

Towards an Indigenous Perspective on HRM: A Study of Textile Industry of Pakistan

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ABSTRACT: *The purpose of this study was to identify external and internal forces shaping HRM practices in textile industry of Pakistan. The study aimed at describing the context-specific HRM practices in textile industry. Interviews were used as a source of primary data collection. Taking Faisalabad city as a case, top HRM officials from ten respondent organizations in textile industry were interviewed. An interpretive approach to research design was adopted using 'human as an instrument' for data analysis. Findings suggest that due to extensive competition in last few years HR planning has received serious attention in textile industry. Countries like China, India, and Bangladesh are posing huge threats to the industry. The industry is at best dominated by family owned businesses and now the young generation, after education from abroad, is taking charge of their parents. Assumptions about workers are getting transformed. Fresh leaders are thinking different from their predecessors. However, there is a state of inertia in textile industry where young leaders have an uphill task ahead to remove the obstacles in the course of change.*

Keywords: *contextual perspective, external factors, human resource management, institutional isomorphism, internal factors*

Researchers in the field of human resource management (HRM) have most recently argued that theories of HRM developed in the US do not essentially generalize to other regions. For example, Brewster (2007) questioned the universal application of American model of HRM and argued for a European model. Budhwar and Debrah (2009) have stressed the need to perform local studies in Asian countries so as to draw attention to the context-specific character of personnel functions and HRM systems for different Asian countries. The significance of context in theorizing about HRM has received so much attention in recent years that human resource system and practices are being studied at various levels of analysis including region, country, industry, sector, and organization (Budhwar and Sparrow 2001; Khilji 2001; Brewster 2007). The effect of economic, political, legal, and social conditions on HRM both at regional and country level in Asia has been observed in recent years in most Asian nations (Budhwar and Mellahi 2006; Budhwar and Debrah 2009). Pakistan is, however, not included in most of these studies.

In spite of its multi-cultural and multi-ethnic set-up, among world's greatest populations in numbers, nuclear power, and strategically important geographical location, Pakistan has not been studied in management research in general and HRM research in particular. Few researchers have talked about the dynamics of HRM in Pakistani context (Khilji 2001, Khilji 2003, Yasmin 2008). Most of these studies have been done in banking sector. Thus, there is a need to conduct studies in other important sectors of Pakistan economy such as textile sector.

The major motivation behind this study was to extend the understanding of environmental and organizational factors affecting HRM practices in the textile industry in Faisalabad. The main reason to select Faisalabad for this study was the substantial contribution of Faisalabad in overall textile related production of Pakistan. While the impact of external and internal factors on the choice of HRM practices is widely recognized across the nations, it seemed to be possible to know exactly about what were the prominent variables in the context of Pakistan. Since, certain external and internal variables and key HRM practices and outcomes are found as a result of this study, so it is quite helpful to develop a theoretical model of HRM in Pakistani context which can be used for future research and practice in this field. The basic objective of this study was to examine the impact of internal and external contextual factors on HRM practices in the textile industry in Faisalabad.

Following were the central research questions to guide the proceedings in this study;

1. What are typical HRM practices in the textile industry in Faisalabad?

2. What are major external factors affecting HRM practices in the textile industry in Faisalabad?
3. What are major internal factors affecting HRM practices in the textile industry in Faisalabad?

In the following section the theoretical underpinnings will be discussed, before talking about the research methodology and findings of this study.

Theoretical Background

Institutional theory views organizations as social units looking for backing of their routine activities from socially constructed environments. According to this theory organizations obey to achieve endorsement and legitimacy which ultimately facilitate survival. Research on institutionalization centers on stress stemming from the internal and external forces (Scott 1987; Zucker 1987). From within the organization, institutionalization comes out of formalized and standardized structures and processes, as well as informal or emergent group and organizational processes. While from outside the organization institutionalization comes out of the forces in the external environment like state laws and regulations and the professions related necessities of licenses and certifications. Whatever the inspirations of institutional stress are, there are two major confirmations which become vital in this perspective; (a) these institutionalized activities are anti to change and adoption (b) organizations in institutionalized environment have a propensity to be similar or somewhat they are strained to be similar (Meyer and Rowan 1977; DiMaggio and Powell 1983). From the first affirmation it follows that HRM practices have strong roots in the history of organization and hence cannot be comprehended without studying the life path of the organization. While the second affirmation suggests that HRM activities may be adopted by organizations simply because other organizations are doing the same. Institutional theory assumes the context as the major rationale behind the resistance to change or adoption of new HRM strategies.

Institutional Isomorphism: Based on the definition of isomorphism as a restraining process that pressures one unit in a population to look like other units which have the same set of environmental conditions, DiMaggio and Powell acknowledged two forms of isomorphism: competitive and institutional. Competitive isomorphism converses about population ecology models and functions at the level of selection. Homogeneity, or the decrease in variation, results as non-optimal forms are chosen out of a population to get better survivability or because organizational managers gain knowledge of proper responses and fine-tune their behavior consequently (Hannan and Freeman 1984; Baum and Korn 1996). Institutional isomorphism, on the other hand, mirrors

pressures such as those of rivals and other bodies and occurs afterward in the life of an organizational field as it becomes ordered. Three mechanisms or processes that lead to this outcome are as follows:

Coercive isomorphism; stalks from political pressure and the problem of legality. This is an outgrowth of both formal and informal pressures applied upon an organization by other organizations upon which they are dependent and consider them as force, persuasion, or enticement to complicity, at the same time they can also be an outcome of the need to keep abreast with deeprooted standards (DiMaggio and Powell 1983).

Mimetic isomorphism; results from standardized reactions to ambiguity and refers to the reproduction of one organization seen by another as more legitimate or flourishing (DiMaggio and Powell 1983). Under mimetic isomorphism, causality is shifted from technical efficiency toward ideology (Donaldson and Preston 1995) and although compliance results and imitation is expectant, novelty may result from flawed copying and alteration and is often eased by consulting companies (Greve 2005).

Normative isomorphism; linked with professionalism, the combined effort of constituents of a profession to classify the setting and process of their work, to maintain the production of producers and to institute a cognitive base and authenticating for their professional independence (DiMaggio and Powell 1983). The context of organizations is emerging to be the rationale of organizational choices between adopting or not to adopting certain HRM practices according to theory of isomorphism. Homogeneity in HRM practices within an industry can be a result of the pressure of external environmental forces in case of coercive isomorphism. While in the instance of Normative Isomorphism the choice of HRM practices would clearly be a result of the pressure or influence of internal forces, in the form of organizational characteristics and its historic background.

Research Methodology

Research strategy adopted in this study was retroductive (Blaikie 2000), because the approach of this research was social construction, focusing on uncovering the ways in which individuals and groups involve themselves to create their conceptions of reality. The epistemological assumptions of this study are best categorized into interpretivism whereas ontologically this research

follows constructionist approach. The data generated by such research is most often people's words and actions, needing the researcher to confine language and behavior (Maykut and Morehouse 1994). The intentions of the interpretive method are to identify the subjective meanings and to describe, analyze and explain those interpretations. Out of the population of thirty seven APTMA¹ registered textile companies in Faisalabad, fifteen confirmed their willingness to participate, which means 40.5 per cent response rate. The target of this research was APTMA registered textile companies in Faisalabad which totaled thirty seven. An invitation letter and interview questions were sent to the respondents in the selected population. Several telephone calls were made to each respondent to seek participation and to arrange the interview time if they were willing to participate. The information about the background on the textile industry of Pakistan and about the broader national factors was mainly gathered from the Ministry of Textile, APTMA, Chamber of Commerce and Industries and some large scale textile companies. Primary data was collected in qualitative form through semi structured in-depth interviews. Each interview took about 30 to 60 minutes to complete. All interviews were audio-recorded with due permission of the respondents. Interviews were conducted in English and Urdu languages and the taped interviews were translated into English.

Researcher had a list of interview questions prior to conducting interviews to be able to maintain uniformity in responses. Full transcripts were formatted from the audio recorded data. After that data were conceptualized and categorized by reading and re-reading the raw data and eliciting the meaning from it. Qualitative research uses the 'human-as-an-instrument' for both stages—data collection and analysis—which is considered to be a key characteristic of qualitative research (Cavana, Delahaye et al. 2001). Data analysis is started very early in qualitative research projects even during data collection, which clearly means the overlap of data gathering and data analysis, and it is recommended in qualitative research (Cavana, Delahaye et al. 2001; Newman, Ridenour et al. 2003).

Research Findings

Based on in-depth interviews from managers of human resources of ten large scale textile companies in Faisalabad, researcher has explored many different aspects within the industry. Industry is widely engulfed by certain external and internal circumstances, which are

¹ All Pakistan Textile Mills Association
(www.apmta.org.pk)

inevitable in nature and their impact thereof is significant on HRM practices. Human resource managers in most of the respondent organizations are well qualified and keep a significant level of practical as well as theoretical background and expertise. Human resource departments in many respondent organizations are working as fully and vibrantly as any other department in the organizations like marketing, production, and/or finance. The analysis on the findings of the interviews can be divided into three major areas keeping in view three research questions of this study.

HRM Practices in Textile Industry of Faisalabad

HRM practices in textile industry in Faisalabad are outgrown from the contextual factors –both external and internal. HRM practices, as we see today in the textile industry, are a product of different initiatives being taken by the employers shaped by socio-political and economic circumstances in the country, technology adoptions in the industry, global competitive pressures, more demanding nature of the customer, and multiple internal organizational characteristics like organizations' size, structure, overall management style, strategic orientation, workplace culture, and overall employee behavior.

HR Planning and Recruitment

HR planning and recruitment has been shaped over a period of time, affecting from different external and internal factors. Organizations are shifting to online sources for recruitment; new and advanced computer programs are being used for HR planning than ever before; almost all organizations are maintaining candidate records online. Recruitment is an easy part for textile organizations. It's mainly because of abundant availability of workforce in labor market. Organizations do not have to go through rigorous procedures for recruitment and they do not have to incur huge amounts in the process. It is because of labor market conditions that direct applicants and online sources are enough for recruitment. Whereas, it is due to the shift in owners' thinking about efficiency and effectiveness that they are more and more focusing on workforce planning, using state of the art technology, and incurring considerable amounts for the arrangement of computer programs and IT personnel to maintain the record of the employees.

HR Selection

HR selection procedures are almost similar across the industry. Selection is, most of the times, made by the top leadership on the recommendations of department heads. HRM departments are normally available for assisting and facilitating in the process. Moreover HR departments arrange suitable candidates and take tests for basic eligibility wherever needed as per policy. This selection procedure is mainly due to overall centralized structure of

decision making throughout the industry. Moreover, reference based selection has been found as a tradition in the industry. Owners have to fulfill their political objectives and have to hire different candidates who are referred by the people who are politically important for them. This politics being discussed here is not organization's internal politics rather it is the involvement of owners of textile organizations in the overall political process of the country and their participation in elections for the membership of national and provincial assemblies. Gender discrimination is common, as the industry is male dominated and the number of females working at officer and managerial levels is low to an alarming extent. That is mainly because of culture within the organizations that female employees do not prefer to be a part of this industry. Moreover, this is a common assumption at managerial and decision making levels that female staff is not suitable in the culture of textile sector; hence they discourage any female applying for the jobs at officer levels. The abusive language and slangs being used in industry especially by the owners and top management are general reasons for women not to prefer this industry. However, females are working in large numbers at labor categories, especially in stitching units.

Training and Development

During the last few years training and development activities in textile sector have almost been abandoned. That is mainly due to financial setback and a continuous struggle for survival in the market. Due to energy crisis almost all textile companies are struggling and are unable to spare enough budgets for training and development. But the focus in this study was not merely on the recent scenario rather an overall picture of the textile sector over a period of time was the focal point. So the respondents were asked to discuss beyond current scenario and discuss broadly taking past and future into account.

Most of the organizations have established their in-house training facilities and train their employees on regular basis. New employees have to go through on-the-job and off-the-job trainings and orientation sessions to be able to become conversant with the routines and setups of the organizations. Both soft as well as hard skills are focused in trainings. Some organizations use third party interventions for training as they have not yet developed their own training facilities. Training is considered to be an opportunity for entertainment and recreation in some organizations and it is found that employers in some organizations are thinking critically about the results of training, which can be a threat for future training scenario in the industry.

Performance Appraisal

Performance appraisals are done through heads of departments in most of the organizations. Performance is

evaluated normally on individual basis against set standards and final increments and rewards are made on the basis of that. Almost all organizations have their pre-established criteria for evaluation of the employees mostly it is the overall performance goodwill and track record of the employee and above all the relationship and connection with the top leadership which finally shape the performance evaluation of that employee. In some departments it is the achievement of the numbers which serves as the basis of performance evaluation whereas in other departments it is the overall behavior and attitude of the employee which serve as the criteria of performance appraisal. There is no systematic and proper feedback system available in the organizations due to which employees are usually uncertain about their performance evaluations and frightened in most cases because of rumors about appraisal.

Compensation and Benefits

Industry is isomorphic in terms of compensation and benefits. Almost in all organizations employees are being treated similarly except some organizations which are considered to be hot places for workers in terms of their attraction because of their outstanding treatment of workforce. Normally textile companies are offering fair and competitive salaries and other benefits along with salary. Employees at managerial level are given company maintained cars and other lucrative facilities. Medical insurance is provided in some organizations. Marriage allowances and other allowances are offered in some organizations. Some are offering profit sharing and bonuses at the end of every year. The period which is undergoing is considered to be the dark period in terms of salaries and benefits due to above mentioned financial reasons. Overall employees are happy with the level of salaries offered in different textile companies. Increments are not given on regular basis. Sometimes it takes more than three or even more years for employees to receive their increment which is supposed to be annual in stated policies of HR in different organizations.

External Factors Affecting HRM

Many external forces have been identified by the respondents in different interviews. Researcher has synthesized those discussions and comments of the respondents into following areas which include, global pressures of competitiveness, customers increasing requirements from textile organizations in terms of HR and different other practices and policies, legal requirements and political and economic conditions in country.

Customer Pressures

Customer of textile industry, which is mainly located in central Europe and United States, is increasingly

demanding more and more enhancements in quality of different operations in this sector. This requirement of quality enhancement does not exclude HRM related issues. For instance customers demand for extra bonuses for over time of workers, requirement for abandonment of the use of child labor, minimum wages criteria and other training related requirements are making the situation more and more complex and demanding for textile manufacturers. For that purpose, operators in textile industry are vitally initiating different HRM related developments within their organizations. This perspective in its essence belongs to stakeholder management. Along with other organizational effectiveness measurement perspectives, the stakeholder management perspective deals with the overall satisfaction of different stakeholders as an effectiveness measurement criteria for organizations. Though textile industry, as yet, has not been able to effectively work on the satisfaction of all the stakeholders involved in the process, still it is an encouraging phenomenon as management of the satisfaction of customers as leading stakeholders is nothing less than a substantial shift in the paradigm and mentality of textile manufacturer. Large scale organizations in textile industry are increasingly using online systems of interaction with the customer and are continuously working on the development of their operations and practices particularly related to HRM. Companies in textile industry have to face extensive interim audits from the customer side to ensure a standardized quality in their operations for which they are largely unable to manipulate their systems as customer is on the sensitive part when it comes to ensure the long term survival for these companies due to global competition. Customers' bargaining power is on higher side in this industry as countries like China, India and Bangladesh have substantially improved their efficiency and effectiveness in the field of textile production.

Economic and Political Conditions

Pakistan is undergoing one of the darkest periods of its economic history, due to poor governance, leadership crisis and natural disasters. Most part of its revenue is being exploited in natural disaster management activities like revival of earthquake victims and revival of recent flood victims in most recent years. And most of the rest of its revenues are being wasted through different illegal and corrupt practices of those involved in the top circles of Government. Moreover, rapid changes in government, mainly due to continuous involvement of military in political activities, are making the condition even worst for economic development. Pakistan government has been struggling for economic stability for the last several years. For that purpose they are heavily dependent on foreign assistance in terms of aids and loans, which is increasing the burden of foreign debts on Pakistan. Huge amounts of revenue are being wasted in the shape of

interest every year. The government has been unable to initiate different development projects and has abandoned economic assistance for the development, survival and nourishment of different domestic industries in this overall economic scenario. Textile industry in this regard is no expectation and economic assistance in the form of subsidies, reduced tariff and taxes have been cut short to a significant extent by the government.

Manufacturers operating in the textile industry need to be self-sufficient and independent as far as their financial and other economic requirements' are concerned. Because of all this background most of textiles companies in Faisalabad are not in very comfortable position to launch different development programs within their organization and training budgets are being reduced significantly to feed other areas of operations. So, for time being, one cannot see very frequent and vibrant training programs being launched for employee development and growth in textile industry in Faisalabad. Labor is abundantly available at comfortable rates, which has been a salient feature behind the advantage of lower cost of production in textile manufacturing over other regions in the world for last many years. Though Pakistan textile sector is losing its advantage of lower cost of production as other countries like China, India, and Bangladesh are also taking the advantage of abandoned labor availability and through bringing innovation and efficiency in their production processes. Still Pakistan is not in a very uncomfortable position to strike back while using the advantage of cheaper labor and abandoned availability of high quality cotton as a major textile raw material, and fight back to become leading textile manufacturer in the region.

Legal Requirements

Legal requirements are becoming a big challenge for textile manufacturers to keep themselves in the good books of Government and to maintain the compliance with different public sector institutions established for the purpose of legal compliance in different sectors of Pakistan. The requirements of minimum wage rate and overtime payment, along with other legal requirements, are posing challenges for textile industry. This is becoming a severe problem for textile producers to keep themselves abreast of legal requirements and maintain a compliance of the same especially in the context of overall financial crisis and a decreasing rate of return on their investment due to decrease in their customers. This should be viewed in the context of global pressures of competitiveness, increasing customers' demands in terms of quality, and local as well as global financial crises. Almost all the leading organizations in textile industry in Faisalabad have hired specialists who could be able to deal effectively with and convince government institutions involved in the legal compliance of textile

industry in Pakistan. This phenomenon is increasingly getting the textile manufacturers involved in lawful and ethical practices about the compensation as well as working environment for their workforce especially non managerial staff. Textile industry deals with number of departments of Pakistan Government for legal compliance in different matters. For example labor department deals with the compliance of labor laws, electric department is there to deal the legal issues concerning electricity, civil department deals with the civil works buildings and construction related legal matters. To deal with all these departments to mention a few, textile manufacturers have to be equipped with technical human resources and they have to hire professional and consultant engineers in these fields. Water wastage is a big challenge for textile industry, the chemical enriched water which is big threat to environmental pollution has to be dealt with properly and compliance in this regard is a big concern in textile industry.

Global Competitiveness

Textile industry has been widely influenced by global competitiveness pressures from different bordering countries like China, India and Bangladesh. A favorable market condition where customers from all over the world were dependent on the supply of textile products from Pakistan and customer having a low bargaining power due to short availability of textile producers, is no more available and now countries particularly India, China and Bangladesh are becoming very efficient in textile manufacturing as well as they are very effective in terms of product quality in this area. Textile companies now are in a greatest need of bringing efficiency in their operations and effectiveness and competitiveness in their overall mechanisms, for which they actually need to recruit best available workforce and train them according to the world standards.

Companies are opening their partial operations in Bangladesh to meet the challenge of efficiency and to compete effectively with Bangladeshi producers. To meet this challenge where they recruit a lot of workforce from Bangladesh, they take with them a number of professional staff recruited from Pakistan as well. That is a big challenge because the scope of the operations and practices of HR has shifted from a limited local concentration to a globally expanded human resource management focus. Due to these global forces textile industry is in a transformation phase from being locally focused to internationally extended operations. This is an extensive pressure which calls for vital changes in strategy and practice of different departments like marketing, human resources etc.

Labor Market Conditions

Pakistan being sixth largest population of the world is gifted with abundant human resources. Organizations do not have to go through any special procedures and they do not have to incur any huge amounts in the search of valuable workers. A huge number of applicants are always available in the data bases of organizations to select from. Labor market is full of unemployed masses. Moreover due to unemployment and poverty in country non-skilled and semi-skilled labor is available at cheaper rates. But companies have to be on their toes to find skilled labor. Respondents from almost all organizations have pointed out the shortage of skilled labor for which they always have to put extensive efforts.

Internal Factors Affecting HRM

Along with different external factors, which have been discussed above at length, there are many internal factors which are shaping HRM practices, the way they are today, in textile industry in Faisalabad. Many factors are pointed out and discussed in detail by the respondents, out of which the following factors have been found as central as far as their impact on HRM practices and outcomes in textile industry is concerned.

Organizational Strategy

Textile companies, most of them, are operating under a vision of extension and diversification. Most of the companies have been found starting new ventures both in the textile domain as well as diversifying into new markets and industries. With this overall approach of growth through extension and diversification, companies are usually very tight and stiffed in their financial capabilities and leverage in resources, as they are always looking for new opportunities. This has been a trend over the last decade in textile sector. But recent crisis of energy has struck them very hard and their venturing attitude is hurt badly and most of them are stuck in the middle with half way through in their new projects and uncertain about the future. This broad scenario is given to show clearly the picture of the textile companies where they are operating and making human resource management decisions.

Organizational Structure

Textile industry in Faisalabad, due to different diverse reasons, shows an isomorphism in the structure being adopted by different organizations. In most of the organizations there prevails a hierarchy structure with a little or no decentralization and empowerment. Most of the organizations have been led by their owners who have been using a centralized control and command mechanism inside. This has been known to be the history of textile industry in Faisalabad that majority of business entities are family owned and this feature prevails today as well. The isomorphism being found in this industry

can be best referred to as coercive isomorphism as it has been an institutional phenomenon and most organizations are using centralized structures as they feel there is no other way out to deal best with the workforce in the industry. And it has become institutionalized and got encultured in the context of textile industry that organizations have to follow general traditions of control and command which prevail everywhere in industry and all organizations have to follow these traditions inevitably.

In recent year's textile industry at large have embraced a new reality that young generation in almost all leading textile companies in Faisalabad are taking over the leadership positions. This can be seen commonly in textile industry in Faisalabad that young leadership is replacing their old parents. Children of textile owners coming back after taking higher education from West and assuming the role of leadership while taking charge from their parents. This leadership shift is bringing transition in overall industrial practices generally and HRM practices particularly. This transition can be seen very commonly in leading textile companies in Faisalabad which is bringing an overall strategic change, consequently. There are many practices in contemporary textile organizations which have not been seen traditionally.

More and more interests of the employer towards better compensation, improved working environment, effective training and development of employees, state of the art technological adoptions are to name but a few of those practices. Textile employer is now a days more keen to empower its employees and decentralize authority of decision making to the lower cadres of management than ever. Basic assumptions about employees are also in a transition as traditionally owners use to deal with the workforce as if all of them are not trust worthy and they have to be centrally controlled otherwise they will ruin the enterprise but the mentality of the employer, due to generational shift, is getting changed towards employees and basic assumptions about workforce are largely on positive side and consequently employer is starting to think about their workforce to be trust worthy to some extent. HRM practices, as will be discussed in the subsequent sections, have a vital and significant upgradation as to what type of rewards should be given and what level of training and development should be provided to the workforce.

In the context of this transition it is being observed in textile industry in Faisalabad that organizations are in a transformation from a hierarchy structure to market structure with significant autonomy at least in the way how to deal with contingent circumstances as they appear

particularly in the domains of marketing and operation and to some extent in HRM practices.

Decentralization

Traditionally textile companies were totally centralized and the typical *Seith* never liked any sort of autonomy to be given to the employees. The basic assumptions about workers had been much harder and doubtful than described in theory X. Historically the textile owner never trusted his workforce and never let them do the jobs with open and flexible mind. They always believed in strict rules and regulations and pre-established standards as to how the job needed to be performed. But in this research a transition in the mentality of leaders has been found. Due to young and fresh leadership in most of the textile organizations in Faisalabad, a transition towards decentralization has been seen. Owners are exceedingly having trust in their workers and have started to empower their employees. But that approach has yet to be adopted comprehensively everywhere. Still there is a little improvement in terms of decentralization and few organizations are practicing it while others are yet stuck somewhere in the middle where it cannot be concluded easily whether they are centralized or starting to decentralize.

Organizational Capabilities

Organizations have different capabilities which ultimately make them able to adopt certain HR policies and practices. Different companies have varying capabilities which have been sorted out by the researcher to be able to develop a clear picture of the textile industry and the overall scenario facing the field of HR in this sector. Financial capabilities of different companies have enabled them to make new investments and led them to start new ventures, which in turn enhance the scope of HRM activities within those companies. For which they are working on new and advanced HR systems so that their human resources can be leveraged across different businesses. Some organizations are struggling in terms of resource acquisition as due to energy crisis there business has taken a down turn and they are virtually dead, and hoping for some miracle. That is mainly because of their poor financial, human and organizational system wide capabilities. That's the reason why they are struggling and working on downsizing and other hard decisions, to be able to survive in this crisis.

Leadership

Textile sector is dominated with family owned businesses and is historically notorious of its *Seith-type* culture. But current research shows that there is a transition going on in the leadership style in textile sector at large. Organizations are exceedingly being led by the young and highly qualified people who have different approach of leadership than adopted previously by their forefathers.

New leaders are found to initiate new methods and structures and they believe in state-of-the-art technology, fair treatment of employees, productivity enhancement through the methods of TQM and Six Sigma, and above all they believe in autonomy and respect to the employees.

Conclusion

Findings suggest that due to extensive competition in last few years HR planning has received serious attention in textile industry. Recruitment is challenging in case of hiring of skilled workers, because skilled labor is not abundantly available in labor market. Selection is centralized as far as mainstream hiring is concerned. Mostly candidates are selected on reference basis, because of the political backgrounds of most of the textile owners. Industry is male dominated which is mainly because women are reluctant to work in a highly male dominated work settings where language and behavior of seniors does not suit to females. Training is found dormant in current circumstances, due to financial setback in industry. Energy crisis has struck badly to the industry and organizations are not in a position to invest in activities like training and development. Moreover, raises in salary are not given on regular basis and performance appraisals are mostly kept confidential which create a feeling of stress and disharmony among workers.

Textile industry is largely affected by its customers who are its leading stakeholder. Compliance to minimum wage rate, child labor regulations, overtime of workers and quality standards etc. are some of the areas where customers demand their expectations to be met by organizations. Moreover, customers are expecting the organizations to establish backup units overseas to reduce the risk of delayed and/or poor quality supplies. Countries like China, India, and Bangladesh are posing huge threats to the industry. The industry is at best dominated by family owned businesses and now the young generation, after education from abroad, is taking charge of their parents. Assumptions about workers are getting transformed. Fresh leaders are thinking different from their predecessors. However, there is a state of inertia in textile industry where young leaders have an uphill task ahead to remove the obstacles in the course of change.

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