (Kabasakal & Bodur, 2002) study found Turkey's future-orientation score to be higher than the Arabic Cluster average, yet lower than most countries' scores. However, by looking at only the GLOBE study, regarding Turkish culture fatalistic could be overgeneralization given other studies (e.g., Aycan et al., 2000) reporting that Turkish people are non-fatalistic. Furthermore, linking Islam to fatalism is incorrect, given that most studies conducted thus far are cross-sectional, making it impossible to infer causality. Although not the sole factor, Islam shapes countries' business climates by affecting people's beliefs and values. Turkey, most of whose citizens believe in Islam, is no exception. However, secularism and adapting Western practices in Turkey could reduce the impact of Islam or, to some extent, its societal affects.

Turkish Culture: In early studies on Turkish culture (Hofstede, 1980); Turkish employees scored high on collectivism and uncertainty avoidance dimensions. Participants regarded power differences in society as normal and expressed the importance of nurturing relations, both manifestations of high power distance and femininity. Considering recent study findings (c.f., Cukur, De Guzman & Carlo, 2004; Goregenli, 1997; Aycan et al., 2000; Kabasakal & Bodur, 1998), however some researchers (e.g., Aycan, 2001) concluded that Turkey has become somewhat less collectivistic, hierarchical, and prone to avoiding uncertainty. As in many countries, remarkable changes have been observed in Turkish culture in last decade due to globalization and multinational corporations. When explaining Turkish culture, one should closely examine the findings of The GLOBE study (House, Hanges, Javidan, Dorfman, & Gupta, 2004). Researchers collected data from middle-level managers in 62 societies and asked participants to indicate the degree to which certain values are observed (culture as it is) and their desire for seeing these values in the society (culture as it should be). Among the countries in the Arabic Cluster (i.e., Egypt, Morocco, Kuwait, Qatar), Turkey scored highest on collectivism and assertiveness and lowest on uncertainty avoidance. While human and performance orientation scores were quite low, power distance scores were quite high, possibly explaining power inequalities in Turkish organizations. Remarkably, Turkish managers indicated a strong desire for a more collectivist, egalitarian society, wherein power distances and gender equalities were removed (Kabasakal & Bodur, 2002). Although collectivism and paternalism are emphasized more, Turkish culture is also characterized with the feminine orientation dimension (Hofstede, 1980). In feminine cultures, people attach importance to personal relationships and show concern for the weak. Compared with masculine cultures, feminine cultures are less likely to emphasize material success and show assertiveness (Hofstede, 1984). In these cultures, the work life focuses on relationships and working conditions (Sale, 2004); therefore, any practices that damage relationships and working conditions are avoided. Attempts to differentiate one employee from another, tie compensation to performance, or give negative feedback are regarded as potentially threatening to workplace harmony. Although not empirically tested, feminine culture may affect, to some extent, managerial attitudes and behaviors about performance appraisal, compensation, and labor relations.

3. HRM in Turkey

Development of HRM and the Role of HR Departments: In the past, personnel departments in Turkey oversaw transactional issues such as payroll calculations and kept track of employee absences. The late 1980s saw "personnel departments" converted into "HR departments" (Sozer, 2004), bringing significant change to managing personnel-related issues. Changes in Turkey's economic and social life, along with increased interaction with Western institutions and the presence of multi- and international corporations, provided an impetus for this transition. HR managers shifted their focus from providing transactional services to finding, attracting, and retaining highly qualified employees. Creating competitive advantages through HR has become important, which led Turkish companies to follow trends through benchmarking. As Emre (1998) and Usdiken (1996) state, the majority of Turkish HRM concepts and practices has been adopted from foreign countries; therefore, the field is developing primarily while learning from foreign experience. Adopting new practices and burgeoning academic interest about HRM enabled HRM's progress in Turkey (Sozer, 2004). Despite significant improvements, however, a lack of both interest and effort in developing unique theories concerning Turkey's business environment has hindered further development and prevents managers from implementing practices compatible with Turkish culture and labor style. HR managers generally perform functions involving assisting and advising line managers about hiring, training, evaluating, rewarding, promoting, and discharging employees (Dessler, 2010). Nowadays, HR managers formulate and execute human resource policies and practices, contributing to companies' strategic aims. As in many countries, strategic HRM (SHRM) has become increasingly popular and widespread in Turkey. A study conducted by Acuner (2001) revealed HR managers in many Turkish companies (about 61% of the participating organizations) were actively

involved in strategic development, as were even executive committee members (46.5% of the organizations). Similarly, a study conducted by Gurbuz and Mert (2011) demonstrated that large firms in Turkey usually integrated HR policies with their business and corporate level strategies, suggesting SHRM's existence.

The study comparing 35 countries in terms of HR practices (see, Cranfield Network on Strategic International Human Resource Management-CRANET-G 1999–2000 Survey) revealed two results. First, a strategic role for HRM is widespread in Turkish companies. Second, there are signs of convergence between the companies in Turkey, Germany, and Spain on HRM's strategic role (Ozcelik & Aydinli, 2006, p. 310). Apart from being represented on the board of directors, generally, HR departments in Turkey develop strategies and measure performance, as in many other developed countries. For example when Ozcelik (2006) compared US and Turkish firms with respect to the existence of written HR missions, she found that most Turkish firms (about 75%) had a written missions like their US counterparts (84%). The contribution of HR departments to overall organization strategy was also found to be similar in Turkish and US firms. Though this study and many other indicated the existence of convergence, there were also studies reporting conflicting results. For example, banks in Turkey and Hungary were found to diverge in terms of SHRM and HR practices in a recent comparative study. Turkish banks, even small ones, maintain written policies about recruitment, selection, career management, training, compensation, and performance management. This could be interpreted as the institutionalization of HR departments and their ever-increasing managerial role. In nearly all Turkish banks, HR departments play an active role in determining and implementing strategies, which is not the case for most Hungarian banks, except large ones (Aydinli, 2010). Increasing role of HR department especially on recruitment, selection and training was revealed by another study based on Cranet-G data (Tanova & Nadiri, 2005). The study revealed that both SMEs and large firms in Turkey have systematic approach to training, which is evidenced by written training policy. The aforementioned studies suggest HR departments' increasing importance in corporate strategies and governance. Notably, these studies mainly were conducted with large, institutionalized companies that implement Western-management practices and allocate significant amounts of money to HRM. A limited number of studies investigated HR departments' role (if they exist) in Turkish SMEs.

4. HRM Practices in Turkey

Job Analysis: Almost all personnel-related actions, staffing, training, and performance appraisals depend on knowing a job's duties and which human traits are best suited to a given job (Dessler, 2010). Job analysis provides information about these issues, namely, by analyzing a particular job and the characteristics of people who could perform this job well. Since information gathered from job analysis can be used in recruitment, selection, compensation, training, performance appraisal, and legal affairs, it has gained substantial attention from scholars and practitioners in Turkey. For example, Sozer (2004) reported that of the 157 organizations surveyed, 65% had conducted job analyses, which mainly were done by HR departments (67%), followed by consultancy firms (12%). Job analysis data were mostly used for selection, compensation, training, and development purposes and were generally renewed once every 2–3 years (24%) or every 4–5 years (7%). Notably, job analysis was not conducted systematically in a considerable number of organizations (18.4%). Some organizations tended to perform job analysis at irregular intervals, only when it was needed or when something changed. Öztürk (1995) reported similar findings. Data collected from 33 public and 253 private organizations revealed that Turkish managers were aware of the importance of job analysis. However, managers indicated they performed such analysis only occasionally and updated job descriptions and specifications once a year or once every five years (Öztürk, 1995). As many researchers state, it is advised to renew job analysis information frequently to keep track of changes in jobs (i.e., changes in duties) and devise more effective HR practices. While Turkish managers realize job analysis' importance, they seem to ignore updating such data. Despite this shortcoming, we must acknowledge the increased attention toward the subject. With the decision of the Turkish cabinet in 2000, it was made mandatory for all public institutions to conduct job analyses and determine the number of people needed for each position. This decision led increased understanding job analysis principles and human resource planning, especially in public organizations, which had been governed using traditional personnel management practices. Today, modeling the practices of public organizations and institutionalized private organizations, many organizations at least try to inscribe job descriptions and specifications. There seems to be convergence with respect to usefulness of job analysis.

Recruitment and Selection: Enormous changes have taken place in recruitment and selection since the beginning of the 21st century. New recruiting and selection techniques, such as web-based recruiting and

testing, make it easy to recruit and place highly qualified job applicants. In Turkey, web sites, which serve as intermediaries between job candidates and firms, have become popular in the last decade. Since internet-based recruiting is a relatively cost-effective way for firms to publicize vacant positions and eliminate unqualified applicants, many firms in Turkey post job advertisements on career-search web sites. For unqualified, low-skilled, or blue collar employees, many firms rely on the services of the Turkish Work Institution (İşkur), a public institution providing consulting and placement service to both employees and employers. A new bylaw enacted in 2008 enables people or organizations to open private employment agencies, which act as intermediaries between job candidates and firms; however, these agencies are not effective or yet widespread in Turkey. Despite the aforementioned recruiting improvements, many firms in Turkey use traditional recruitment methods. Employee referrals and suggestions from other contacts are still prominent ways of finding new employees. In one study (Sozer, 2004), 66% of organizations indicated they used employee referrals for non-managerial positions, although this number fell to 38% for managerial positions. Aycan (2001) explains the preference of employee referrals by invoking Turkish culture's collectivist nature. Because collectivism is associated with kinship and in-group favoritism, it could lead employees to suggest relatives and friends for vacant positions in their organizations. Managers prefer employee referrals, because current employees are believed to provide accurate information about the job applicants they refer. Incorrect information or a bad referral could risk the reputation of the employees; thus, it is believed employees will use care when referring someone, in order to save face. In addition, employee referrals could be less costly, compared with other recruitment techniques, such as employment agencies and advertising, adding to this technique's popularity.

In all over the world, internal recruiting is preferred especially for all managerial positions, yet large firms have greater tendency to recruit internally than small firms. Based on Cranet data, Tanova and Nadiri (2005) found similar results for large firms in the European Union (EU) and in Turkey. In both EU and Turkey, large firms were found to recruit internally more than smaller firms, though this tendency was higher in Turkey. The convergence was also observed for SMEs as well. According to Cranet Data, Tanova and Nadiri (2005) concluded that SMEs in both EU countries and Turkey use employment agencies to fill especially senior management positions, though SMEs in Turkey preferred internal recruiting more than employment agencies. It seems that large firms take advantage of large employee population (i.e., candidate pool); therefore they are able to use internal recruiting more than SMEs. SMEs prefer the assistance of employment agencies, which can reduce the costs and time in finding qualified candidates (Tanova & Nadiri, 2005). Similar recruitment preferences of large and small firms in EU and Turkey suggest the existence of convergence. However cultural and institutional differences could hinder full-convergence and lead some countries to use different recruitment techniques with different levels. In addition to employee referrals, when recruiting for positions, Turkish firms seem to prefer (in ascending preference) walk-ins, newspapers, and the internet for non-managerial; and newspapers, the internet, and consultancy firms for managerial positions (Sozer, 2004). We must acknowledge differences between private and public institutions in terms of recruiting methods used, as recruitment and selection methods are clearly spelled out in the public sector. This explains why public organizations rely heavily on job posting (internal recruiting via promotion), media advertising (i.e., announcement of vacant positions), and transferring employees among public institutions.

In recruitment, Turkish managers prefer certain selection techniques over others. A survey (Arthur Andersen, 2000) conducted with 307 private organizations revealed the one-on-one interview is the most frequently used method of selection in Turkey (used by 90% of the participating organizations). Similar findings have been obtained in Sozer's study (2004) in which it was reported 92.5% of the organizations used the interview technique for selecting employees for non-managerial positions. Although this number fell to 85.0% for managerial positions, it is still remarkable. It seems Turkish managers prefer "interviewing" when making final decision about job candidates. Interviewing seems to be advantageous for small firms, because it is less costly compared with more sophisticated selection techniques, such as evaluating work-samples, cognitive ability, and personality tests. Apart from that, Turkish culture's collectivist nature makes interviewing the more attractive choice, because it enables managers to directly assess job candidates' compatibility with the organization and job. For collectivists, such an assessment is important for maintaining a harmonious workplace. Previous studies (e.g., Arthur Andersen, 2000; Sozer, 2004) showed that organizations are less likely to use objective and standardized selection techniques such as personality, skill, and intelligence quotient tests, due to practical or cultural reasons. Adaptation, standardization, and cost-related problems may hinder using these techniques. Although not tested empirically, in addition such techniques may be incompatible with Turkish culture. Tests are an objective

yet impersonal method of selecting employees. As in other high-context cultures, Turkish people attach greater importance to nonverbal aspects of communication. Paper-and-pencil tests provide inadequate information for people in a high-context culture, because they do not allow for conveying meanings via gestures, body language, proximity, and symbolic behavior. Interviewing thus is the more viable and informative alternative for assessing person–job fit.

Management affords priority to family relationships when hiring, and special treatment for family and friends is expected in most organizations, especially in Turkish public ones. However, nepotism also manifests itself in different forms and ties in private sector, including ties based on family membership, graduate networks, religious sects, birthplace, and other arbitrary social ties (Ozbilgin & Woodward, 2003; cited in Ozbilgin, 2011). As indicated before, employee referral is used in many countries; however previous studies (e.g., Cranet-G) demonstrated more extensive usage of this technique in Turkey. The existence of country specific forces, such as collectivism, in-group favoritism seems to create divergence. However adaptation of Western management practices, existence of multinational corporations, globalization and other mimetic forces could eliminate this divergence in the future.

Performance Management: Employees differ as to how well and conscientiously they do their work. Performance appraisal systems are necessary to pinpoint differences in employee contributions (Arvey & Murphy, 1998) and to determine the need for corrective actions if employee performance falls below the average. Also, performance appraisal systems provide safeguards against litigation by documenting, for example, poor employee performance as a reason for termination. Despite its strategic role, performance appraisal is still one of the most challenging HR practices, because performance appraised is often subjective and can cause conflicts, disturb group harmony, and feed perceptions of injustice. People of various cultures may respond differently to performance measuring methodology, even to the idea of measuring it. For example, in a recent study, the use of multiple sources of raters was found to be most acceptable to employees in organizations that operate in low PD societies, in high FO societies, and in individualistic rather than collectivistic societies (Peretz & Fried, 2012, p.457). To preserve group harmony and relationships, collectivistic cultures emphasize loyalty rather than productivity. Such situations may lead to social and relational criteria being given greater weight compared with task performance in performance appraisals (Aycan, 2005). Numerous studies have shown Turkish organizations generally prefer soft criteria (e.g., social and relational attributes) when evaluating employee performance. A study (Arthur Andersen, 2000) revealed that one-third of Turkish organizations use competency and behavioral criteria for performance appraisal, although most often these criteria are not shown to be valid. Similarly, Erdil (1998) found that coordination and communication skills, customer orientation, creativity and desire for achievement are commonly used as performance criteria. Unal (2012) reported a majority of Turkish firms (54% of 100 companies) use competency-based performance appraisals, whereas only one-third (29%) use objective measures.

When evaluating employee performance, Turkish firms generally prefer rank order, graphic ratings, and forced distribution scale methods, rather than critical incident or behavioral anchored rating scale (BARS) methods (e.g. Erdil, 1998; Sozer, 2004). Previous studies (see, Sozer, 2004) reveal appraisers, for the mostly part, are immediate supervisors but rarely upper-level managers, colleagues, customers, or subordinates. In Turkish firms, 360-degree performance and feedback systems are rarely used; if they are, it is done for developmental reasons rather than for administrative purposes (e.g., reward management and promotion decisions). In addition to assessing the appraiser's characteristics, one needs to evaluate performance appraisal frequency, because this indicates the importance attached to performance management. Studies (e.g., Sozer, 2004; Unal, 2012) show that Turkish firms generally conduct performance appraisals annually, rather than quarterly, semi-annually, or monthly. Infrequent performance appraisals could make it difficult for managers to keep track of performance problems and pursue timely corrective measures. By conducting performance appraisal once or twice year, many Turkish firms may miss opportunities to use human resource capital effectively and efficiently. However, doing more performance appraisals might damage Turkish organizations. Turkish culture is a feminine culture, stressing personal relationships rather than personal accomplishments. The idea of measuring individual performance and separating low performers from high ones could damage personal relations, especially relations with managers regarded as father figures.

Generally appraisers (manager, supervisor, etc.) tend to think their evaluations are just and reflect the situation. But subordinates tend to evaluate performance appraisal outcomes as biased or subjective (Unal, 2012), reducing the likelihood of integrating performance appraisal systems with other HR

systems, such as compensation or career management systems. Before concluding the discussion about performance management in Turkey, however, it is noteworthy to mention the roles of culture, ownership status, and company size. Power distance and paternalism seem to significantly shape performance appraisal systems in Turkey. Generally, supervisors evaluate subordinates, delivering the results of such evaluations via face-to-face interviews. Employees believe supervisors have the authority to evaluate their performance because of their organizational position and do not usually accept alternative appraisers, who might assess their performance more effectively. Other than cultural characteristics, one needs to also consider ownership status. In Turkey, public organizations generally employ fixed and outdated performance appraisal systems in which neither individual nor group performance is measured. Since public organizations do not strive to either generate high profits or maximize shareholder returns, they have little incentive to develop sound performance appraisal systems unless forced to so by the state. As Corbett and Kenny (2001) observe, such organizations generally judge their performance good for its own condition. In Turkey, the centralist structure leads all public organizations to use the same performance system (Akçakanat, 2009). However, changing environmental circumstances, management styles, and organizational objectives in the public sector necessitate using more modern and company-specific measures. Since this study does not focus on public sector HR policies, detailed discussion of this topic is not given in here. Interested readers should consult articles assessing public sector performance appraisal (e.g., Gurbuz & Dikmenli, 2007; Safak & Okan, 2010).

Training and Development: One argument (e.g., Carlisle & Henrie, 1993) believes training could become a management fad, wasting time and money if implemented incorrectly, while for another (e.g., Dessler, 2010), it is indispensable, creating competitive advantages and contributing to bottom-line results. Which one believes depends on assumptions concerning the malleability of employees' skills and competencies. Managers who feel education and practice improves skills approach training and development more positively. In their studies, Aycan et al. (2000) conclude Turkish managers support training and development activities, because they believe their employees' skills are malleable. Consistent with this claim, approximately 91% of those participating (258 Turkish organizations) indicated they had a structured policy for training and development activities (Uyargil, Özçelik, & Dundar, 2001). Acuner (2001) concludes training is one of the most widely used HR practices in organizations operating in the Black Sea region, and Sozer (2004) reports small (81.8%), medium-sized (72.9%), and large (87.7%) organizations engage in such activities. Although training's importance is increasingly acknowledged, evaluating both the need for it along with its effectiveness varies across organizations. In one study (Cengizhan & Ersun, 2000); HR managers or specialists assessed employees' training needs, based on performance appraisal data and interviews conducted with department managers. In another study (Acuner, 2001), however, general managers determined training needs and content of training programs, based on personal judgments rather than performance data or employees' specific needs. Sozer (2004) found Turkish firms' training activities were mostly determined by managerial demands (76%), employees (72%), and sometimes performance appraisal results (53%). Almost half of the organizations (46%) indicated that they were conducting training-needs analyses. However assessment of training needs seems to differ with respect to firm size. Based on Cranet-G data, Tanova and Nadiri (2005) concluded that large firms analyzed their training needs more than small firms in Turkey. In their study, researchers indicated that 72% of the large firms systematically assessed their training needs, while this figure fell to 62.7% in SMEs.

According to Cranet-G data, Turkish firms do not seem to differ from firms in EU in terms of needs assessment and percentage of employees receiving training. However, the same data also shows that inadequate vocational training at the country level led Turkish firms to train their technical and clerical staff more than firms in EU. This suggests the existence of divergence with respect to training designed for specific employment categories. To the author's knowledge, only a limited number of studies have investigated training methods used in Turkish companies. In one of these, a majority of firms indicated they preferred on-the-job training (72.5%), lectures (72%), visual techniques (51.5%), and computer-based training (47%) when training employees and managers. That study revealed firms also provided trainers' profiles. Employees were trained by trainers from outside the firm, experienced managers, and individual trainers working within the organization in 68.5% ($N = 137$), 66.5% ($N = 133$), and 55.0% ($N = 110$) of the organizations, respectively (Sozer, 2004, p. 83). The study based on Cranet-G data provided similar results (Tanova & Nadiri, 2005). The percentage of Turkish firms using external trainers was found to be 47.2% and 61% for small and large firms respectively. Remarkably, considerable number of firms (73% of large firms versus 61.2% of small firms) indicated that they were using computer based training packages. Apart from the training techniques, Tanova and Nadir's study also revealed the

differences between large and small firms and the difference between Turkish firms and EU firms. Both small firms and large firms in Turkey increased the amount of formal training more than EU average. The Turkish survey revealed that the average amount of informal training in large Turkish companies also surpassed the average amount in EU. However, no significant differences were observed with respect to increase in use of informal training in SMEs in Turkey as compared to SMEs in the EU. Increasing importance of training seems to indicate convergence.

Similar to many countries, evaluating training effectiveness remains challenging for Turkish organizations. A survey conducted with 307 private sector organizations in Turkey (Arthur Andersen, 2000) revealed Turkish organizations rely heavily on evaluating the trainer when assessing training effectiveness (82%). In most instances, training participants were asked to evaluate both the training's perceived utility and trainers' capabilities. As Aycan (2001) points out, "happy sheets", which typically evaluate trainees' reactions to the training program, are the most commonly used method of assessing training effectiveness. However this evaluation technique may not accurately reflect training's contributions to firm performance and employee skills. According to Arthur Andersen's study (2000), only 44% of participating organizations use knowledge tests administered before and after training. Sozer's study (2004) noted similar results (42% of 158 companies use knowledge tests). The transfer of skills to the workplace and the impact of training on bottom-line results are generally ignored when gauging the effectiveness of training activities. Considering training activities contribute relatively little toward employee motivation, skills, and financial performance, Collings and his colleagues (2010) recommend Turkish firms conduct training needs analysis more carefully and improve training evaluation. Both small and large firms may differ with respect to their training approaches. Although not ignoring training's importance, SMEs may prefer more informal and unsystematic approaches in which training-needs analyses were rarely conducted, with training activities infrequently tied to HR planning (e.g., Cetinel et al., 2008). Thus one must consider such contextual factors (e.g., firm size, industry) before reaching conclusions about Turkish firms training practices.

Compensation: Compensation is a sensitive issue for both firms and employees. Wage determination and benefits allocation signals to employees their organizational status and their relative contribution. Perceived inappropriate compensation levels feed feelings of injustice and disturb personal relationships, causing resentment and distrust; therefore, companies should exercise diligence when making such decisions. Tying compensation to individual employee performance seems to be at odds with Turkish culture, having somewhat collectivistic characteristics. According to Collings et al. (2010, p. 2595), team- or organization-level compensation offers greater employee incentives in collectivist cultures, rather than those that are individually based. Compensation systems based on individual performance that often reward high performers can disturb group harmony and create hurt feelings among employee ranks, undesirable for collectivist cultures that emphasize group harmony and attachment. Aycan et al. (2000) state Turkish organizations do not commonly apply performance-based reward systems, possibly due to unique aspects of Turkish culture. As indicated above, Turkish culture is characterized by high levels of paternalism and collectivism. Paternalism often shapes relationships between managers and employees. Managers assume a fatherly stance, causing challenges in differentiating employees from one another and rewarding each according to individual performance. Relationships are to be preserved among all employees, with Turkish managers generally refraining from attaching performance ratings to compensation policies. In addition, collectivist attitudes increase the reluctance to use pay-for-performance arrangements. Collectivist cultures decry one individual's moving ahead of others, because it inhibits harmonious cooperation. Aycan (2001) states Turkish firms prefer to not select an "*employee of the month*" or present "*rewards for superior performance*," believing such awards will do more harm than good.

Sumer (2000) claims Turkish firms prefer reward systems linked to employee needs, rather than performance and notes high levels of power distance between managers and employees lead to rewards being distributed, based on political factors instead of performance. However, making generalizations is not correct given the existence of various pay-for performance schemes in Turkish organizations. Also before concluding that pay-for performance systems cannot be applied in Turkish setting, we need to take into account the role of ownership status of the organizations. For example, recent study conducted with the subsidiaries of multinational corporations (MNC) and domestic Turkish firms revealed the existence of divergence in compensation systems. In this study, MNC subsidiaries were found to implement pay-for-performance schemes more extensively compared to domestic Turkish firms (Mellahi, Demirbağ, Collings,

Tatoğlu & Hughes, 2013). Within country differences regarding compensation or any other HR practices could be more than between country differences.

General Evaluation: Undeniably, globalization, competitive pressures, and Western management-style practices promoted as universal truths make organizations and their practices more alike. Despite one culture's companies embracing of terminology and HR techniques from a foreign culture, this may not indicate full convergence. Many times, terms and techniques are understood and applied differently throughout the world. While acknowledging directional convergence's existence, I remain convinced successful HRM requires understanding culture, social structure, history and organizations of the country. Reviewing HR practices and policies in Turkey supports this claim. Turkish firms seem to apply Western-style management practices by adapting them to Turkish culture, working style, and legal framework. For example, most HR practitioners acknowledge the importance of measuring individual performance yet measure group performance or use soft criteria, which measure conscientiousness, person-organization fit, and industriousness, rather than contributions to organizational goals. As noted above, Turkish culture is characterized by attributes of collectivism, feminism, and paternalism. In many collectivist cultures, a high-quality job is one that allows individuals to fulfill family obligations (e.g., Kiggundu, 1982; cited in Hofstede, 1984) and provide effective interpersonal relations. In addition, offering flexible scheduling arrangements, providing child-care facilities, and avoiding public performance feedback, especially when feedback is negative, appears necessary. In line with claims by Schuler and Rogovsky (1998), uncertainty avoidance seems to make seniority-based compensation systems more prevalent in such cultures, probably because they are associated with greater security, compared with merit-based compensation systems. Moreover, compensation and performance appraisal systems singling out high performers from average or low performers are not preferred in collectivist cultures.

As indicated by Hofstede (1984), people in cultures seeking security become nervous when encountering unstructured, unclear, or unpredictable situations; therefore, they seek to avoid them by adopting strict behavioral codes and a belief in absolute truths. HRM policies and activities in Turkey seem to support Hofstede's claims (1984). Even small companies without HR departments issue rules and policies about administrative affairs (e.g., payroll calculations, absentee rates, etc.). However, when it comes to HR planning, career management, compensation, and performance appraisal, remarkable differences abound between small and large firms, and more or less institutionalized firms concerning written procedural availability and adopting systematic approaches. Small or less institutionalized firms seem to imitate and adapt the practices of large and more institutionalized firms, approaching HRM reactively rather than proactively. Most of the time, these firms have no structured or written policies, which could lead to ineffective and arbitrary resource utilization. Examining results of previous studies and implementations in Turkey, one observes the existence of directional convergence but not full convergence. Turkish organizations try to implement U.S.-originated HR practices with some modifications. Most organizations know about the benefits and uses of job analysis, training, and pay-for-performance systems yet implement these HR practices without adequately considering organizational and national specific characteristics and contingencies. Without denying the role of globalization and multinational organizations on inducing organizations to operate in similar ways, still, it seems premature and imprudent to claim one best formula exists.

Avenues for Future Research: National culture makes a unique contribution to understanding HRM policies and practices. However, culture can be defined not only at the national level, but also at group, department, and organizational levels (Schuler & Rogovsky, 1998). Therefore, researchers must address organizational and group cultures' role in HR practices and employees' perception of such practices. Future studies could examine national culture, treating it as a proximal factor, affecting organizational and group cultures, which in turn shape HR departments' activities. Such studies might reveal the underlying mechanism by which national culture affects HRM. The impact of both religion and history must be considered as well when explaining cultural differences between countries in terms of HR practices. Future studies could address the role of Islam or Christianity on economic activities, national culture, and employee-employer relationships. For example, Muslim countries and others could be compared with respect to performance orientation, collectivism, and fatalism as previous studies demonstrated these characteristics could affect performance appraisal and compensation systems. Comparing HR systems in Turkey with those in Arabic countries could be useful for understanding the role of religion on HR practices because the way Islam is interpreted differs in Turkey and Arabic countries. Examining country-specific differences' impact on HR practices is worthwhile; however, one should not overlook other variables' impact, such as ownership status, company size, and sector. Most

studies have been conducted in private companies wherein the primary motive is increasing productivity and profitability. Research can reveal how public companies implement modern HR practices. In central countries like Turkey, governments exert influence over public organizations, even if they are managed autonomously (Gürbüz & Dikmenli, 2007, p. 109). Outdated systems, compliance with a central authority, and traditional business practices could hinder implementing modern HR practices in public organizations. Therefore, researchers conducting future studies could investigate how new HR practices could be brought into alignment with public organizations' missions and activities.

Considering their share and contribution to world economies, small and medium-sized enterprises deserve greater attention devoted to their management concerns. Nepotism and cronyism, ineffective training programs, and relying on outdated compensation, performance, and selection systems are widely observed in SMEs. Researchers are advised to pinpoint the aforementioned problems' underlying causes and devise better ways of establishing effective HR systems with scarce resources to enable effective utilization of human capital. Future research could investigate whether HR practices of the multinational corporations are affected mostly by the national culture of the host country or national culture of the home country. Researchers could collect data from a multinational corporation operating in different countries having different cultures. By ruling out the possible confounding effect of organizational culture, such a study could reveal whether HR practices of the multinational corporations are shaped by home or host country culture. Organizations worldwide are becoming more similar in terms of structure and technology whereas behaviors of employees continue to manifest culturally based dissimilarities has been accepted as a proposition in the international management literature (McGaughey & De Cieri, 1999). Yet, it is too simplistic to attribute the current HR practices simply to cultural characteristics in Turkey, such as a strong 'paternalism', "power distance" and "collectivism". According to institutional theory, it is hard to discern the role of culture as it is embedded in a country's social and economic institutions. Accordingly, one should not examine separate aspects of a system without locating and understanding the overall system in its specific context (Rowley & Benson, 2000). Religion, culture and history might have shaped business environment and HR practices in Turkey, yet one should look at the interaction between these factors and other institutional elements such as size of the organizations, finance, and availability of skilled labor force in the country. So far, researchers addressing convergence-divergence discussion focused on cultural and other national differences yet ignored other institutional forces. I think researchers should expand the discussion by using the premises of "Institution" and "Contingency" theories. By using the key terms of these theories such as mimetic forces or institutional factors, researchers are could determine the extent of divergence or convergence and get full picture of international HRM, which is not limited to cross cultural comparisons of HR practices.

Suggestions for Practitioners: Although many studies were conducted about convergence-divergence debate and international human resource management, most of these did not (perhaps could not) provide a roadmap that could be used by practitioners. I believe that more studies should be conducted with the assistance of practitioners In order to lessen the gap between theory and practice. Practitioners need to be aware of the fact that using benchmarking technique and using so called "best formulas" may not be appropriate given the beliefs, norms and values of the local environment. The managers of the multinational corporations should be alert against the potential clash of the corporate culture and the national culture of the local subsidiary and partner. Managers of multinational corporations should acknowledge that any attempt by headquarters to control subsidiaries through corporate culture and benchmarking could backfire if autonomy needs and resistance to change in subsidiaries are strong. Standardization of human resource practices all over the world could reduce costs, yet it should not be done haphazardly without considering applicability of the practices to specific culture and organization. For example, studies showed that US-originated practices such as 360 degree feedback and merit-based compensation did not work in all cultures. Implementation of these systems may require substantial organizational change involving culture, structure and technology changes with no guarantee of success. Before implementing a HR system / practice and adopt HR policy, managers are advised to take into account cultural (national and organizational cultures), organizational (the size of the organization, characteristics of the labor force in the country and in the organization) and macro factors (characteristics of the industry, legislation and business laws). If managers are decisive about implementing a practice that is at odds with national culture, the reason of this choice should be explained to employees and corrective measures should be taken to overcome resistance.

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