The common welfare human resource management system: A new proposal based on high consciousness
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The common welfare human resource management system

A new proposal based on high consciousness

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Abstract
Purpose – The purpose of this paper is to propose a new generic human resource management (HRM) system linked to a novel and more developed social and organizational paradigm: the common welfare HRM system.

Design/methodology/approach – This conceptual paper builds on the concept of individual consciousness to better understand the differences between the three generic HRM systems. It relates different levels of consciousness to one of the most cited HRM system typologies: the control and the commitment HRM systems. The control HRM system will be related to a low level of consciousness. The commitment HRM system will be related to a medium level of consciousness. And the highest level of consciousness is related to the proposed common welfare HRM system. This latter system of HRM practices will be supported by examples of three very innovative organizations.

Findings – This paper presents a new HRM system that intends to foster innovation and creativity all around the organization, and represents a development on the traditional control and commitment. The common welfare HRM system implies a new approach in management and HRM, away from the primacy of the ego, competition and hierarchy.

Research limitations/implications – The common welfare HRM system is related to highly innovative organizations and implies a paradigm shift in which a more humanistic view of individuals is offered.

Practical implications – The paper clarifies the several HRM practices related to the three HRM systems: control, commitment and common welfare.

Originality/value – The paper theoretically underpins the existence of a new and more developed HRM system through consciousness levels and analyzes the particular HRM practices of this new system.

Keywords Critical, Human resources, Human resource management systems, Control and commitment HRM system, Consciousness levels

Paper type Conceptual paper

Introduction

[...] there was nothing the knowledgeable one, the thinker, had to put him above them except for one little thing, a single, tiny, small thing: the consciousness, the conscious thought of the oneness of all life (Herman Hesse’s Siddhartha).

In recent years some scholars have suggested the need for a paradigm shift in the way organizations are managed and led (e.g. Pirson and Turnbull, 2011; Karakas, 2010; Rynes et al., 2012). Far removed from the neoclassical streams on human motivations that understand people as only pursuing their own benefits, this paradigm shift regards the human being as an individual who is intrinsically motivated to help others through his or her actions (Pirson and Turnbull, 2011). Thus, this new paradigm proposes a transformation of the management theory models in which a more
A humanistic view of individuals is offered, at a distance from egocentrism and focussing on altruism, compassion and service to others (Karakas, 2010; George, 2013). Although some authors (e.g. Rynes et al., 2012) stress the importance of this new paradigm, there is lack of understanding of its theoretical underpinning. On the other side, there is also a lack of analyses of its implications in particular domains of the organization like human resource management (HRM). In this paper we aim to satisfy both needs. In fact, in order to analyze and propose a set of internally consistent HRM practices or a new HRM system (Dyer and Reeves, 1995; Huselid, 1995; Lengnick-Hall et al., 2009) related to this new paradigm, we will build on the concept of individual consciousness.

Consciousness is defined as the degree of awareness of one's inner and outer worlds, of being mentally perceptive, and of feeling the undivided wholeness of existence (Wilber, 2000). Based on some literature on this concept, we identify a three-level hierarchy of human development toward increasing consciousness (Wilber, 2000; Boucouvalas, 1993; Langer, 1997; Gebser, 1949; Graves, 1970). These levels of consciousness entail movement toward more complexity, greater awareness and present attention, less egocentrism, and more altruism and holism.

Proposals for HRM systems are guided by the holistic principle and are usually based on typologies of ideal types (Delery and Doty, 1996). According to these authors, HRM systems are concerned with identifying patterns of factors or configurations that are assumed to be ideal types (Weber, 1921/1947). Weber’s ideal type is a mental construct in the social sciences derived from observable reality although not conforming to it in detail because of deliberate simplification and exaggeration. It is a way to approximate reality by selecting and accentuating certain elements. Based on that, several different HRM system typologies have been put forward (e.g. Mossholder et al., 2011). However, one of the most cited typologies is the control and commitment dichotomy (Walton, 1985; Arthur, 1994; Mesch et al., 1995), in all likelihood based on McGregor’s (1960) Theory X and Theory Y.

In this paper, we relate the lowest level of individual consciousness to the control HRM system; the medium level of consciousness to the commitment HRM system; and finally we link the highest level of consciousness to a new HRM system that we name the Common welfare HRM system.

Although much HRM research has suggested variations on these two HRM systems (e.g. Mossholder et al., 2011; Heinsman et al., 2008), less work has been devoted to proposing HRM systems that imply a real alternative to the two, or even a human development on the control and commitment HRM systems. Thus, the aim of this paper is to put forward a new HRM system that represents a certain human development on both the control and the commitment HRM systems: the common welfare HRM system. We understand that the increasing importance of concepts such as trust, mindfulness, compassion or altruism in the organizational literature might justify the likely emergence of this new HRM system.

This paper is structured as follows: first, we review the concept of consciousness, and its levels. Second, we explain the two generic HRM systems, control and commitment, and relate them to their consciousness levels. We then propose the common welfare HRM system, based on the highest level of consciousness. Finally, we discuss the implications of this new HRM system proposal.

**Levels of consciousness**

Human consciousness is a long-established concept that has been analyzed and developed across a range of disciplines such as philosophy, psychology or...
medicine. According to Antony (2002), there are distinct views, kinds and meanings of consciousness. For the purposes of this paper, however, we will consider the definition of Wilber (2000), who defines consciousness as the degree of “awareness of one’s inner and outer worlds, being mentally perceptive and feeling the undivided wholeness of existence.” According to Kofman (2006, p. 3), high consciousness is the ability to experience reality, to be aware of our inner and outer worlds, to be awake, mindful. Wilber (2006) considers that a higher degree of consciousness requires going beyond the boundaries of the ego, evading separation and duality. Senge et al. (2005) propose the term “presence” to represent being fully conscious and aware in the present moment, being open beyond one’s preconceptions and historical ways of making sense. This means that normal thought flow ceases and the usual boundaries between the self and the world dissolve; this is a kind of holistic feeling.

Several authors (Boucouvalas, 1993; Wilber, 2000) hold that consciousness is essential to our understanding of human development; and that human development implies decreasing narcissism and increasing consciousness, or the ability to take other people and things into account.

Boucouvalas (1993) argues that shifts in states of consciousness are essentially a major alteration in the way that the mind functions, as each state of consciousness has its unique configuration and pattern, and involves progressive transformations of the contextual foundation of the conscious. According to Boucouvalas (1993), these transformations entail movement toward more complexity, greater awareness, and less egocentrism.

In this paper, we consider the existence of three levels of consciousness (Table I). In order to do so, we draw on several authors and mainly two groups of literatures. Regarding the first one, Wilber (2000, 2006), based on previous authors like Gebser (1949), Graves (1970), Kohlberg (1981) and Beck and Cowan (1996), considers the existence of three levels, from the lowest to the highest degree of consciousness: egocentrism, sociocentrism and worldcentrism. These levels are related to the individuals’ breadth of focus: from the most centered in the individual to the broadest centered in everything and everyone. Some authors (Rynes et al., 2012; Crocker and Canevello, 2012) name them egosystem and ecosystem, respectively.

With reference to the second group of literature, the three levels of consciousness are related to three states of consciousness: mindlessness, flow and mindfulness. A high degree of consciousness is closely related to the term mindfulness, which has been much discussed in the literature of organizations (e.g. Weick and Sutcliffe, 2006; Levinthal and Rerup, 2006; Brown and Ryan, 2003; Fiol and O’Connor, 2003), mainly based on the works by Langer (Langer, 1989, 1997). Mindfulness is a state of

<table>
<thead>
<tr>
<th>State of consciousness</th>
<th>Low level of consciousness</th>
<th>Medium level of consciousness</th>
<th>High level of consciousness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mindlessness</td>
<td>Flow</td>
<td>Mindfulness</td>
</tr>
<tr>
<td>Focus of consciousness</td>
<td>Egocentrism (me)</td>
<td>Sociocentrism (us)</td>
<td>Worldcentrism/ holism (all of us)</td>
</tr>
</tbody>
</table>

Table I. Consciousness levels
consciousness in which attention is focussed on present-moment phenomena occurring both externally and internally and maintaining a wide attentional breadth (Dane, 2011). This literature considers the opposite of mindfulness to be mindlessness (Langer, 1997), which involves reliance on previously established categorizations of information, a reduced level of attention and vigilance, and the adherence to a rigid rule system governing behavior (Langer, 1989; Ray et al., 2011). Furthermore, Dane (2011) understands that there is another narrower, more focussed level of attention: flow (Csikszentmihalyi, 1990; Jackson, 1992), which involves directing attention to present-moment phenomena and entails a narrower attentional breadth (Dane, 2011).

Although we build on the concept of individual consciousness to underpin the three HRM systems, organizational or collective consciousness seem to be connected to these two concepts too. Organizational consciousness is the knowledge and beliefs held at an organizational level that generates a closed self-referential system, where the organization simultaneously reinforces its beliefs and creates its own environment (Pandey and Gupta, 2008). Therefore HRM systems might be considered as the link that relates individual consciousness to organizational consciousness or the platform where the organizational consciousness is developed by individuals. Pandey and Gupta (2008) propose three levels of organizational consciousness, based on Wilber (2000): market, social and spiritual consciousness. According to these authors, spiritually conscious organizations help their members to find meaning in their work so that they feel that they are contributing toward family, society and the environment: common welfare. These organizations emphasize equilibrium with market requirements, social needs and the natural environment.

Therefore, based on these streams from the literature, we consider the existence of three levels of consciousness: low, medium and high.

Low level of consciousness
Concerning their state of consciousness, individuals with low consciousness are mindless. Brown and Ryan (2003) consider mindlessness as the relative absence of mindfulness; this takes place when individuals behave compulsively or automatically, without awareness of or attention to one’s behavior (Deci and Ryan, 1980). Fiol and O’Connor (2003) suggest that mindlessness is characterized by relying on past categories, acting on automatic pilot, precluding attention to new information, and fixating on a single perspective (Langer, 1997; Weick et al., 1999).

Those who are mindless operate from a state of reduced attention that tends to lead to mechanically employing cognitively and emotionally rigid, rule-based behaviors. Trapped in previously created categories, these individuals easily confuse the stability of their assumptions with stability in the world, thus giving themselves a false reading on their surroundings (Langer, 1989). Argote (2006) considers that less mindful behaviors involve fewer cognitive processes and greater reliance on previous routines.

Mindlessness is marked by a rigid use of information during which the individual is not aware of its potentially novel aspects. As a consequence, one deals with information as though it has a single meaning and can only be used in that way, which results in a lack of attention to details (Langer and Piper, 1987).

Weick et al. (1999, p. 90) state that when fewer cognitive processes are activated less often, the resulting state is one of mindlessness characterized by reliance on past categories, acting on “automatic pilot,” and fixation on a single perspective without awareness that things could be otherwise. Individuals are not much conscious of their outer and inner worlds.
Wilber (2006) considers that at the egocentric stage individuals remain selfish and narcissistic. This does not imply that individuals have no feelings for others or are amoral, but that compared with subsequent development, their feelings and morals are still centered on their own impulses, physiological needs and instinctual discharges. Therefore, in this level of consciousness individuals focus on their ego and its needs.

Medium level of consciousness
Concerning the literature related to the state of consciousness, the medium level is associated to flow. Flow, like mindfulness, involves directing attention to present-moment phenomena; however, it may be distinguished from mindfulness in that it involves narrower attentional breadth (Dane, 2011). Flow was a term first coined by Csikszentmihalyi (1990) who defined it as the holistic sensation that people feel when they act with total involvement. Flow has been defined as the experience of working at full capacity, with intense engagement and effortless action, where personal skills match required challenges (Nakamura and Csikszentmihalyi, 2009). Csikszentmihalyi (1990) defines three important preconditions for people to experience flow: the perceived balance of skill and challenge, fast and clear feedback, and goal clarity. The activity has to be challenging but the actor has to have enough skill to accomplish it. Thus, for flow to occur, the actor has to sense a balance of challenge and skill. Flow is a high level of engagement in an optimally challenging activity that produces intense concentration and a strong feeling of control (Csikszentmihalyi, 1990; Nakamura and Csikszentmihalyi, 2009, Dane, 2011). Concentration is strongly related to flow (Quinn, 2005). Quinn (2005) argued that flow means that one becomes so focussed on the task that one no longer perceives oneself as being distinct from the activity. As such, an individual in a flow state is unlikely to attend to a range of internal stimuli and is unlikely to perceive external phenomena not centrally relevant to the task at hand (Csikszentmihalyi, 1990).

Because the individual transcends the ego to support or sustain other things, tasks or other people, Wilber (2006) terms the next stage ethnocentric and sociocentric, or focussed on the group. Individuals move from “me” to “us” by rejecting egocentrism and engaging in the group or any activity. Identity extends beyond one’s own body to embrace cultural roles, collective identities and shared values or even objects, things or activities. Wilber (2000) considers this stage to represent the mature ego: a person at this level has a highly differentiated, reflexive self-structure; identity issues need to be explored and the processes of philosophical contemplation and introspection can take place.

High level of consciousness
Based on an integrative review of the literature, Dane (2011) defines mindfulness as a state of consciousness (Glomb et al., 2011) in which attention is focussed on present-moment phenomena occurring both externally and internally and maintaining a wide attentional breadth. As a state of consciousness (Rosch, 2007), mindfulness is not a quality that some individuals possess and others lack (Dane, 2011). Attaining a mindful state of consciousness is an inherent human capacity, an assertion implying that most people have been or at least can be mindful at one point or another. Nevertheless, research shows that, due to dispositional tendencies, some people may be in a mindful state of consciousness more often than others (e.g. Dane, 2011). Hülsheger et al. (2013) consider mindfulness as an inherent human capacity that varies in strength, both across situations and persons.
The state of consciousness characterizing mindfulness is one in which attention focuses on the “here and now,” the present moment (Weick and Putman, 2006; Dane, 2011), as opposed to preoccupation with thoughts about the past or the future (Brown and Ryan, 2003). Mindfulness involves attending to external and internal phenomena, because they are both in the present moment (Brown and Ryan, 2003). Therefore, the more conscious we are, the more connections we perceive around us, and the more connected we feel with everything and everyone. In this line, Brown et al. (2007) consider that the study of mindfulness presents challenges to popular western cultural attitudes, and to some established paradigms that emphasize the primacy of the ego.

When individuals are or become more conscious they are more aware of their internal and external worlds, which makes them less egocentric and more altruistic (Boucouvalas, 2006; Wilber, 2000). Boucouvalas (2006) considers that when conscious individuals perceive their commonality with all living creatures and thus protect the environment and the system, they are motivated from within, not just from a feeling of moral obligation emanating from externally given “shoulds” and “oughts.” In fact, she relates high consciousness with Bohm’s (1980) implicate order of the universe. Bohm’s explicate order is how the world appears, unfolded, before our senses, a world of separate entities. However, his implicate order is a world of interconnectedness, where one’s identity transcends the individual self.

According to Wilber (2000, 2006), high consciousness imply not focussing on the ego, but on everything and everyone; the self is totally integrated with the whole world. Compassion and altruism become essential issues: unselfish caring for others, noticing another person’s suffering, empathically feeling that person’s pain, and acting in a manner intended to ease that suffering (Dutton et al., 2006; Lilius et al., 2008).

HRM systems and the three levels of consciousness
In this epigraph the three HRM systems will be described and related to a consciousness level. In Table II we compare the general characteristics of the three HRM systems.

Control HRM system and low level of consciousness
The goal of control HRM systems is to reduce direct labor costs, or improve efficiency, by enforcing employee compliance with specific rules and procedures and basing

<table>
<thead>
<tr>
<th>Management style</th>
<th>Control HRMS</th>
<th>Commitment HRMS</th>
<th>Common welfare HRMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture</td>
<td>Autocratic</td>
<td>Democratic</td>
<td>Democratic (direct),</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(representative)</td>
<td>Laissez faire</td>
</tr>
<tr>
<td>Control</td>
<td>Authoritarian</td>
<td>Participative</td>
<td>Egalitarian</td>
</tr>
<tr>
<td>Principles</td>
<td>Hierarchical control</td>
<td>Clan control</td>
<td>Self-Control</td>
</tr>
<tr>
<td>Motivation</td>
<td>Individualism</td>
<td>Pluralism</td>
<td>Altruism</td>
</tr>
<tr>
<td>Rules</td>
<td>Extrinsic motivation</td>
<td>Intrinsic motivation</td>
<td>Altruistic motivation</td>
</tr>
<tr>
<td>Interpersonal trust</td>
<td>Formal rules</td>
<td>Social rules</td>
<td>No rules</td>
</tr>
<tr>
<td>Learning types</td>
<td>Distrust</td>
<td>Conditional trust</td>
<td>Unconditional trust</td>
</tr>
<tr>
<td></td>
<td>Classical and operant conditioning</td>
<td>Adaptive learning</td>
<td>Generative learning</td>
</tr>
<tr>
<td></td>
<td>learning (Bateson’s learning level zero)</td>
<td>(Bateson’s learning level one)</td>
<td>(Bateson’s learning level two)</td>
</tr>
<tr>
<td>Emotions</td>
<td>Anxiety, Apathy</td>
<td>Passion</td>
<td>Compassion, dispassion</td>
</tr>
<tr>
<td>Creativity/innovation</td>
<td>Routine, non-creative work. No innovation</td>
<td>Incremental creativity and innovation</td>
<td>Radical creativity and innovation</td>
</tr>
</tbody>
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Table II.
General characteristics of control, commitment and common welfare HRM systems
employee rewards on some measurable output criteria (Arthur, 1994). The control approach manages employees on a more instrumental basis (Truss et al., 1997; Heinsman et al., 2008). This system, based on McGregor’s Theory X, emphasizes the hedonistic character of human behavior which seeks to maximize the positive consequences and minimize the negative ones, implying that employees will avoid work if they can and that an authoritarian management style is required. Employees are motivated by extrinsic rewards, which are dependent on measurable output criteria (Heinsman et al., 2008). The aim of the control HRM system is to maximize individual performance through hierarchical control. The organizational culture is typically authoritarian and bureaucratic or based on formal rules. Decision taking is centralized and top down communication predominates. The control HRM system focuses on individualism; as team and group work are not promoted within the organization, most of the HRM practices are focused on individuals on their own. Distrust is usually widespread, as employees are seen as opportunistic. Therefore, it might be related to egocentrism.

We consider that this control HRM system is related to a low level of consciousness as there is a huge reliance on past categories: there is an adherence to a rigid rule system governing behavior, precluding attention to new information, and fixating on a single perspective. Mindlessness might be then the most typical level of consciousness. Mindlessness might bring repetition, boredom, exploitation of past success, routines (Madjar et al., 2011), etc., which is closely related to emotions like apathy or anxiety. The term apathy is synonymous with lack of participation, reluctance, lack of incentive and isolation (Ghadimi and Nir, 2011). On the other hand, anxiety is the displeasing feeling of fear and concern, and consequently can create feelings of fear, worry, uneasiness, and dread (Bouras and Holt, 2007). In fact, the two emotions are closely interconnected and lead to goal hindrance (Fischer et al., 1990).

In this line, and based on Bateson’s (1972) categories of learning, individuals within the organization usually develop zero learning: classical (Pavlov, 1926) and operant conditioning learning (Skinner, 1938), which is a conditioned response that entails responding to stimuli but making no changes based on experience or information (Bateson, 1972). Therefore, what employees do is learn the norms and rules through punishment and rewards.

Control HRM systems recruit and select employees with demonstrated job-specific skills, placing the emphasis on technical selection criteria (Koch and McGrath, 1996; Mossholder et al., 2011). Concerning training and development, this system requires or promotes little training other than on-the-job training. However, organizations tend to respond to problems or events that happen in the organization, so organizations are reactive in terms of training: when there is a problem that requires training, then they train employees to solve the particular problem.

The control HRM system evaluates employees by appraising individual performance, through quantifiable measures (Arthur, 1994; Mossholder et al., 2011). Wages or salaries, linked to jobs and performance, are based on merits. Generally speaking there is a dispersed and individually based pay structure (Mossholder et al., 2011). Seniority and performance are then the key criteria for mobility within the organization.

Thus, the control HRM system is an ideal type (Weber, 1921/1947) associated to authoritarian and bureaucratic organizations that tend to be developed when efficiency and labor cost reduction are essential for their success. Mintzberg’s (1989) entrepreneurial, machine and diversified configurations might be considered as examples of this ideal type and HRM system.
Commitment HRMS and medium level of consciousness

Commitment HRM systems shape desired employee behaviors and attitudes by forging psychological links between organizational and employee goals (Arthur, 1994). The commitment approach is characterized by winning hearts and minds (Heinsman et al., 2008). According to Baron and Kreps (1999), commitment HRM systems “aim at getting more from workers by giving more to them.” The aim of a commitment HRM system is to attain individual commitment and loyalty through training, education, communication, knowledge sharing and coaching (Heinsman et al., 2008).

This system, based on McGregor’s Theory Y assumes that human functioning transcends external conditioning and believes in the subject’s independence: individuals who seek self-fulfillment and who self regulate, entailing a participative management style. Intrinsic motivation (Osterloh and Frey, 2000; Gagné and Deci 2005) comes from rewards inherent to a task or activity itself; hence, it implies that the source of motivation is the activity itself. Individuals are motivated to act in a certain way not to satisfy egocentric needs, but because they enjoy the activity and want to do it, so they are willing to commit themselves. Whereas intrinsic motivation is often associated with involvement in complex tasks, extrinsic motivation is claimed to be important in relation to unattractive and simple tasks (Osterloh and Frey 2000; Gagné and Deci 2005). As previously stated, this stage reflects a mature ego that aims to self-fulfill and accept others’ views. Flow is promoted, defined as the experience of working at full capacity, with intense engagement and effortless action, where personal skills match required challenges (Nakamura and Csikszentmihalyi, 2009). Amiot et al. (2006) affirm that the concept of passion has some ties with other concepts, such as those of flow (Csikszentmihalyi, 1990, 2009) and intrinsic motivation (Deci and Ryan, 1985). Passion is strongly related to it: Vallerand and Houlefort (2003) define passion as a strong inclination toward an activity that individuals like, that they value, and in which they invest time and energy.

Diversity acceptance, democracy (representative), pluralism, social tolerance, autonomy, involvement are key concepts in this system (Heinsman et al., 2008). Commitment HRM systems imply clan control, emphasizing social rules and promoting a participative culture, characterized by higher levels of employee involvement in managerial decisions, decentralization and open communication. They are also related to conditional trust (Jones and George, 1998): individuals trust the organization, when the organization trusts them; or trust leaders, when leaders trust them. When this happens, individuals are committed to the group: sociocentrism.

This HRM system might be related to adaptive learning or Bateson’s learning level one (Bateson, 1972), as it is considered as the refinement and improvement of existing competences, technologies and paradigms without necessarily examining or challenging our underlying beliefs and assumptions (Chiva et al., 2010). Concentration is essential for adaptive learning, as it is for flow. When individuals and groups are passionately focussed on an activity, situation, etc., they can improve it, modify it, but it is difficult to question it when there is such concentration or focussed attention. So, incremental creativity (Madjar et al., 2011) and incremental innovation (Dewar and Dutton, 1986) would be mainly fostered in these organizations.

Commitment HRM systems recruit and select employees that fit into the culture, so it places an emphasis on social and technical selection criteria (Mossholder et al., 2011). Furthermore, organizations train individuals to accomplish new tasks, to become self fulfilled, or to work in group problem-solving and socializing activities. Shared competencies are therefore fostered (Mossholder et al., 2011).
Employee evaluation focusses on the appraisal of commitment and skills using mostly collective behavior oriented measures. These are usually profit-sharing systems. Wages also depend on group performance and are based on skills and merits, which are the criteria for mobility and promotion within the organization.

Therefore, commitment organizations aim to increase employees commitment on their tasks, groups and the organization itself. Mintzberg’s (1989) Professional and Missionary Configurations would be examples in certain aspects of this ideal type and HRM system, as social rules or intrinsic motivation, among others, play a more important role.

The common welfare HRM system and high level of consciousness
In this section we propose a new HRM system based on the concept of high consciousness. We consider that the aim of this HRM system is to foster innovation, incremental and radical, all around the organization. In these terms, it could be related to Mintzberg’s (1989) innovative configuration or adhocracy. However, in order to propose the several HRM practices of this system we have not only based on the concept of high consciousness, mindfulness or worldcentrism, but on three particular companies that seem to be following this approach: Chaparral Steel (Dixon, 1994), Irizar (Casadesus-Masanell and Mitchell, 2006) and Valve (Valve, 2012). Chaparral steel, located in USA, manufactures technologically advanced steel products. Irizar, located in Spain, manufactures luxury coaches. And finally, Valve is a game developer also located in USA. The three companies are highly innovative and have several characteristics in common: there are no bosses, managers, or subordinates; no status symbols, it is very egalitarian and democratic; no departments, so their organizations are very flat; people don’t clock in-out; there is a general freedom in the organization; they trust one another and the organization; there are few formal rules; they focus on their customers, “the customer is boss” (Valve, 2012); there is no detached R&D or Innovation department, as everyone is responsible for innovating. Innovation is the key issue, mainly radical innovation.

Common welfare HRM systems increase democracy in organizational settings: democracy is more direct. People might vote or participate on policy initiatives directly, as opposed to a representative democracy in which people vote for representatives who then vote or participate on policy initiatives. On the other hand, as there is a higher level of egalitarian culture and freedom, a certain degree of laissez-faire exists within the organization: individuals control themselves (self-control), as they are responsible. In this context, there is an unconditional trust within organizations (Jones and George, 1998): people trust one another and the organization.

Most of the mindfulness literature understands that there are two main approaches: eastern and western (Weick and Sutcliffe, 2006; Weick and Putman, 2006). The western approach of mindfulness pays more attention to external events and involves reconceptualizing elements within their environment in a new way, drawing novel distinctions and focussing on learning to switch modes of thinking (Langer, 1997). The eastern approach, which pays more attention to internal events, requires meditation (Brown and Ryan, 2003; Weick and Putman, 2006; Dane, 2011). Both approaches to mindfulness create a void (Langer, 1989; Weick and Putman, 2006), which is a non-conceptual phase: one sees things deeply, down below the level of concepts and opinions, one lets go concepts, unlearns (Hedberg, 1981); there is a non-judgmental awareness, a greater sensitivity to one’s environment, more openness to new information, the creation of new categories for structuring perception, and enhanced awareness of
multiple perspectives and intuition come out (Weick and Putman, 2006). All of this implies approaching the implicate order, which is a holistic perception of the world, and being creative and innovative.

Wilber (2006) coined the term “worldcentric” to refer to the highest level of consciousness, which highlights the importance of all of us, of everything – not only of our group – and our commitment to everything. For this reason the terms altruism and compassion become essential for transcendence, as reflected by Maslow (1971). Dutton et al. (2006) define compassion as noticing, feeling, and responding to another’s suffering. They also consider that compassion must involve some sort of response. On the other hand, dispassion implies detachment or being not dictated by passion; not proceeding from temper or bias; impartial, not warped, prejudiced, swerved, or carried away by passion; judicial; calm; composed. Both emotions, compassion and dispassion, are associated with transpersonal development (Daniels, 2009), and can also be connected to emotional intelligence (Davies et al., 1998; Salovey and Mayer, 1990). Emotional intelligence implies appraisal and expression of emotion in oneself and regulation of emotions in oneself, and appraisal and expression of emotion in others, and use of emotion toward constructive and positive activities. Compassion and dispassion are connected to a high level of consciousness: mindfulness (Langer, 1989) and worldcentrism (Wilber, 2000), as it implies a certain detachment from ideas and concepts, to inquire into them, and a search for a connection to everything, environment, others, etc.

Altruism, an unselfish concern for the welfare of others (Simmons, 1991), highlights selflessness or the transcendence of the ego and its needs by serving others. Therefore, everything and everybody becomes important. Altruistic motivation (Batson et al., 1983; Dovidio et al., 1990) becomes essential in this HRM system. Altruistic motivation is a motivational state with the ultimate goal of increasing the other’s welfare. Therefore the source of motivation is neither the ego nor the task itself, but the other’s welfare, which entails acting to improve the other person’s situation. Compassion and altruism are essential elements of the holistic view that dispenses with the requirement for ego needs or necessities. Therefore the main aim is global progress, not only individual or one’s own group progress, but progress for everyone or everything: the common welfare.

At this level of consciousness, the organization is able to unleash the human power of introspection and reflection and shows the capability to renew, adapt and transform itself (Pandey and Gupta, 2008, p. 894). Following these authors, this level of collective consciousness is visible in organizational creativity and innovation. In fact, when there is no ego, one can question even oneself or one’s ideas; this is generative learning (Chiva et al., 2010), radical creativity (Madjar et al., 2011) or radical innovation (Dewar and Dutton, 1986). In these terms, self-transcendence or high consciousness implies or facilitates the most open approach to learning.

All these ideas imply certain specific HRM practices that differentiate them from commitment and control models (Table III). Table III compares the three HRM systems based on different levels of consciousness. In Table IV, examples of the three companies analyzed are included.

When recruiting staff, common welfare HRM systems looks for innovative, dynamic, collaborative and autonomous and responsible people; eager to learn and to challenge their own and other people’s ideas. For instance in Valve they hire people that are able to run the company, very autonomous and responsible. Irizar seeks for extroverted, autonomous and dynamic people that like the idea of their project. People that can get used to a certain amount of chaos, which triggers innovation.
Training in organizations with a common welfare HRM system is attained by sharing experiences and knowledge. Irizar’s leader affirms that the most important training methodology was for others within the organization to share their experiences. Chaparral Steel’s building is designed to promote people’s information transfer. Training programs and organizational philosophy also encourage workers to become generalists, not only specialists. The main objective is for all the organization’s employees to have a “global view,” thus enabling them to take better decisions. These systems also focus on human development and growth; as they consider it essential.

Concerning promotion there is a global tendency of fostering horizontal promotion, which involves developing more skills and assuming more responsibilities without climbing the ladder. This is so because individuals are carrying out multiple tasks and several job functions. Therefore, their jobs are very autonomous, challenging and are constantly changing. So in a sense they intrinsically promote constantly; understanding promotion as the act of encouraging something or someone to develop (Cambridge dictionary online). At Valve members can do what they want, as “the company is theirs.

<table>
<thead>
<tr>
<th>Control HRMS</th>
<th>Commitment HRMS</th>
<th>Common welfare HRMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment and selection</td>
<td>Selecting employees with demonstrated job-specific skills. Emphasis on technical selection criteria</td>
<td>Selecting employees that fit into the culture. Emphasis on social and technical selection criteria</td>
</tr>
<tr>
<td>Training and development</td>
<td>On-the-job/technical training. Individual competencies. Reactive or past oriented: responds to events or problems that already happened</td>
<td>Training to accomplish new tasks (self-fulfillment). Shared competencies</td>
</tr>
<tr>
<td>Promotion and Careers</td>
<td>Seniority and performance as criteria for promotion. Vertical promotion</td>
<td>Merits (performance) and competences as criteria for promotion. Vertical and horizontal promotion</td>
</tr>
<tr>
<td>Evaluation</td>
<td>Performance appraisal (quantifiable evaluative task outcomes). Individual based. Carried out by managers</td>
<td>Performance, commitment and competences appraisal. Individual and group based. Carried out by managers, subordinates and peers</td>
</tr>
<tr>
<td>Compensation</td>
<td>Wages based on merits and seniority. Dispersed pay structure. Individual based</td>
<td>Wages based on skills and merits; also depending on groups. More compressed pay structures</td>
</tr>
</tbody>
</table>

Table III. HRM practices
Common welfare HRMS & Examples by Chaparral Steel, Irizar and Valve

<table>
<thead>
<tr>
<th>Recruitment and selection</th>
<th>Selecting innovative, dynamic, collaborative, autonomous, and responsible people; eager to learn and to challenge their own and other people’s ideas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and development</td>
<td>Training by sharing experiences and knowledge. Focus on human development and growth. To become generalists, not only specialists</td>
</tr>
<tr>
<td>Promotion and Careers</td>
<td>Multiple tasking and several job functions are being carried out by individuals. Horizontal Promotion: developing more skills and assuming more responsibilities without climbing the ladder</td>
</tr>
</tbody>
</table>

In Chaparral Steel they select people that challenge their own and other people’s ideas. Chaparral Steel seeks for people innovative and eager to learn, autonomous and responsible.

Irizar seeks for extroverted, autonomous and dynamic people that like the idea of their project. People that can get used to a certain amount of chaos, which triggers innovation.

In Valve they hire people that are capable of running the company (responsibility and autonomy). Innovators and collaborators.

Chaparral Steel aims to maximize knowledge and information transfer and communication among employees. Organizational learning is fostered in the company (Chaparral Steel). In Chaparral Steel the building is designed to promote people’s information transfer. Education is very important: on the job training, formal education, and sabbaticals in other similar companies, customers or suppliers.

Chaparral Steel tries to promote the human growth of its employees.

Irizar’s leader affirms that the most important training methodology was for others within the organization to share their experiences. The idea of constant communication, both externally and internally, was another attribute that Irizar promoted. Irizar stressed the importance of developing and searching for generalist employees that are not only specialist but also generalist. There is no formalized employee development: “High performance people are generally self-improving.”

Valve wants people that are not only specialist but also generalist. There is no formalized employee development: “High performance people are generally self-improving.”

Chaparral Steel stresses the importance of developing several job functions; there is much job rotation; job versatility. People are encouraged to develop new skills on different domains.

In Irizar everybody has huge spaces of freedom and responsibility. Everybody is the owner of his/her own work, relationships and decisions.

At Valve members can do what they want; the company is theirs to steer. They can develop as many skills as they can, and therefore grow. Multiple projects, tasks, and skills. Everyone is in charge of his/her own growth or career track.

(continued)
<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Common welfare HRMS</th>
<th>Examples by Chaparral Steel, Irizar and Valve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Appraisal of the value or contribution for the company and for its customers. Individual, group and organization based. Self-appraisal and peer reviews</td>
<td>Irizar avoided individual evaluations, believing that basing rewards on individual performance was humiliating and counterproductive to improving the overall system of the organization. Teams evaluated themselves. In Valve peers review and rank each other in projects and product groups to find out who contribute more to the company and its customers.</td>
</tr>
<tr>
<td>Compensation</td>
<td>Flat salaries. Wages based on value for the company and its customers. No paid overtime, low powered individual extrinsic incentives (no individual bonuses, rewards and punishments). Organizational incentives</td>
<td>In Chaparral Steel people are not praised for anything good they do; but they are not blamed either for anything (no rewards for good ideas, no punishments for mistakes). There are organizational incentives (shares, bonuses). Chaparral Steel is a flat organization with only two levels. In Irizar there are only 3 wage levels, no commissions on sales or bonuses (individual's or team's). The highest paid person in the organization made a maximum of three times the lowest paid time. Working more or less does not affect an individual's wage. Irizar is a cooperative. Valve: No paid extratime. The more value you give to the company and its customers the more you earn.</td>
</tr>
</tbody>
</table>
to steer.” Chaparral Steel stresses the importance of developing several job functions; there is much job rotation; job versatility. Similarly in Irizar, where everybody has huge spaces of freedom and responsibility; everybody is the owner of his/her own work, relationships and decisions.

Because of the unconditional trust in and around the organization, and individuals’ high responsibility there is no need for managers to evaluate individuals and groups. Either they do self-appraisals or peers reviews. Irizar avoided individual evaluations, believing that basing rewards on individual performance was humiliating and counterproductive to improving the overall system of the organization. However, teams evaluated themselves. The most important aspect to be evaluated is what they contribute to the company and its customers. In Valve peers review and rank each other in projects and product groups to find out who contribute more to the company and customers.

With reference to compensation, salaries are very flat. Organizations have two or three wage levels. Individuals and groups are no paid overtime; when something has to be done, they should be responsible enough to do it. On the other hand, there are low powered individual extrinsic incentives: no individual bonuses, rewards and punishments. However, Chaparral Steel and Irizar use organizational incentives. Wages are based on the value for the company and its customers. In spite of the flat salaries, in Valve it is stated that the more value you give to the company and its customers the more you earn.

Discussion

The aim of this paper is to propose a new HRM system: the common welfare HRM system. In order to do so, we relate the control and commitment HRM systems to the low and medium levels of consciousness, respectively. For the highest level of consciousness, we then propose the common welfare HRM system.

Although this is not the first attempt to transfer the term consciousness into the organizational field (e.g. Senge et al., 2005; Kofman, 2006), or that an alternative to X and Y theories has been presented (e.g. Ouchi, 1982), less work has been devoted to proposing an alternative HRM system based on consciousness, and which implies a certain human development on the other two.

The common welfare HRM system is developed through the general characteristics proposed and linked to the highest level of consciousness. This system might bring about or is connected with generative learning, unconditional trust, altruism, compassion, dispassion or egalitarian and democratic management style, among other characteristics. It implies, then, caring for everything, not only ourselves or our own groups, but for all; it is a common welfare approach. In a similar vein, the AMR has recently published a special issue about compassion within organizations. In its introduction Rynes et al. (2012) affirm that a focus on care and compassion in organizations is consistent with a paradigm shift in the social sciences, which is closely aligned with evolutionary theories of human development. In these terms, these authors mention Crocker and Canevello (2012), who describe and compare an egosystem vs an ecosystem, where the latter model, in contrast to self-interested theories, portrays individuals as being motivated by caring about the well-being of others. Frost et al. (2006) show that most of the organizational literature has traditionally focussed on ego, self-interest and negativity and their underlying theories and research, while ignoring compassion, humanity and virtue. In this paper, we propose a theoretical underpinning of this new approach based on the concept of
consciousness. We also highlight some organizational characteristics and HRM practices that spread compassion and altruism throughout the organization. So, we infer a new HRM system connected to this new paradigm.

The main contribution of this paper is to present a new HRM system that intends to foster innovation and creativity all around the organization, and represents a development on the traditional control and commitment. The common welfare HRM system implies a new approach in management and HRM, away from the primacy of the ego, competition and hierarchy. The common welfare HRM system represents a way of applying high consciousness to organizational settings. Although the literature has highlighted the importance of consciousness and mindfulness (Wilber, 2000; Weick and Putman, 2006) for organizations, to date no research has applied consciousness to a HRM system. This may also be considered as a contribution to the HRM literature, in that it responds to calls for proposals for new ideal HRM systems (e.g. Delery and Doty, 1996).

Our proposal argues that a certain approach to HRM should be taken in order to develop generative learning or increase the importance of innovation. Practitioners should reconsider the whole organizational approach if their aim is to innovate. We believe that the essential issue lies in attaining higher degrees of consciousness, which causes a certain paradigm shift that has direct implications for HRM practices.

The common welfare HRM system represents an alternative to McGregor’s (1960) classic dichotomy. Although organizational and managerial literature has traditionally considered a dichotomy approach to understand human functioning in organizations – the control approach and the commitment-based approach – perhaps social, economic and organizational evolution has shifted toward a new understanding of relations in which altruism and compassion are regarded as essential.

The Common HRM system might also have important implications for related literature like servant leadership (Greenleaf, 1977; Sendjaya et al., 2008), organizational citizenship behavior (Lam et al., 1999), or Grant’s (2013) concepts on takers, matchers and givers, which could be related to our three systems, respectively. Servant leadership is an emerging leadership approach that emphasizes aspects such as service, spirituality, accountability, wholeness or trust (Sendjaya et al., 2008). Organizational citizenship behavior is individual behavior that is discretionary, and not directly or explicitly recognized by the formal reward system; it is related to dimensions like altruism, conscientiousness, civic virtue, courtesy or sportsmanship (Lam et al., 1999). Future research might attempt to empirically link these issues with the common welfare HRM system, which may be understood as the organizational environment or context in which this kind of leadership and behavior flourishes or appears. In order to do so, a common welfare HRM system scale might be developed. Thus, the common welfare HRM system could be empirically validated.

On the other hand, it is essential to underline that we understand that organizations are not necessarily exclusively either commitment or compassionate, for example, but that they may lie somewhere in the middle, as they are continually evolving and changing. Future research could analyze how and why organizations can evolve or change their HRM system.

Based on the literature analyzed, we consider that high consciousness is not necessarily a permanent feature in some individuals, but can be a momentary characteristic. In the same vein, and in order to attain a common welfare HRM system there is no need for every member of the organization to have a high level of consciousness, although this would be desirable. We understand these organizations
tend to foster high levels of consciousness and can be developed by people with high level of consciousness, which apparently can be learned or taught.

We understand that it is still not easy to establish common welfare HRM systems widely in all organizations, but the aim of the paper was to present and propose a new system that is probably flourishing around us. In recent years, mainly as a result of the economic recession, we are increasingly hearing proclamations of the appearance of a new age. This new age might require new approaches to deal with our organizational relations, society and economy, with a strong focus on freedom, justice, cooperation and compassion. In fact, we understand that the model control-commitment-common welfare might be extrapolated to other domains like politics, sociology or economy.

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Further reading


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