

# Managing HR Knowledge in a Large Privately Owned Enterprise: An Empirical Case Analysis

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**Abstract**—The paper contributes towards the development of scarce literature on HR knowledge management. Drawing literature from knowledge management, the authors define the meaning of HR knowledge and propose that there are social mechanisms in organizations that facilitate the management and sharing of HR knowledge. Instead of investigating the subject in large multinational corporations, the present paper examines it in a large Chinese privately owned enterprise, which has an international standing. The main finding of the case analysis is that communication and feedback plays a pivotal role when managing HR knowledge. Social mechanisms can stimulate the communication and feedback between employees, thus facilitate knowledge exchange.

**Keywords**—HR knowledge, knowledge management, large privately owned enterprises, China.

## I. INTRODUCTION

WITHIN the international research arena, the relations between HR practices and knowledge management are amongst those studied by many scholars [1]-[3]. Their research further affirms that HR practices can impact on knowledge sharing greatly in organizations. However, there has been little research investigating the overall management of HR policies and practices from a knowledge management perspective. Although there are abundant studies in the subject area of knowledge management [4] and knowledge is defined by a number of scholars: explicit and tacit knowledge [5]; personal knowledge [6]; organizational knowledge [7]; and so forth, little research has attempted to define the meaning of HR knowledge. Drawing knowledge management literature, the authors define HR knowledge as multi-facet functional organizational knowledge and will explain it later in the paper. Furthermore, knowledge transfer and its effect on HR practices in Chinese foreign firms are amongst the most researched theme with concerns over the transfer of the western concept of HR to China [8]. The practices of the transfer and sharing of HR knowledge between organizations and in the organization have not been captured in the literature. The changing institutional context and the expansion of HR communities and websites have to a certain extent facilitated such transfer and sharing practice.

The authors chose to research Chinese privately owned enterprises (POEs) for two reasons. One is due to its rapid expansion and growth in the past thirty years. This is in

addition to foreign private sector of vast presences of multinational companies (MNCs). MNCs including JVs are still the most researched firms according to the publications in English journals. However, there is limited HR research on POEs [9], [10]. This is in part due to the fact that the speed of development and changes in POEs has only recently began to catch the attention of Chinese and Western scholars; and in part due to the access difficulties that many scholars had when conducting research in China, as indicated in several recent review papers [10], [11]. The second reason that we chose to study Chinese POEs is that our understanding on how successful Chinese firms manage their human resource is limited. The research conducted in Chinese POEs has a relatively strong focus on comparing HR practices between foreign firms and POEs [8]. Furthermore, research with a sole focus on HR practices in POEs is rare, even in the two well-cited cases of the appliance giant Haier and the computer maker Lenovo. The Haier and Lenovo cases clearly demonstrate the strategic decisions that both owners took and succeeded in gaining competitive advantage in the domestic and global markets. However, neither in these two cases was the issue of HR practices fully addresses. This knowledge is critical to other Chinese firms, as well as foreign firms, in terms of better adapting and responding to the unique business challenges and environment in China.

To address this gap, the paper intends to reveal the practice of how a large Chinese POE manages HR knowledge, with regard to the development of HR policies and procedures in the organization; and how the feedback mechanism is operated to encourage HR knowledge exchange in the team. Thus, the paper will address the following two questions:

- What is the process of developing HR policies and procedures in Chinese POEs?
- Is there a feedback mechanism to facilitate HR knowledge exchange? If it is, how does it operate?

The paper will firstly review the development of HRM practices in China, and define HR knowledge. It will then develop a conceptual framework of social mechanism for managing HR knowledge. After explaining the research methods, the paper will report a case analysis of a preliminary case study in a large POE, then revisit the research questions, and state the research implications, limitations and areas for further research.

## II. DEVELOPMENT OF HRM PRACTICES IN CHINA

HR in China has changed significantly in the past thirty years following the vast influx of multinational companies and the influence of the institutional changes including labor

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market, labor contract law and the characteristics of national culture on the formation and implementation of HR policies and how people are managed in practice [11], [12]. As privatization and marketization deepens, there are a growing number of Chinese firms with diversified ownership types [13]. Existing research has indicated that western HR ideologies are indeed in practice in Chinese firms in the form of hybrid models combining aspects from US and European models [12], [14], [15]. 'HR with Chinese characteristics' and 'bounded' or 'soft convergence' has been widely used to characterize the pattern of HR practices in China [16], [17]. However, the tentative model is challenged by the lack of research data from POEs [8], [9], [16].

When looking back at the development of HR practices in China, we see a hybrid description of both convergence and divergence is commonly used amongst scholars [16], [18]. This description signifies that Chinese HR practices adopt both the convergence and the divergence approaches simultaneously [18]. Zhao and his colleagues divided the path of the HR development in China into three stages: 1) the introduction, 2) the probing stage, and 3) the systematic intensification state. The starting point of the introduction stage is 1978, when China launched economic reforms and the opening policy. China imported and adopted the US practices gradually (but increasingly) at the micro level of HR (selection, training, performance appraisal and compensation). Chinese firms learned HR in a market economy from scratch, but have been active in learning principles and practices through many avenues: MBA business school courses, business training, visiting abroad, joint ventures, foreign invested companies, consulting services and so forth [19].

Although China has experienced great economic change, they have never given up their most important cultural characteristics, the ability to manage paradoxes [16], [18], [20]. Thus, on one hand, many universal HR function and principles can be generalized to Chinese organizations [20]. On the other hand, Chinese companies follow a particular logic associate with Chinese traditional value and/or socialism. Zhang [20] further elucidate that Chinese managers espouse 'logic of collaboration' where interpersonal cooperation and harmonious relationship lead to good outcomes. During the period of economic reform, Chinese companies abandoned those extreme practices, have been adopting new HR principles and practices with 'logic of competition' and individual responsibility [21]. These have seen as the new trend of HR practices in Chinese firms.

The companies that learned and adopted Western HR ways quickly (e.g. Lenovo, Haier, Huawei Technology) had an edge over their counterparts in China. One reason, as [18] explained, is that these companies benefit from knowledge and experience that help them move toward modern HR in market economy. Another reason is that these companies absorb new elements of cultural embedded in HR functions and practices that help them overcome disadvantages associate with the traditional culture. A hybrid HR system has positive impact on Chinese firms' performance [21]. Besides, small and medium enterprises in China are found to adopt a relative convergence

with Western HR practice, although one that is strongly influenced by unique 'Chinese characteristics.' [22].

It could be argued that hybrid HR systems coexist in China is not only due to the distinctive Chinese cultural, but also because of the contextual factors such as ownership types and sizes of the company [18], [23]. Furthermore, Chinese firms perceive management systems in those of multinational companies (MNCs) represent 'modern and scientific' and in order to be in line with them, they need to do things in a similar way. On the other hand, Chinese firms embrace the free autonomy to adopt, and test, what they believe to be good for the company, and adjust it to their circumstances. Large Chinese POEs commonly have a number of sub-companies producing a wide range of products and services. Due to the country size of China, the business operations of these large Chinese POEs are equivalent to those of large MNCs that operate in different countries. Complex business operations require sophisticated HR systems. The development and management of HR policies and practices in such scale is vital to ensure a smooth operation in all sub-companies. In other words, successfully managing HR knowledge across the whole organization is fundamental to business success.

### III. DEFINING HR KNOWLEDGE

Argyris and Schon [24] define organizational knowledge as the codes (rules, formal and informal procedures and policies, mental maps and so on) and routines (strategies for performing complex tasks) that guide organizational action. Similarly, HR knowledge can be construed as a type of organizational knowledge itself, but at a functional level as it sets out the HR codes and routines that guide the practice for managing human resource. HR knowledge is also multi-facet because it is part of organizational knowledge and crucial to the business success, also it contributes and facilitates the knowledge management activities such as sharing and knowledge exchange amongst the employees at the functional level [1].

In their epic and influential work, Nonaka and Takeuchi [5] define organizational knowledge in two types: explicit and tacit. Explicit knowledge can be codified. Explicit knowledge is conveyed through formal, methodical language. In contrast, tacit knowledge is more subjectively related to individuals, making it difficult to formalize and transmit. Polanyi [6] also stressed that knowledge, or the process of knowing, is highly personal and related to the individual. Adding another dimension of organizational and individual [7], it is then categorized into four types of knowledge: organizational explicit and tacit knowledge; individual explicit and tacit knowledge [5]. Similarly, HR knowledge has the dimension of explicit and tacit, organizational and individual, and a further functional dimension. Accordingly, it can be understood in the similar way.

This is particularly true in large organizations consisting of corporate parent company and multiple subsidiary business units. Explicit Organizational HR knowledge can be construed as organizational (corporate) level codified knowledge such as corporate HR policies and practices; tacit organizational (corporate) level knowledge on the other hand can be

considered as experience and practices that are not yet codified and still deeply rooted in the HR team. Explicit functional HR knowledge can be construed at functional (subsidiary) level codified knowledge such as HR policies and practices only related to that subsidiary; tacit functional HR knowledge on the other hand can be considered as experience and practice that are not yet codified and still deeply rooted in the HR team in that subsidiary. Likewise, similar understanding can be drawn for individual HR knowledge. Its differences with the others are that both explicit and tacit HR knowledge are deeply rooted in the individuals, i.e. the HR personnel, the key player in the sharing and transfer of HR knowledge. Therefore, the key to managing HR knowledge is to facilitate the social interplay between the involved HR personnel.

Following the above line of enquiry, the authors will define HR knowledge as follows:

*HR knowledge is multi-facet functional knowledge comprising both the HR policies and practices that are already codified documented and the related experience and practice that are personal and deeply rooted in the HR team. It co-exists spontaneously and collectively at individual, functional and organizational levels.*

#### IV. CONCEPTUALIZING THE SOCIAL MECHANISM FOR MANAGING HR KNOWLEDGE

Despite the fact that current research depicts the connection between HR and knowledge management literature, it reiterates that HR practices have a pivotal role facilitating all kinds of knowledge management practice [25]. More recently, [3] reported that recruitment and selection, teamwork, training and development and performance appraisal had a positive relationship with knowledge sharing, according to their study of managers in Malaysian manufacturing and service organizations. Still, little research has investigated it in depth regarding the management of HR knowledge itself.

The meaning of HR knowledge indicates that the key artifact in managing HR knowledge is that organizations encourage the social interaction between actors in order to manage HR knowledge effectively. It is essential to facilitate social interplay between the involved HR personnel. Social interaction can explain how HR knowledge and information are shared amongst employees in the communities/networks and workplace [26]. Communities of Practices (CoPs) [27], [28] and knowledge networks [29], [30] are of many constructs that could depict how the knowledge exchange between actors and how knowledge is learned by and shared amongst the participated actors. In this paper, the participant actors refer to HR personnel at all levels, at different locations and in different teams, and are all connected and working in the HR field.

How a firm manages HR knowledge is essentially about how HR actors interact with each other across teams, locations and levels in the organization-wide environment. Social exchange theory (SET) is amongst the most influential paradigms for understanding workplace behavior [31], [32] and will be used to explain the social interplay amongst HR

actors here.

One of the basic tenets of SET is that relationships evolve over time into trusting, loyal and mutual commitments involving expectations of reciprocity or repayment in kind [32], [33]. Writing on SET suggests that individuals will try to repay those who benefit them [34]. Reciprocity as a moral norm can be embedded in everyday life [33]. The basic idea behind SET is very similar to Guanxi, defined as ‘a personal tie between two individuals based on sentiment and mutual obligations’ [34]. It operates through providing a benefit to someone such as a gift or a favor, obligating the receiver to repay that benefit in future. As with SET, Guanxi focuses on interpersonal behavior as an exchange process. It develops over time, forms a strong bond with the target and facilitates successful social exchange. Individuals are likely to engage in positive social networking when they receive fairness of exchange. As [34] explained, in the collective Chinese society, social networks and social exchange play a major role. For example, establishing harmonious interpersonal relationships with peers and helping colleagues solve problems have long been considered as virtues in Chinese society. Research also found that a distant relationship between peers could decrease social ties, thus had negative impact at work [35]. Guanxi influences people in everyday life, not least in Chinese firms.

In relation to knowledge sharing, what are being exchanged is HR knowledge and experience; thus, the exchanged knowledge can be seen as a commodity [32]. How it operates in social exchange relationships is similar to knowledge sharing in CoPs, which have been widely researched in the knowledge management and knowledge sharing literature. Considering HR communities as CoPs, what members take from the communities is HR knowledge, regardless of their contribution to the communities. Likewise, they make contributions when they are able to do so. The transaction is not between one individual and another. Rather, things are held in common [33]. This illustrates a fluid transaction, be it a CoP or an organization, where individual members interact and learn from each other spontaneously and simultaneously.

##### A. The Conceptual Framework

Based on the literature review, the authors propose that organizations could be construed as social mechanisms for sharing and exchange of HR knowledge within and across the teams, and beyond. This social mechanism is not officially noted, because it is entrenched in the routine and the natural order of day. There is no written contract on what and how to behave in such social systems. Rather, they are operating through a mutual awareness and understanding. The actors act in such way believes that it is the right and normal thing to do at workplace. This is similar to what reported in studies of CoPs that members interact with each other spontaneously because of common interests [28].

To conceptualize such social interaction mechanism, Fig. 1 depicts a fluid organizational environment where employees interact each other in a large firm with both headquarter (HQ) and sub-companies. The HRRHQ, or the corporate, is at the center with various Heads of HR Divisions who are

responsible for a specific division. Depending on the organizational structure, it can be divided by function, such as Head of HR for Manufacturing or Sale. If divided by products, it could be Head of HR for Product A, B, etc. One color represents one division. Each Head of HR will have regular contact with HR personnel from various Business Units. Each business unit represents an independent entity, sub-company. Each business unit will not only have regular contact with other business unit in the division, but also across the division. Those pink two-way arrows depict random interaction

depending on the nature of enquiry, which could be triggered by impulsive thought or recommendations by word of mouth or else. Personnel from any business unit can interact with anyone in the HQ at the anytime, this is indicated by a dotted inner circle circling the HQ. A sparingly dotted outer circle indicates the boundary of internal environment (organization-wide) with external environment. This also indicates that nation-wide HR communities permeate and influence organizational practices in many ways, although this will be less significant than the organization itself.

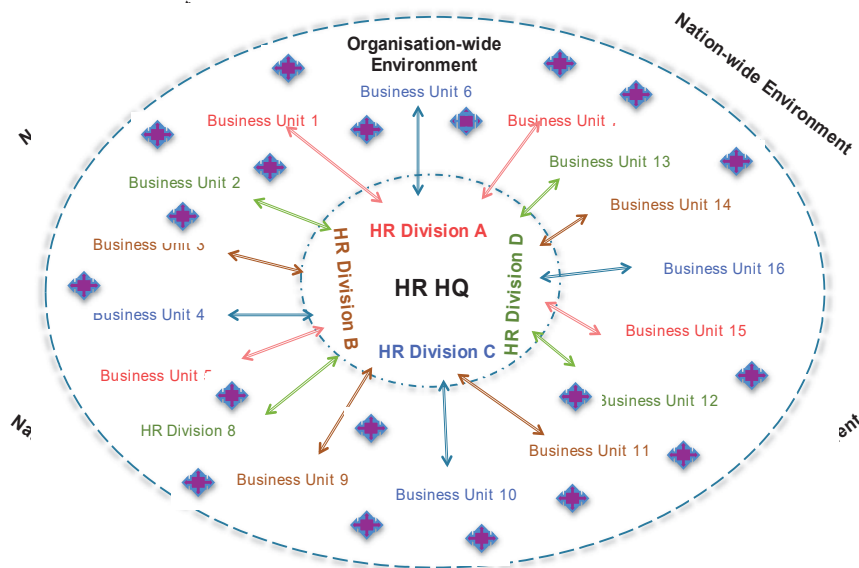


Fig. 1 Social Interaction Mechanism for Managing HR Knowledge

#### V. RESEARCH METHODS

The authors chose to conduct a series of explorative case study, this being the first one, to instigate research on HR knowledge management for two main reasons. One is that case study is considered an appropriate method for exploring an emerging research topic, which this paper intends to do [36], [37]. The second reason is that there is limited qualitative research on Chinese management research. According to [38], amongst the three dimensions of management research in a Chinese context, generalization study; comparative study; and indigenous study, there is significant less qualitative research on Chinese management studies. This paper therefore addresses this gap, in a small way, by conducting a single case study examining the management of HR knowledge in a large POE in China, Case GB.

One of the authors conducted in-depth interviews with four HR personnel, 2 based in the HQ (1 HRVP 1 Group HR Manager for Factories) and 2 based in the business units (2 HR Managers at two separate sub-companies). The interview questions are designed to cover the topics on the development of HR policies and procedures, managing workforce in sub-companies, communication and feedback on HR policies and procedures. Broad probing interview questions include: how are HR policies and practices developed? Who are involved in

the process? How are these policies implemented? What are the challenges during implementation? How are the experience and HR best practices shared and transferred across the HR teams? Interviews were conducted in Chinese by the Author; and translated and transcribed into English for case analysis. Interviews last between 60mins and 90mins. The interviews adopt a semi-structure format to encourage respondents to forthcoming with information. To exclude all irrelevant data, the author manually extracted relevant information from the transcripts. The case analysis presented here is based on the extracted data. This is a relatively small study, thus analysis was carried out manually without using any software aid.

To minimize the personal biases during the process of data analysis, the authors read the transcripts separately and captured the common themes derived from the data. The authors then compared each other's theme list to determine an agreeable for further analysis. The authors reviewed evidence connected to each theme. Only the themes with strong evidence were included in the paper. The analysis resulted in the following three themes, which are presented in the analysis report.

- Development of HR Policies and Practices
- Implementation of HR Policies and Practices



- Communication and Feedback

#### A. Introducing Case GB

Case GB was founded in 1989 by a Chinese entrepreneur. It specializes in research and development, manufacturing, marketing and sales of durable juvenile products in worldwide (including North America and Europe) as well as in China. In November 2010, Case GB was listed on the main board of Hong Kong Stock Exchange. The report of Boston Consulting Group (2008) has rated Case GB as one of the 'Top 50 Global Challengers from Rapidly Developing Economies'. It employed approximately 160,000 employees with 80 working in the HR function. By 2011, it has built a giant empire consisting of five business units with each unit has several factories, five advanced R&D centers (employing 330 R&D professionals), international sales and marketing center, supply chain management, brand management, finance, HR and administration, and audit. It continues expanding its business worldwide while strengthening the business operations in China.

HR Department developed rapidly in the last 6 years since the new HRVP joined in 2005. Prior to 2005, there is no clearly defined HR department, but an administration management center providing streamlined activities such as payroll and personnel records, and an assistant in each business unit handling similar HR activities. Since 2005, a number of changes in HR Department have been introduced and resulted in rapid HR advancement in the way that HR team is operating today.

The HRVP oversees the whole HR operation, assisted by a Group HR manager who is in charge of HR operations in all factories. HR teams of business units including factories are carried out independent HR operation in line with the corporate policies and practices. The size of HR teams varies according to the size of the business units and factories.

## VI. ANALYSIS

The analysis reports how the HR policies and procedures are developed at the HQ, how they were implemented at the sub-companies, business unit level, and how the communication and feedback of HR policies between the HQ and the sub-companies. It will then depict the social mechanism operating in the Case GB for managing HR knowledge.

#### A. Development of HR Policies and Practices

Case GB developed all HR policies and procedures according to the needs. Very often these needs are initiated by a particular problem in practice. As the Group HR managers explained:

*'Our HR policies are actually instigated from demand. These could be to resolve a problem, or in line with the future direction or an area that we need to improve.'*

Case GB adopted a client-oriented approach when designing HR policy. As HRVP explains:

*'when you formulate a policy, you must define who this policy for, who that person thinks of it and what his*

*opinion is. I often use this method to reinforce their thinking. Gradually, the client-oriented concept will permeate their way of thinking.'*

Once the demand is established, HR team will collect information from all involved parties, and be working together with them to develop a suitable policy. This way, it is most likely that the policy will be suitable and accepted by the business units, at the same time, satisfy the management.

*'Firstly, when we plan a policy, let's say there are ten clients, but a few of them require immediate attention, then I will talk to these people first. Find out what it is that they really needed, then draft a policy. After that, I will circulate the draft, or even call a meeting to discuss details and feedback. Together we will look at the system, the feasibility, and how it can be implemented. We will collect everybody's feedback and summarize it. We will then review policy and make adjustment accordingly.'*  
[Group HR Manager]

HR Manager A affirmed this practice that 'before the company announced a policy, they would communicate with us for example, seek our opinions. However, not all feedback could be taken into account and resulted in policy adjustment, because it is a big company.'

The rationale behind this approach is that if they have participated in the discussion, they will understand it better and find it easier to carry it out.

In the past, Case GB used a conservative approach that the HQ designed the HR policy then rolled it out. There was little consultation between the users and HR team. The present client-driven approach has changed the dynamics and requests the HR team to firstly understand the situation and client needs, and obtain their opinions, then develop HR policies and procedures. This also improves communication and working relationship between the HQ and the business units.

*'in the past, the status of HR is very ordinary. People defined you as doing things like recruitment, training... general things like that. They did not respect, nor feel that they needed you that much. Your worth in the company was therefore low. Now, I understand the company's business better, I can add value to the business. They feel they need me more and I can feel more of their respect and have bigger influence on them. My status becomes higher than ever... As a HR person, if I cannot make such an impact, I cannot call myself a business partner (to my client).'* [Group HR Manager]

#### B. Implementation of HR Policies and Practices

Getting the relevant parties involved in the process of developing HR policies and procedures has made the implementation process easier. However, it is not problem-free. Once the HR policy was issued, sometimes there were difficulties in the process of carrying it out. For example,

*'Some departments do not act according to the policy. In the past, our practice was to reprimand such department for failing to comply. With the client-oriented approach, instead of forcing to accepting the policy and criticizing the failure, rather treating it as an enquiry to*

*find out what were the reasons, whether there were some unforeseen difficulties, or they did not agree with the policy for some reasons.'* [Group HR Manager]

At the business unit level, HR managers felt that the policy sometimes is not as detailed as it should be to cover all situations and all aspects. They often have to ask for clarification on certain matters. Take performance appraisal for an example, HR Manager B illustrated:

*'We have a target for technology innovation. The company defined innovation as new product innovation, or product innovation, or a kind of technology innovation. At the time, what we tried to figure it out was whether it related to plastics (factory product), because this is something that we did not come across before. So, the Director for Technology said 'for any innovation I need to invest, does the company affirm my investment?' then there was another complication, by the time that performance appraisal was actualized, it came to the end of budget plan for that year. The investment associated with the innovation could not be included in the budget, consequently could not be carried out. No one has considered this scenario. If this budget did not exist, the key performance indicator would not be included.'*

So HR Manager B reported back to the HQ and asked for clarification: 'is it possible for them to have extra budget for innovation? Can the company define technology innovation more clearly? Is it a must to achieve through investment?' In this incident, the HQ replied that they could invest but they needed to make a realistic estimate before considering it as a performance indicator for innovation.

The above example shows us on one hand that the HQ designed HR policies as far and as close to the business units' needs and circumstances as possible, however it is still impossible to cover all corners. On the other hand, the frequent feedback from the business units has assisted the involved parties to deal with effectively. The HQ was able to revisit and revise the design accordingly to ensure the smooth implementation.

Therefore it could be argued that the client-oriented approach adopted by the HR team offers an objective view to the problem, so that an appropriate action could be taken to resolve the issues. Because the consultation of developing the policies had taken place prior to the announcement, there was a better understanding on the HR policies and consequently less resistance to implement it. It also improves working relationship between the HR team and other business units. The client-oriented approach has thus cultivated a working ethos of working together to achieve the same goal.

#### *C. Communication and Feedback*

As illustrated in the above example, there were very frequent communication between the HR team and the business units; this has allowed feedback to come through the factories and other departments freely and rapidly. The same applies to the HR team across the whole organization.

HR knowledge and experience sharing are very common and frequently. Internally there was a monthly HR meeting

that every HR members had to attend, which provided a platform for everyone to learn from each other. Furthermore, HR personnel interact with each other regularly in other circumstances as well. Representatives of HR teams also attended regularly business meetings held at the business unit.

Formally, 'some policies are implemented top down, so we need to communicate with HR personnel in the business unit. When HR personnel come across problems in the factories, they will seek help from the HQ. So communication is very frequently indeed across the organization.' [Group HR Manager]

Externally, HR personnel were often part of several HR communities, from which they shared best practices. When one was stuck with a particular problem, others would contribute ideas and experiences to help to resolve the situation.

Informally, when one read a good book about HR practices, a text message would be sent to everyone. It is also expected that certain communication platform sites such as Weibo and WeChat would be used for sharing and exchanging knowledge and ideas between HR members. So HR personnel are consistently interact with each other and learn from each other.

*'Our communication is constant and daily.... When we received any information we will share. Say when the company had a new policy; I would talk to others to see what did they think? How did they understand it? What questions did they have? We would talk about it. When we found that the understanding of several HR managers is more or less the same, then I know that is fine and there would not be any problem when we implemented it.'* [HR Manager B]

HR Manager B continued, 'not only within the HR team, we also communicated with others at all levels including junior ones like section supervisors or staff members. Sometimes, they do not have a complete understanding; we have to explain it to them repeatedly.' HR team was also encouraged to communicate with the Head of sub-companies, according to the HRVP. This way, the team could get closer to the business and understand the problem, and work closely with the sub-companies.

This again illustrates a working ethos of working together towards a common goal. Such working culture has cultivated a constructive and productive working attitude, a good working relationship amongst employees.

#### *D. Depicting a Social Mechanism*

Fig. 2 captures the social interaction in the Case GB. It illustrates that there is a fluid transaction of knowledge and experience exchange within the HR team, but also between the HR team and the business units. Concerns from the business operation are feedback to the HQ through HR Managers. This indicates not only HR knowledge is shared and exchanged, so does other types of organizational knowledge such as products in the same process. Furthermore, the fact that high density of knowledge exchange between business units is observed in Case GB signifies an organizational culture that facilitates and

supports the management and sharing of organizational knowledge. The client-oriented approach to manage HR policy and practices has brought the HR team closer to the business operation better than ever. This on one hand allows the HR team gains substantial product and operational knowledge underpinning the business operation; on the other hand, improves working relationships between the HQ and the business units and creates a bond within the HR team.

## VII. CONCLUSION

The paper sets out to address the two research questions. The empirical analysis has found that the Case GB adopts a client-oriented approach when developing and implementing HR policies and practices. It is not the sole responsibility of the HQ; instead, it is a joint work of the whole HR team,

including the HQ and the sub-companies. The approach has instigated a knowledge-sharing attitude towards workplace learning, and a smooth implementation of the introduced HR policies. Moreover, both explicit and tacit aspects of HR knowledge in the form of written policies and best practices respectively are shared and communicated through regular meetings and emails; tacit aspect of HR knowledge is further shared and exchanged through social mechanisms and social communication platforms such as Weibo. Secondly, to facilitate HR knowledge sharing and exchange, the case GB has a social mechanism encouraging frequent and regular communication and feedback to/from the HQ and the business units. The client-oriented approach is the principle embedded in the HR practices and endorsed by the HR team. This has brought the HR team and employees of other functions closer.

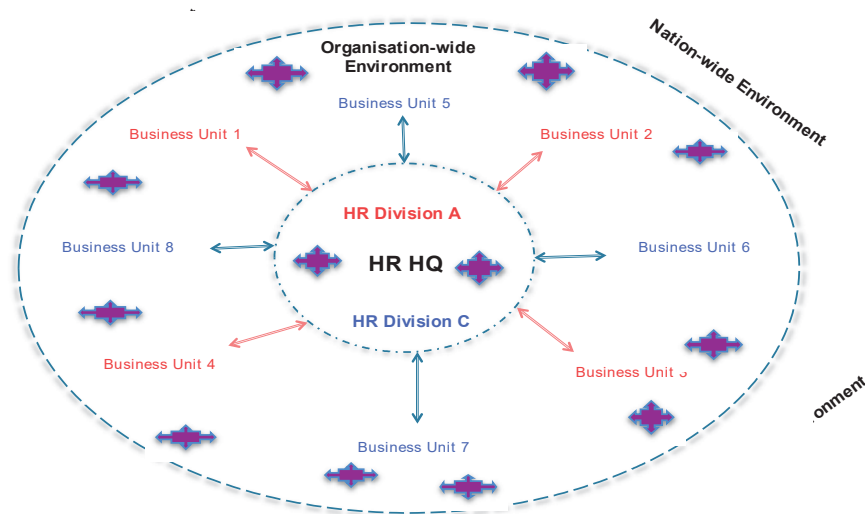


Fig. 2 Social Interaction Mechanism in Case GB

The findings have extended our understanding on managing HR knowledge in a large Chinese privately owned firm by depicting a social mechanism for managing organizational knowledge. The proposed framework of social mechanism could assist us in further comprehension of managing organizational knowledge through social interaction in different settings. However, it also raised many unanswered questions that future research could look into. For example:

- The paper has depicted social interaction mechanisms for managing organizational knowledge in a large organization. Could it be applicable to other cultural, institutional and organizational contexts? Could there be a social mechanism for a smaller sized organization? And to what extent, their social mechanisms have an impact on managing organizational knowledge. How different could this be in comparison with larger organizations?
- As a start, the authors proposed a definition of HR knowledge broadly in the paper. How could this definition be assessed in terms of its applicability to further our knowledge on the management of HR knowledge requires more theory-building and empirical research.

- With regard to the sharing of HR knowledge, how could the HR members externalize the tacit aspect of HR knowledge to maximize the impact of sharing through the social mechanism in the organization?
- The client-oriented approach embedded in HR practices in Case GB signifies a new philosophy of human resource management, or an extension of the HR business partner model [39]. More research is needed in this area to broaden our understanding. How and to what extent, could there be a wider application of this approach in different types, sized organizations?

The paper has limitation in that it is a single case study, thus limits the depth of analysis in applicability and generalizability. More data will be collected by multiple case studies in future to conduct further analysis on the subject.

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