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Implementation Challenges of Strategic HRM in State-Owned Enterprises of Pakistan: An Institutional Perspective

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ABSTRACT

Purpose – Captivated by the success of private sector management practices, the public sector is implanting the strategic human resource management (SHRM) model to enhance HR effectiveness. However, contextual differences may hinder successful adoption. With this proposition, this study explores the implementation challenges of SHRM in Pakistan's state enterprises.

Design/methodology/approach– The study adopted the case study approach to analyse the implementation of SHRM in Sui Northern Gas Pipelines Limited, a company operating as a public entity. Data sources include 17 semi-structured interviews, with diverse respondents working in the HR or other departments of the organization. The HR policy documents were also accessed for analysis purposes. The techniques of triangulation of perspectives, triangulation of data, and thematic analysis are used to explore the phenomenon. Thematic analysis was performed using NVivo-12 for data analysis.

Findings –The study found several external, organizational, and HR competency factors affecting the successful implementation of SHRM in SOEs. Results imply that it is worthwhile for SOEs to have a strategic orientation of HR but its usefulness depends on its successful implementation, which is quite challenging for SOEs due to differences in the institutional context.

Practical implications – Enhancing SOE's strategic autonomy, HR competency, and the vision of strategic apex can be helpful in the implementation process.

Originality/value – Supporting the argument of institutional theory, the study highlights the significance of contextual differences in the implementation of private-sector models in public organizations.

Keywords: SHRM; State Owned Enterprises; Institutional Theory; NPM Reforms; Strategic HR; Public Sector.

Introduction

The significance of strategic human resource management (SHRM), in achieving high performance and competitive advantage, is well-established in the private sector (Uysal, 2019; Alshuwairekh, 2016; Jackson et al.,, 2003; Barney & Wright, 1998; Devanna et al., 1981). This appreciation is not limited to the private sector; under the pressure of a performance-based and results-oriented culture, the public sector has also realized its significance (Mccourt & Minogue, 2001). Government agencies may not be concerned with gaining a competitive edge, but they do need strategic planning and management to maximize performance and productivity (Osborne et al., 2021). Moreover, the strategic objectives need to be linked with HR practices (Fahim, 2018). Indeed, the SHRM model is introduced in public sector organizations under New Public Management (NPM) reforms (Ciarniene et al., 2007). NPM reformers assert that opening the public sector to corporate management practices will improve its efficiency (Hood, 1991) and its own distinct context state entities may potentially perform better(Metcalfe & Richards S, 1990). The reformers hope to supplant conventional rule-bound and authority-driven practices with market-based, competition-driven tactics to modernize the public sector. Under this rationale, public organizations are introducing the SHRM model in place of conventional personnel administration practices. Moreover, the survival, growth and sustainable development of state-owned entities rest upon the competency and allocation of its human resource. However, the cultural, historic and economic context potentially may act as inhibitors or enabling factors for the long-term growth of the state enterprises (Ruofan, 2018). Although the public sector is making progress towards the implementation of business practices, however, it is generally quite challenging due to contextual differences (Tompkins, 2002; Stephen, 2007). Hence, though the effectiveness of the SHRM model is well established in the private sector, it needs separate attention in the context of the public sector. The discretionary authority and flexibility required to adopt SHRM practices are rarely witnessed in the public sector due to deep-rooted bureaucratic norms. However, state-owned enterprises (SOEs) work at a distance from ministries and other government organizations. SOEs operate in a commercial environment; have separate legal existence; have less dependency on the government for revenues, and manage their functions independently (Naveed et al., 2017). In terms of human resource management, SOEs have a lot of control in terms of recruiting, rewarding, training, and firing. Nonetheless, since they work within a broader structure of power, state regulations and political pressures are unavoidable in the decision-making phase (Jadoon, 1994). One of the prime reasons for the inefficient functioning of SOEs in developed and developing countries is limited managerial autonomy, which is reflected in human resource management autonomy and its financial autonomy (Gunasekar and Sarkar, 2019). Therefore, the study argues that implementation of strategic HRM is a challenge for SOEs due to the differences in the context of the private and public sectors. Additionally, this concept is largely applied in developed countries, state enterprises in Pakistan may also face the challenge of institutional differences between developed to developing countries as well.

Research Questions

Addressing the above-mentioned literature gaps, this study raises following questions:

(1) *What are the challenges in the implementation of strategic human resource management practices faced by SOEs in Pakistan?*

(2) How can we explain the SHRM implementation challenges in light of institutional theories?

This study addresses these questions by analyzing the case of Sui Northern Gas Pipelines Limited. Qualitative data is collected through interview techniques and policy documents. The study has explored various factors that hinder/facilitate the implementation of SHRM. The findings of the study are explained in light of institutional theories.

Literature Review

Across the longer historical trajectory of public sector reforms, various models have remained popular globally and have been adopted by the majority of countries at various stages of administrative development (Jadoon et al.,, 2012). In particular, three reform models, Development Administration, New Public Management (NPM), and post-NPM governance models are among the most popular global reform models.   In Pakistan, the New Public Management (NPM) reform trend was introduced in response to the structural adjustment program (SAP) endorsed by various supranational agencies; the World Bank and International Monetary Fund (IMF) (Rizwan et al., 2022) (Dawood et al., 2013). In this context, various reforms are introduced for the reinvention of State Owned Enterprises to make them financially and technically viable entities (Naveed et al., 2018). Consequently, to enable efficient, resourceful and result-oriented personnel management, businesses are expected to embrace the finest worldwide corporate practices, including strategic management of human resources.

Despite tremendous worldwide privatization, the SOE sector has remained a major contributor to the economies of both developed and developing countries (OCED, 2018). In Pakistan, SOEs still have a significant economic presence and therefore, efficient governance and management of SOEs have remained a centrepiece of public policies of the government (Naveed et al., 2018). NPM reformers recommend restructuring and reinvention of SOEs for effective management (Larbi, 1999; Rondinelli, 2008). The underlying assumption is that exposing the public sector to a performance-based and result-oriented corporate management culture can improve its productivity and effectiveness (Hood, 1991; Osborne & Gaebler, 1992; Pollitt, 1993). The restructuring reforms are aimed at turning public enterprises into more competitive, profitable, and effective business units. Re-composition of the board of directors, provision of administrative autonomy, performance contracting, implementation of private sector management practices, and inculcation of new skills and innovations in SOEs are some of the key reform elements (Trivedi, 2008).

Theoretical Foundation: An Institutional Perspective

Institutional theories provide an important explanation of contextual differences in the implementation of best practices. The Institutional perspective notes that neither everything is intended nor the outcome is always the result of a conscious decision-making process (Wright & McMahan, 1992, p. 298). It is an approach to understanding the managerial practices of organizations as a product of social pressures. This theory explains that practices adopted by organizations are often a result of social pressures more than economic pressures to gain legitimacy and conformity (Suddaby et al., 2013). The importance of informal norms, values, and cultural path dependency is highlighted by the cultural-institutional approach. It underlines how both internal and external pressures have an impact on organizations, which ultimately leads to an adaptation to the demands of the context (Rizwan et al, (2022). Any implemented reform's impact on organizations will mostly depend on how well it aligns with the sociocultural and national circumstances (Brunsson and Olsen, 1993; March 1994).

According to historical institutionalism, due to the ingrained past/historical practices, the successful implementation of new models becomes challenging for organizations (Thoeing, 2008; Scott, 1987). Another critical explanation is provided by sociological institutionalism, which places the organizations in the macro institutional environment. Sahlin-Andersson (2002) asserts that the legitimated ideas are adopted by organizations to look modern and to emulate the best practices. However, the ideas are not implemented in their true form but rather are edited as part of an imitative process. Capano (2003) has placed significant concern for the cultural aspect of the organizations in understanding the implementation variation of public sector reforms. According to Scott (1987) organizations consciously mimic several practices from other organizations to gain legitimacy, whereas they are less serious about their implementation. Hence gaps may exist in the formally introduced models and implemented models. Khilji & Wang (2006) has highlighted such gaps in intended HR practices and operationalized HR practices.

State Owned Enterprises: Roles and Challenges

A state-owned enterprise has a dual personality which is not only a public agency but also a distinct business entity. SOE holds a strategic position in the economy present at the nexus of political and market forces (Jadoon, 1994; Lioukas et al.,, 1993). These are legal entities which are formed by the government under a statute, an act or ordinance to run a business on the behalf of the government. (Hanif et al., 2020). State enterprises in Pakistan are a dominant player in its economy. This enhances the significance of efficiently governing and managing these public entities (Naveed, 2021). Public corporations in Pakistan were created at both federal and provincial levels by the government based on the Companies Act 1913 or Companies Ordinance 1984 (Hanif et al., 2020). These state-owned entities existed in different policy sectors, primarily to boost the export of agricultural products, regulate imports, production of capital goods used by industrial engineering and also engaged in the development of technological skills. However, Pakistan's State-owned Enterprises (SOEs) governance and performance present a significant problem (SOEs). Over the past few decades, most SOEs' governance and service performance have drastically deteriorated. There are around 150 organizations under the supervision of the Government of Pakistan that engage in wholly or partially commercial activities and are either fully or partially owned and managed by the government. Most of these SOEs operate in the major economic areas of energy, transportation, manufacturing, and commodity trading. The poor performance of SOEs has had a significant impact on Pakistan's fiscal situation by adding to the load on public coffers due to losses, bailouts, and other types of government support.

Therefore, public companies face a hurdle in using SHRM (a business-type/private sector technique) successfully. An SOE must adhere to commercial and business standards of operation as a corporate entity to accomplish specified commercial goals while managing any concurrent political constraints. Most of the time, state-owned enterprises (SOEs) rely on the government for access to markets, financial resources, and job opportunities (Aharoni, 1986). Resource dependence enables the government to exercise both formal and informal controls in SOEs. Informal controls are frequently favoured because they allow ministers and other overseeing officials to interfere without having to answer for their actions (Monsen & Walters, 1983). The strategic and managerial autonomy of public agencies is negatively impacted by governmental controls (Zahra & Jadoon, 2016). Therefore, governmental oversight and interference (in an external setting) are crucial elements that may prevent the successful implementation of SHRM. The management of an enterprise, on the other hand, has a strong motivation to implement corporate business practices like SHRM since they are exposed to a commercial environment. Market competition compels SOEs to implement commercial, business-driven operating rules (Aharoni, 1986). Consequently, the government might also acknowledge that market forces are an effective replacement for government regulation (Lioukas et al., 1993). Therefore, SOEs' competitive market position is an important factor (in the external context) for the application of SHRM. According to institutional theory, the practises adopted by an organization are frequently the result of social pressures rather than economic pressures to gain legitimacy and conformity (Suddaby eta l., 2013). Hence, various external factors can influence the new practices adopted by organizations.

In light of these arguments, it is proposed that:

Proposition 1: *External context (government control and interference; market competition) is critical in the successful implementation of SHRM in SOEs.*

Internal organizational factors (such as culture and environment) are also important. In Pakistan, inflexible bureaucracy with a focus on input control is a traditional people management technique based on strict rules and regulations (Naveed et al., 2018). In contrast to this, SHRM emphasizes fewer procedures and more delegation and decentralization. Metcalfe et al. (1995) posit that the Weberian style of governance accentuates consistency and centralization whereas modern HR stresses decentralization while delegating discretionary powers to front-line managers. Due to the long history of traditional personnel practices, they are deeply ingrained in SOEs and hence difficult to change (Naveed et al.,

2017). The inertial characteristic of the existing practices and culture may resist the incoming change such as SHRM. This phenomenon is profoundly explained by historical institutionalism, which argues that successful implementation of new models becomes difficult for organisations due to ingrained past/historical practises (Thoeing, 2008; Scott, 1987). Therefore, the already existing practices resist the implementation of new practices.

Hence, it is proposed:

Proposition 2: Organizational context (bureaucratic norms; traditional personnel administration and inertia) can present difficulties in the implementation of SHRM in SOEs.

In addition to the external and internal context, certain competencies are highlighted in literature including the vision and priorities of strategic apex (Kane & Palmer, 1995) capability of those managing the human capital (Wei & Lau, 2005); and competency and cooperation of line managers (Martell & Carroll, 1995). The required competency of HR managers is to be able to deploy their business know-how to become an agile and adaptive entity and also to be able to address challenges associated with HR management (Wei & Lau, 2005). Competency and cooperation from line managers are critical since they are accountable for operational-level HR decisions (Ulrich, 1998). However, line managers lack personal or institutional incentives to perform HR roles (Brewster & Larsen, 2000). They lack the capacity and time (Renwick, 2000), and are not competent enough to implement HR policies and practices (Lowe, 1992) (Gennard & Kelly, 1997; Hall & Torrington, 1998). They also are deprived of policy insight to achieve HR initiatives (Lowe, 1992). Having the capability and urge to perform can significantly facilitate the process of SHRM implementation. In light of the literature this study proposes:

Proposition 3: Competencies (of the strategic apex, HR department, and line managers) can facilitate the process of implementation of SHRM in SOEs.

Research Methods and Data

Research Design

A case study approach was employed since the phenomena under study required an in-depth exploration in a natural setting. The matter of alignment of the HR system, with the overall organizational approach and integration of HR practices, is a complex task, thus demanding to be analyzed comprehensively. Moreover, the case study research design is justified to be adopted when the issue under study is such that the researcher has limited control over and this approach retains the overall characteristics of the phenomenon (Yin, 2003). Sui Northern Gas Pipelines Limited (SNGPL) having a legal status of an autonomous public company with the discretion to take independent HR decisions was selected for analysis.

Research Strategy

Reproductive research strategy was used that allowed the researcher to explain the phenomenon in light of hypothesized structure and mechanism (Blaikie, 2000).

In this study, the propositions were derived in light of existing literature and empirical evidence was searched and analysed to evaluate the propositions.

Sampling and Data Collection

Data were collected by conducting semi-structured interviews of the study population which. included different managers working at different hierarchical levels and other employees of SNGPL. Respondents were selected through a purposive sampling technique. The selection was based on at least three years of experience and involvement in HR-related functions Apart from interviews secondary sources of data such as the company documents which included HR policies and company reports were also analyzed. 17 semi-structured interviews were conducted with diverse respondents including strategic management

positions, HR managers, managers outside the HR department in senior positions, and employees. The detail of the respondents is provided in Table 1.

Table 1: *Detail of Respondents*

	Designation	Level in hierarchy	Transcription Code
1	GM Generation	Senior Management	R1-SM-GER
2	GM Finance	Senior Management	R2-SM-FN
3	GM Human Resources	Senior Management	R3-SM-HR
4	Chief HR Training	Middle-level Manager	R4-MM-HR
5	Chief HR Development	Middle-level Manager	R5-MM-HR
6	HR Officer Training	Lower level Manager	R6-LM-HR
7	HR officer Recruitment	Lower level Manager	R7-LM-HR
8	GM Operations	Senior Management	R8-SM-OPR
9	GM Customer Relations	Senior Management	R9-SM-CS
10	Finance Manager	Middle-level Manager	R10-MM-FIN
11	Chief IT	Lower level Manager	R11-LM-IT
12	Procurement Manager	Middle-level Manager	R12-MM-PRC
13	Chief Finance	Middle-level Manager	R13-MM-FN
14	Project manager	Employee	R14-EMP-PRJ
15	Assistant Procurement	Employee	R15-EMP-PRC
16	Customer Service Officer	Employee	R16-EMP-CS
17	Assistant Planning	Employee	R17-EMP-PLN

Data Analysis

Yin's (2009:41) four tests were applied to ensure the quality of the case study. *Construct validity* was ensured through the triangulation of perspectives (views of diverse respondents inside and outside the HR department) and triangulation of data (interviews and documents). Data collection and reduction involved maintaining a chain of evidence from multiple sources and diverse respondents. To ensure *internal validity*, the pattern matching technique was utilized and rival explanations were compared and contrasted (from views inside and outside the HR department) during data analysis. For *external validity*, the study developed a theory from existing literature and developed an interview guide. Reliability was ensured by developing a case study protocol and maintaining the database of transcriptions in NVivo 12.0.

The data included transcriptions of interviews, HR policy documents, and company reports. Thematic analysis was performed through first-cycle coding and second cycle coding (Miles & Huberman, 1994). Initial codes were assigned to data chunks in the first cycle of coding (free nodes). First-cycle codes were merged into categories (based on their similarity) in second cycle coding. After that, categories were merged to generate themes. Data were analyzed to provide answers to both the research questions: (1) Implementation of the SHRM model (both intended and implemented) through two dimensions: vertical alignment and horizontal integration of HR Findings. (2) Influencing factors in the implementation of SHRM.

Results and Findings

Themes that indicated the implementations of SHRM were extracted from the data collected using the coding process for analyzing the SHRM model from the transcriptions and documents.

Influencing Factors in the Implementation of SHRM

External factors

Respondents identify that due to ministerial intervention and influence from other government entities, SNGPL lacks autonomy in decision-making. A respondent said:

> *"SNGPL is an example of a typical autonomous body that experiences influence from the government despite having so-called autonomy" (R10-MM-FIN)*

Union influence, in the creation of HR strategies in the subordinate cadre, is another significant external issue. Pressure from the collective bargaining agent sometimes causes the approach to change (CBA). Salaries in the lower cadre are fixed following the pay scale rather than being based on performance. Regardless of performance, all employees receive two-year compensation increases that are negotiated by the union and management. The lack of implementation of PMS in the subordinate cadre is a major obstacle to the implementation of SHRM and is a result of pressure from the CBA as indicated in the following excerpt:

> *"Union is actively involved in all subordinate cadre-related issues. Because of this, we are having trouble implementing best business practices in this cadre." (R7-LM-HR)*

Another critical external factor is the lack of market competition. SNGPL is enjoying a monopolistic position in the supply of gas in the large territory of Pakistan. Therefore, it has fewer commercial pressures as highlighted by a response:

> *'The pressures of market competition do not apply to SNGPL. It has a monopoly on the gas supply in its areas." (R8-SM-OPR)*

This is an important factor for the lack of sincere efforts from the strategic apex towards implementing SHRM. These factors found by the study support its first proposition that external context (government control, union interference; market competition) is critical in the successful implementation of SHRM in SOEs.

Competency Constraints

Strategic apex's support and vision are critical factors for executing HR policies. A senior HR manager said,

> *"Previously, we had a very proactive chairman of the HR Committee who established and developed the HR department. A great restructuring of the HR department took place. JDs, KPIs and an HR manual were developed." (R3-SM-HR)*

An additional issue is the incompetency of the HR department highlighted by most of the managers (outside HR departments) and employees. Respondents revealed:

> *"HR department is evolved from Administration department. That's why the same culture of administration department is still prevailing there." (R16-EMP-CS)*

> *"The HR officials need training on how to design JDs and KPIs. These tasks are assigned to the line managers who themselves have no idea about these technical tasks. " (R12-MM-PRC)*

Contrary to this, the line managers are not cooperative, and they are incompetent when it comes to carrying out operational HR tasks. An HR manager explained:

> *"The performance evaluation form is initiated from the HR department in time, however, the responsible departments do not submit them within time. One of the reasons is the incompetency of the managers. The new form is quite technical to complete. Managers are more competent in filling the previous annual confidential report system " (R5-MM-HR)*

These findings support the proposition of the study that HR competencies are critical for the implementation of SHRM in SOEs.

Organizational factors

Data revealed that an important factor is resistance to change from employees and managers. A respondent from the HR department said

> *"Managers and employees do not want to come out of their comfort zone. Indeed, change management is a critical task" (R3-SM-HR)*

The SHRM model is in sharp contrast to the previous personnel administration practices. Whereas previous practices are well ingrained in the organizational culture due to their long history. Hence, employees are less receptive to the change.

Conversely, a line manager explained:

> *"On a daily basis, policies are changed and these changes are not made to improve performance; rather, they are made for personal gain." (R8-SM-OPR)*

The above excerpt points to the power and political relations in the organization. The HR department also identified that some HR policies could not be implemented due to the stake of managers:

> *"Recently the HR department introduced a rotation policy for executives. The policy met with failure due to the vested interest of the managers. No one was ready to move their efficient executives. On the other hand, the executives were also reluctant in moving to some other department." (R4-MM-HR)*

Another difficulty in the organizational setting is lengthy and time-consuming procedures brought on by the concentration of power. The bureaucratic structure necessitates hierarchical permissions for every activity, which results in many handoffs, as expressed in the following excerpts.

> *"Obtaining approval from the higher authority is a lengthy and time-taking process" (R6-LM-HR).*

> *"I prefer to hire an employee on casual employment rather than going towards the lengthy process of permanent hiring. The process of permanent hiring is too long and that also includes political interference." (R9-SM-CS)*

Hence, another proposition of the study is supported: Organizational context (bureaucracy norms; traditional personnel administration; inertia) can present difficulties in the implementation of SHRM in SOEs (proposition 3).

Discussion

The study identified several external organizational factors and competency constraints to SHRM adoption in SOEs. When applying SHRM in the context of SOEs, institutional implications are crucial. According to the institutional perspective, not all events are planned and not all outcomes are the product of deliberate decision-making. (Wright & McMahan, 1992, p. 298). Institutional theories thus explain the discrepancy between the SHRM implementation found in SNGPL's rhetoric and actuality. In particular, SHRM has been shown to significantly improve an organization's performance in the private sector (Schuler & MacMillan, 1984), its successful implementation in state enterprises is hindered by contextual realities and dynamics of the public sector (Sutiyono, 2007). Moreover, despite the reports of effective SHRM implementation in public companies in industrialized nations (Stephen, 2007) there will be variations in developing nations due to cultural differences.

In light of historical institutionalism (Thoeing, 2008), the introduction of current policies in an institution is significantly influenced by the past. Consequently, it is possible to think of the system of public organization as path-dependent. Scott (1987) describes it as "organisational inertia," the persistence of procedures adopted at the beginning of the company's history. The majority of SOEs, which function as bureaucracies, are accustomed to managing staff according to strict rules, regulations, and drawn-out

processes that have been practised historically. In the instance of SNGPL, it is discovered that this is true. The introduction of SHRM principles is a drastic departure from the process-focused bureaucratic norms in place at SNGPL, which prevents the SHRM model from being properly implemented despite its formal introduction. The process-focused bureaucratic rules have (to a certain extent) absorbed the result-oriented Practices. The use of PMS to enhance horizontal integration amongst HR practices is a prime illustration. Because the managers are accustomed to and comfortable with the conventional appraisal method, it could not be applied properly. They lack the skills to create KPIs and hence oppose the system. The introduction of the SHRM model to the personnel administration process appears to be part of the wave of public sector reforms (to reinvent SOEs). As a result, SHRM is being implemented at SNGPL, but the finest HR practices that are being implemented there are being resisted by the inflexible bureaucratic standards already in place.

The discrepancy between the rhetorical and actual levels of SHRM in SNGPL is also explained by sociological institutionalism. Institutions are defined according to their macroenvironment according to sociological institutionalism. The fundamental premise is that society and culture have a significant impact on how the public sector is structured and valued. (Thoenig, 2008). This viewpoint implies that the values and work practices within state enterprises represent the national culture and traditions. For instance, political patronage-based appointments can be found in SNGPL. This can be the case because the system of political patronage (*Safarish)* is an element of the country's national culture (Rizwan & Jadoon, 2010). institutional effects (Wright & McMahan, 1992, p. 319) rationalize that HRM processes could be the product of a social construction procedure, in which outside forces influenced the development and adoption of procedures that eventually gained a fictitious sense of legitimacy. As a result, the actual HRM practises may differ from the deliberate strategic decision-making process. Due to existing cultural conventions and societal beliefs, SHRM may not be applied in its entirety.

The results also confirm the hypothesis that reforms spread as a result of mimetic isomorphism under the theory of the new institutionalism approach (Sahlin-Andersson, 2002). Capano (2003) has emphasised the importance of the cultural variable for understanding heterogeneity in the applicability of public sector reforms by using a cultural theoretical perspective in institutionalism. Scott (1987) contends that to appear credible and modern, companies often adopt methods based on those of other institutions. This is valid for SOEs implementing globally accepted HRM methods to appear contemporary or professional. In line with the global trend, SHRM is adopted as a component of reform initiatives in the public sector aimed at revamping State enterprises. Even though this private sector strategy is successfully used in public companies of advanced economies, applying it successfully in Pakistan is difficult due to institutional and cultural differences.

Conclusion

The study aimed to assess the implementation of private sector-oriented HRM practices in state-owned enterprises in Pakistan. This reform initiative was in consequence of the NPM-led reforms meant to reinvent the public sector operations and practices. For this purpose, a large enterprise, Sui Northern Gas Pipelines Limited was chosen as the unit of analysis. The analysis leads to several conclusions about the research questions. The key findings against the propositions of the study are presented in Table II below;

Table II: *Key findings of the study*

Objectives	Propositions	Findings
To explore factors that hinder/ facilitate the implementation of the SHRM model in SOEs.	**Proposition 1:** External context - is critical in the successful implementation of SHRM in SOEs.	Three factors have hindered the implementation of SHRM in SNGPL: (1) State control; (2) Union interference, (3) lack of market competition - Sociological institutionalism explains the influence of society and culture on

			organizational practices.
	Proposition 2: Organizational context can present difficulties in the implementation of SHRM in SOEs.	-	Bureaucratic norms; traditional personnel administration and inertia have resisted the implementation of new HR practices.
		-	Historical institutionalism explains the power of inertia in the organization.
	Proposition 3: Competencies (of strategic apex, HR department and line managers) can facilitate the process of implementation of SHRM in SOEs.	-	Three critical competency constraints have deterred the implementation of SHRM in SNGPL: (1) Lack of vision of Strategic Apex; (2) less competent HR; (3) Incompetency of line managers regarding HR functions.
		-	New institutionalism explains that organizations are less serious about the implementation and more inclined towards mimicry of modern practices.

The research study provides insight into the implementation of private sector strategic human resource management in SOEs as well as a shift in HR practices from conventional personnel management practices to the strategic orientation of managing human resources. The study looked at organisational, competency-related, and external factors that affect how successfully SHRM is implemented in SOEs. It may be concluded from the results presented in Table II that, despite being formally established in policy, SHRM has not yet been successfully implemented in SNGPL. Practically, traditional personnel procedures that already predominate in the SNGPL bureaucratic environment have been infused with strategic HR approaches.

Implications

The findings provide several organizational, individual and social factors that are hindering the implementation of modern HR practices in the enterprise. There are several implications of the findings. First, the broader social and cultural context has a major influence on organizational practices. It is evident from the political patronage reported by the respondents in the study that is prominent in the society where SNGPL is operating. Secondly, organizational inertia is a powerful influencer that resists change in the organization. The path-dependency character is prominent in the findings. Third, the results imply that change needs a systematic design and step-by-step process for successful implementation. It appears from the case of the study that modern HR practices are introduced without any planning. Factors such as the hiring of competent HR personnel, training of exiting officials and providing orientation to the employee are missing in the implementation process whereas these are critical steps before introducing the SHRM practices.

Limitations and Future Directions

The results are based on a single case study taking SNGPL as the unit of analysis. The case of SNGPL is a typical case that represents other enterprises that have autonomous structures and are incorporating modern business practices in Pakistan. Still, with a single case, the results cannot be generalized to all enterprises. To overcome this limitation, future researchers can take multiple cases to enhance the generalizability of the findings through comparative analysis and replication logic (Yin, 2003).

Furthermore, a triangulation approach incorporating both qualitative and quantitative methods for data collection and interpretation can be used to improve data authenticity. A similar study could be conducted in the private sector to compare the application of SHRM in the public and private sectors. In the future,

the study could include a larger sample size by including perspectives from members of the governing board and ministry personnel to capture issues of autonomy and SHRM application in SOEs.

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