This chapter draws on insights from different fields of study to explain how the regulatory context informs the development and application of employer HRM choices within organisations. In considering the contribution of fields such as organisational studies, industrial relations, comparative politics, economics and legal regulation, we note that in most developed countries in the last 10 to 20 years, the regulation of employment has shifted from a predominantly institutional to organisational setting. Despite this change, which brings the role of HRM and “the firm” into closer scrutiny, we nevertheless maintain that changes in regulatory structures and methods do not equate to a shift from regulation to deregulation, as is often asserted. While the management of the employment relationship now often involves organisational actors such as employees, supervisors and managers rather than institutional actors such as unions and employer associations, the regulatory context nevertheless underwrites and constrains the space in which these actors are able to shape HRM policies and practices. In developing this line of argument, the chapter draws on insights from “new institutionalism” and contributions from regulatory studies that highlight how history, labour market institutions, and a variety of regulatory techniques set a regulatory framework within which HRM guides the management of the employment relationship.