

An investigation of the contextual factors enabling or constraining the adoption of a more strategic role for HR in complex organisations

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Abstract

There is a substantial body of opinion that Human Resource (HR) functions have failed to provide organisations with the strategic guidance and support that will make the best use of the human capital asset. This perspective is influenced in part by research and practice guidance that identifies the potential for enhanced organisational performance following from the adoption of high performance work systems and best-practice HR organisation, policy, and practice.

Many HR functions have adopted new organisational models and ways of working, but there is a good deal of research and practice evidence suggesting that HR often continues to focus on operational and transactional matters rather than taking the more strategic role that would impact on and make a significant contribution to organisational performance and success.

The research proposition is that much of the available academic theory and best practice guidance for HR is one-dimensional and overly static, and fails to take sufficient account of the complex and fast-moving context in which many HR functions and HR professionals are operating. This has led to an expectation and performance gap between the models promoted by academic theory and guidance and the reality that HR professionals face in their own organisations in terms of strategic opportunities that may be open to them and the barriers that may prevent them from operating at that strategic level.

In order to explore and address this gap, the current research draws on: organisational theory, in particular resource-based theory, dynamic capabilities theory, and social exchange theory; academic models of strategic human resource management; and broader research and practice guidance on the strategic role for HR. There are three research studies, an interview study and a Q study in a case study organisation (CaseOrg), and a further Q study for HR professionals in a sample of complex, multibusiness, organisations. The study findings confirm a broad range of contextual factors which are seen as supporting or constraining HR in operating at a strategic level.

The findings question the 'one-best-way' and normative nature of much of the existing research and practice guidance, and have identified four inter-related themes that define the contextual opportunity for HR to operate in a strategic role. The research presents a four-box building blocks model reflecting the key themes identified in the research, in particular the fact that the experience for HR professionals and other relevant actors will be different in each business, and business unit, depending on the organisational reality in each of those building blocks and the relationships between the blocks. Much of the 'normative' and 'generalisable' guidance emerging from the existing research literature would be challenged or modified by the experience of interviewees and Q study sorts.

The proposed four-box model (Figure 8.3) is situational, respecting the different realities experienced in different businesses and business units, and describing both the contextual conditions that need to be in place for HR to play a strategic role, and the key relationships between items and themes in each of the boxes in the model (Table 8.4). This leads to recognition of the need for a holistic approach to the promotion of the more strategic role for HR rather than the topic-specific measures suggested in much of the existing research and practice guidance.

The four-box model offers the potential to be developed into a diagnostic tool, representing a practice contribution from the research. The diagnostic tool would assist organisations and HR professionals to identify and plan the steps they may need to take to establish HR in a more strategic role.

There is a contribution to research methods arising from the adoption of Q methodology for two of the research studies, in order to capture and reflect the real-life experience of key HR actors. This appears to be the first time that Q methodology has been used for a study of SHRM and the role of HR, and the experience was welcomed and appreciated by research participants.

Keywords: HR function; human capital; strategic partnering; HR organisation; Q methodology.

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DEDICATION

To Yvonne, for her patience and support

To my parents, for so many things

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CHAPTER ONE: INTRODUCTION TO THE THESIS

1.1 Overview of the study

This study sets out to identify, and evaluate the impact of, the major factors aiding or constraining Human Resource (HR) functions in delivering strategic human resource management (SHRM) and, in particular, in taking on a more strategic role. An early observation is that the academic literature offers many different definitions for SHRM and different, and sometimes contradictory, perspectives on what a strategic, or more strategic, role for the HR function might entail. These differences are explored and reviewed for relevance to this research in Chapter Two of this thesis, in the review of literature guidance.

There is then the potential for confusion between 'strategic' as part of strategic human resource management (SHRM) and 'strategic' as a dimension of the role for the HR function and HR practitioners. This area is reviewed in detail in the thesis and the summary view adopted for this research is that SHRM refers to the body of HR policy, process, and practice adopted in order to align human capital with organisational needs and intentions, and is likely to include 'best practice' and 'high performance HR', while the strategic role for HR may justify HR practitioners engaging with business leaders in order to shape or at least influence business policy, plans, and strategy, in terms of implications for, and from, the organisation's human capital asset.

The research is focused on human capital management in multibusinesses, complex organisations with particular demands on the HR function, and is prompted by an interest in investigating the validity or otherwise of researcher criticisms levelled at the HR profession for not making a sufficiently effective contribution to organisations seeking to optimise their investment in human capital. The question that the research is seeking to address is "Which factors will help or constrain HR in playing the more strategic role advocated by many researchers and in practice guidance". The research makes contributions in terms of academic theory, HR practice, and research methods.

There are two contributions to academic theory. The first of these offers a theoretical framework for a more strategic role for HR in complex organisations. The proposed framework draws on organisational theory, in particular resource-based theory, dynamic capabilities theory, and social exchange theory, in order to address the complex, and sometimes contradictory, needs and interests in a multibusiness. The second academic contribution offers a four-box building blocks model describing the contextual conditions to be satisfied for HR to play a strategic role in a complex organisation. The four-box model is developed from the situational reality experienced by HR professionals in multibusinesses and describes both the contextual conditions that need to be in place for HR to play a strategic role, and the key relationships between the boxes in the model.

There are two elements to the practice contribution. The first contribution is made in evaluating the multibusiness relevance of ten Propositions abstracted from best-practice research and practice guidance on SHRM and the role for HR. The second contribution is in proposing further research to develop a diagnostic around the four-box building blocks model to assist organisations and HR professionals to identify and plan the steps they may need to take to establish HR in a more strategic role.

The research methods contribution relates to the adoption of Q methodology for two of the research studies. This represents an important departure from more traditional questionnaire approaches used in SHRM-related research. While Q methodology has been followed in studies of learning and development, this appears to be the first time that it has been used for a study of SHRM and the role of HR (Sulphey, 2014). Q methodology offers an opportunity to capture and reflect the real-life experience of key HR actors, understanding how they view their role and the challenges and opportunities they face in operating at a strategic level. The rich and detailed evidence arising from the Q studies, and the unsolicited positive messages from participants in those studies, suggest that this is a valid method to use for further studies into SHRM and related matters.

This opening Chapter: reviews the importance of strategic human capital management for complex organisations; introduces relevant research describing measures to be taken to improve human capital management, and the roles considered to be most relevant for Human Resource (HR) practitioners; and presents the purpose and aims for the current research. The Chapter concludes with an overview of the structure for the following Chapters of the thesis.

1.2 People are seen as a strategic resource

Websites and Annual Reports for many of the World's leading organisations are likely to carry a message confirming the importance of their people, as human capital, to that organisation. For example:

- Goldman Sachs (2015) affirm that 'Our people are our greatest asset';
- Google (2015) emphasise that 'building great products depends on great people';
- Accenture (2014) establish that 'one of our top priorities is having the best talent'; and
- Microsoft (2015) recognise that 'Our mission begins with our employees'.

It has to be acknowledged that there is a good deal of scepticism around whether the 'greatest asset' message is always genuine or simply one of those glib phrases to which CEOs and other senior managers pay lip service. However, there can be no doubt that the right people are important to any organisation.

On one side of the equation, people costs are likely to represent a significant proportion of organisational costs. In knowledge industries, including professional services firms, and in many public sector organisations, people costs are often in the region of 70% of total costs. People costs in other industries may be lower but are still likely to represent at least 20% to 30% of total costs. The challenge for organisations is to make the best use of this costly investment in human capital, for example in terms of contribution to profit or to the level and quality of services delivered.

There is substantial evidence of organisations recognising the contribution of their human capital as the key driver, or at least a sustainer, of performance and potential for growth. The message from Goldman Sachs is that "It is only with the determination and dedication of our people that we can serve our clients, generate long-term value for our shareholders and contribute to the broader public". KPMG UK (2014) comment that "We will only achieve our business strategy and vision if the 13,000 colleagues, contractors and sub-contractors who

work for KPMG feel committed to the Firm, to each other and are engaged with our values and overall purpose”.

These high level messages regarding the engagement and dedication of the workforce are often backed-up by HR policy and practice adopted to encourage employees to join, remain with, and remain motivated in, the organisation. There is ample evidence to support the proposition that, from a practice perspective, organisations do recognise and appreciate the importance of their human capital to business performance and sustainability.

1.3 What does the research literature tell us today?

There is a well-established body of research that has identified the benefits to organisations of introducing high performance work practices and high performance HR practices (Appelbaum, Bailey, Berg and Kalleberg, 2000; Kehoe & Wright, 2010; Tregaskis et al, 2013; Huselid, 1995). The research tends to take a resource based view of the firm and comments on the worth of human capital in an organisation. In essence, this research establishes the business case for effective human capital management policy and practice.

Challenges to the HR function, for example from Legge (1978), Guest (1987), and Kanter (2003) confirm the need for HR to change and suggest, inter alia, that HR moving from being seen as administrative to taking a more strategic role is the way to go.

The work of Schuler & Jackson (1987), Schuler (1992), and Paauwe, Boon, Boselie, and Hartog (2013), considers the process for developing an HR strategy and the alignment of HR resources and practices with the strategic management processes of the organisation. This work emphasises the role of the business in setting out a detailed business strategy, which can then be developed into people and HR strategies. This is a particularly important consideration in the current research as many of the businesses and business units reviewed were operating without an explicit business strategy.

Research into this more strategic role for HR has led, inter alia, to the development of guidance on roles and organisation for the HR function (Ulrich and Brockbank, 2008; Caldwell, 2008; Wright, 2008; Guest and King, 2004). The 'best practice' principles from research on SHRM and the strategic role for HR have been supported by professional bodies, in particular the Chartered Institute of Personnel and Development (CIPD) in the UK and the Society for Human Resource Management (SHRM) in the USA. 'Best practice' principles have been adopted and implemented in many medium- to large-sized organisations. For example, the CIPD Outlook Review (2015) notes that 27% of organisations in their survey have adopted a shared service model for the organisation of the HR function, as recommended by Ulrich and Brockbank. The figure rises to 39% for large (more than 250 employees) organisations.

1.4 But HR is still not seen as strategic, and why is that?

Despite this reasonably extensive adoption of the 'best practice' principles of strategic business partnering and associated restructuring of the HR function there is still a view, within organisations, and within the HR function itself, that HR functions often fail to take a sufficiently strategic role. As a consequence, HR functions continue to fall short of being recognised as a strategic partner to the business rather than as a provider of administrative and process services. A number of surveys still point to HR being overly focused on service delivery (Mercer, 2011; Boston Consulting/EAPM, 2011) with an overriding message that HR seems to be making slow, if any, progress (Guest and King, 2004) to the more strategic role.

Although there is a widely-held view that HR functions are failing to play a strategic role there are published examples of organisations where HR is seen to be properly strategic and making a difference (Allen, 2015). Unfortunately, the balance of research and practice-related articles still suggests that there is a lot more to be done, and that the pace of change needs to be accelerated.

1.5 What is this study doing that is different?

The research described in this thesis aims: to explore and qualify those factors that may enhance or constrain the opportunity for the HR function to take a more strategic role; to understand the relationship and interdependencies between those factors; and to translate these findings into a model that will inform and guide organisations and HR professionals regarding the contextual requirements for HR to play a strategic role. The research has focused on the reality of HR practice, initially in a case-study organisation, and then, for broader reference and to assess whether findings may be relevant, across a wider population of multibusiness organisations.

The research has been conducted with a particular focus on the situation in multibusiness organisations, those with departments or business units that will have significantly different human capital requirements. For example, different requirements might be generated by: the markets served; the nature and length of contracts or service agreements; the professional or technical qualifications required; and the expected scale and pace of any change.

The intention has been to secure both academic and practice-based outcomes. The academic contribution derives from a situational analysis identifying the contextual factors that encourage or constrain the efficient and effective practice of SHRM and a more strategic role for the HR function in an organisation, and leads to the development of a four-box model defining essential relationships between a broad range of factors that need to be addressed if HR is to play a strategic role. The practice contribution follows a process of confirming or challenging a range of HR best practice guidance, and proposes developing the four-box model into a diagnostic tool to assist organisations and HR practitioners in determining the opportunity for HR to take a strategic role in a specific organisation. The intention is to enable HR to be properly recognised for the contribution it makes; opening doors to a more strategic role for HR, where justified; and defining the competencies and capacity required of key actors.

1.6 Thesis structure

Following this summary introduction to research themes and interests – all of which are developed further in the body of the thesis – the thesis is structured into Chapters, as detailed below.

Chapter Two: Literature guidance on SHRM and a more strategic HR function

This Chapter opens with a review of a number of candidate theories that might guide the research, and the process of analysis to determine their relative strengths and weaknesses in relation to this research. The Chapter concludes by presenting the theoretical framework adopted for the research and a representation of its fit at different levels of an organisation.

The research has been constructed and conducted around four inter-related pillars, moving from the macro-level of organisational context to the micro-level of the competencies and capabilities that HR professionals should be able to demonstrate in a more strategic role. Each of these pillars relates to, and influences, each of the others. The four research pillars followed are: Organisational context; SHRM in practice; HR roles and responsibilities; and HR competencies and capacities.

The Chapter reviews available evidence from research, professional bodies, and consultancies on the advocated more strategic role for the HR function and the mechanisms and other features that will help the HR function to secure, and deliver in, that more strategic role. There is a substantial body of 'best-practice' research and practice guidance on strategic and organisational considerations that would position the HR function to undertake the new role, and a balancing body of research challenging the validity of such advice as being fit for all organisations. The Chapter identifies a number of best-practice Propositions, abstracted from research and practice guidance, which are to be compared with evidence from the research fieldwork in subsequent Chapters.

Chapter Three: Methodology and methods

This Chapter describes and explores key research themes, and explains the research design. The Chapter presents the methodology and methods adopted, in this case Q methodology alongside rigorous desk research and a programme of semi-structured interviews. Q methodology is a novel component in research into SHRM and the case for its adoption, and the way it has been applied, are described in detail.

Chapter Four: Case study research and findings – interview study

This Chapter opens with an introduction to the case study organisation, CaseCo, which was selected for the research as a multibusiness with a clear commitment to attract, develop, retain, and continue to motivate a knowledge-based workforce. CaseCo had adopted high performance HR policies and practices, and operates with the HR function organised in a shared service model.

This Chapter then describes one of the two major elements of the research fieldwork, a semi-structured interview programme conducted with a range of HR practitioners in CaseCo across a three-month period. Interviews were conducted with 21 HR professionals from different business units and in a number of different roles. The description of the interview programme includes the question themes, the thematic analysis process adopted, and key findings. The Chapter also describes further analysis conducted with HR representatives of other organisations to explore whether themes identified by CaseCo interviewees were unique to the experience of individuals in CaseCo, or resonated with a broader community of HR practitioners outside CaseCo.

The Chapter concludes with a review of evidence from the CaseCo fieldwork and a comparison of that evidence with the best-practice Propositions developed from the literature review described in Chapter Two.

Chapter Five: Case study Q analysis

This Chapter describes the Q analysis conducted in CaseCo, and presents findings and emerging conclusions. The description of the Q study provides detail on the process of introducing and conducting Q analysis, with comments on the feedback from participants; and evidence from the Q analysis. The findings from the Q study are compared with the best-practice Propositions described earlier.

Chapter Six: Q analysis in multibusinesses

There was always going to be a concern that the findings from the research conducted with CaseCo might not be relevant for other organisations. This Chapter describes the process used to extend the Q analysis to a broader HR community in multibusinesses to explore the extent to which CaseCo themes and findings were consistent with the experience and opinion in that broader HR community. The Chapter concludes with a review of evidence from the multibusiness Q study and a comparison of that evidence with the best-practice Propositions.

Chapter Seven: Consolidated study findings

This Chapter consolidates and reviews findings from the three studies: the CaseCo interviews; and the Q studies in CaseCo and for other multibusinesses. The Chapter identifies and explores themes and messages in terms of their consistency or diversity, and pays particular attention to areas where the consolidated study findings appear to support, or differ from, findings and messages from other research. In particular, the Chapter provides an analysis of the levers for, and barriers constraining, the HR function in taking on a more strategic role and then presents a model defining key contextual building blocks for the strategic role and emphasising the importance of a holistic approach addressing elements in each building block to enable the HR function to play a more strategic role.

Chapter Eight: Conclusions

The study research has implications for a number of key aspects of human capital management. In particular, there is an emerging message that there are a number of conditions to be satisfied if HR is to be able to take the more strategic role. Example conditions relate to: the readiness of business leaders to see HR in a more strategic role; HR policy and practice being relevant to the specific business unit; and line managers taking responsibility for managing the people in their teams or departments. Other example contextual factors include the strategic opportunity and the extent to which employees are prepared to use self-service technology or Service Centre resources for transactional HR matters rather than directing their questions and concerns to their local HR resource.

This concluding Chapter reviews the findings from the current research in order to:

- Review the relevance of the integrated theory adopted to guide the research;
- Introduce a model describing the building blocks required to be in place to enable the HR function to play a more strategic role;
- Describe research limitations; and
- Suggest areas for further research.

CHAPTER TWO: LITERATURE GUIDANCE ON SHRM AND A MORE STRATEGIC HR FUNCTION

2.1 Introduction

There is an extensive, and continually expanding, body of evidence-based literature describing how SHRM should operate in an organisation and presenting the case for the HR function to adopt a more strategic role. This evidence is generated from a range of sources including: academic research; guidance from professional associations; and publications from consultancies and other practitioners; and is underpinned by well-researched theory.

While the available evidence may offer and support varying, and sometimes contradictory, opinions it is clear is that the operation of SHRM and the conditions for a more strategic role for HR need to be enacted at multiple levels in an organisation, and that contextual sensitivity and fit are key to successful enactment. Examples of different levels for HR strategy, policy, and guidance would be: macro at Board or other corporate level; meso at the level of individual business units; and micro at the team and individual level. Contextual issues and fit would include: the employer brand; leadership style; the extent to which employee communities may be seen as homogeneous or heterogeneous; and the organisational response to market forces – growing, declining, or unchanging.

This Chapter provides a review of relevant literature regarding:

- Research-relevant theory;
- The development from Human Resource Management (HRM) to SHRM and the implications for organisations and for HR professionals;
- Organisation of the HR function; and
- HR competencies and capacity.

The Chapter focuses on those particular people management issues and opportunities facing a multibusiness. Propositions representing one or a number of aspects of perceived best-practice are developed and presented as a table in the final Section of this Chapter.

Findings from the research fieldwork, described in later Chapters, are to be compared with these best-practice Propositions to establish the extent to which that perceived best-practice is experienced in, and relevant for, the study organisations.

Following this brief introduction the main Sections in the Chapter are:

- 2.2 Defining HRM: process and practice – introducing the history of people management in organisations, in particular tracking the transition from welfare and personnel administration to personnel management and HRM, and evaluating definitions and descriptions of HRM from research and practice;
- 2.3 The transition to SHRM – exploring the features that research proposes as differentiating SHRM from HRM;
- 2.4 Identification and evaluation of research-relevant theory;
- 2.5 The strategic role and activities for HR – building on the principles and practice of SHRM to consider the proposed ‘more strategic’ role for HR;
- 2.6 HR organisation design and development – presenting and evaluating research and practice proposals for the organisation of the HR function;
- 2.7 HR competencies and capacities – presenting and reviewing research and practice findings regarding competency models intended to facilitate the adoption and successful delivery of the more strategic role, and summarising key themes and features;
- 2.8 Propositions: best-practice guidance and requirements – introducing Propositions derived from best-practice features and factors which current research and practice guidance may deem to be required to be in place for HR to play the recommended more strategic role; and
- 2.9 Conclusions.

2.2 Defining HRM: process and practice

There is a long, and well-documented, history for the HR profession, starting with the welfare role adopted by wives of UK mill owners and developed by Quaker and other caring families

as employers in the UK and US. The welfare role was extended and transitioned into personnel administration which became personnel management, in part in response to the development of collective bargaining and then employment legislation, and as activities shifted from the administrative and routine into a more professional and advisory role (Kaufman, 2012; Tyson, 1987; Ulrich and Dulebohn, 2015).

The Human Resource Management (HRM) designation has been in fairly common use for over 30 years. However, there is still room to question whether the redesignation to HR, as the Human Resource function, and HRM, as the activities of HR in an organisation, always carries with it new roles and responsibilities or is simply a new title covering the same, Personnel Management, activity (Caldwell, 2003; Guest, 1987). Armstrong (2000, p576) asks 'Has anything really changed – for better or worse?'.

It is important to bear in mind that historic transitions for the HR function have tended to be evolutionary rather than revolutionary. Even where the HR function is seen to be operating as a strategic partner to the business there will still be activity, for example sending appointment letters and employment contracts, which could fit easily under the heading of Personnel Administration or Personnel Management.

Defining HRM

It would help to have a clear, and agreed, definition of what HR is there to do and what HRM looks like in practice. Caldwell (2003, p985) references 'a long history of intrinsic role ambiguity' creating considerable difficulty in defining what HR professionals should be doing and how that differs from what they had been doing, and Watson (2008, p108) reflects on this ambiguity by referring to there being 'no literature on the theory of HRM'.

Strauss (2001, p874) suggests that there are 'at least five alternative definitions' for HRM. His first definition relates to traditional personnel management and, recognising increasing levels of complexity and planning, he moves to a fifth definition embracing best-practice designed to promote organisational commitment and employee motivation.

There are a number of available themes for definitions for the work of the HR function. Poole (1990, p1) describes the role for the HR function as involving the management decisions that affect the nature of the relationship between the organisation and its people, emphasising the 'link with business policy and strategic management'. Boxall and Purcell (2000, p184) represent that HRM includes 'anything and everything associated with the management and employment relations in the firm'. Guest (1987) emphasises that if HRM is to be seen to add value it should be differentiated from personnel management. He sees the personnel management role as being associated with compliance while HRM is concerned, inter alia, with securing organisational commitment.

Storey (2007, p7) has offered a summing up of HRM as 'a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce using an array of cultural, structural, and personnel techniques'.

The Chartered Institute of Personnel and Development CIPD representing HR professionals in the UK, sees the Institute role as 'championing better work and working lives' (2015, p6). The US Society for Human Resource Management (SHRM) position is similar, to 'develop and serve the HR professional and advance and lead the HR profession' (SHRM website 2016). Alongside these Institutes are a cluster of other entities offering expertise in people management fields. Those 'experts' could include: employment lawyers; occupational and organisational psychologists; organisation design and organisational development specialists; reward specialists; and indeed the line managers responsible for the day-to-day engagement with individuals and teams.

Drawing these themes together suggests that HRM should cover the full range of people-at-work topics and issues, and that there are generic HRM topics and issues that apply regardless of industry or markets, or other more specific considerations. Responsibility for action will be shared appropriately with other agents, for example: business leaders; line managers; staff members themselves; and specialists on specific topics.

Fairness and equity

HR professionals, particularly those in the UK and Europe, have emphasised the importance of fairness and equity in HR policy and practice (Sparrow and Hiltrop, 1997). At the minimum level this is driven by the need to be seen to comply with employment legislation, but there will also be fairness and equity considerations arising in relation to collective bargaining, sustainability, the desire to be seen as a fair employer, and respect for the individual.

Many writers have described the case for matching or balancing HR policy and practice with organisational plans and needs. This has been summarised as 'fit'. Wright & Snell (1998, p756) identify two types of 'fit': vertical and horizontal. Vertical fit applies where an organisation directs and aligns HRM policy and practice with the strategic business requirements of the organisation, and thus begins to open the door for the transition to SHRM. Horizontal fit relates to the congruence and consistency of HRM policy and practice between and across business units and service lines within an organisation.

There are strong arguments for HR policy and practice that is congruent and consistent across an organisation. Morris, Wright, et al (2009) register the opportunity to capitalise on economies of scale, and the case for introducing informal norms and greater knowledge sharing among employees. Their case is supported by four broad themes.

First, the efficiency theme argument makes the case for harmonising on common policy and practice. This will enable HR staff to gain detailed and deeper understanding of that policy and practice, and reducing/obviating the case for 'exceptions' will reduce the administrative workload and will simplify the task of updating policy and practice to reflect changes in employment legislation or business priorities. Second, the economy theme recognises that where there is seen to be 'one best way' there are significant opportunities for reducing, or at least managing, costs.

Transparency and fairness constitute an important third theme. Common systems and processes, for example for performance management, should promote consistent standards and equal treatment across the organisation.

The fourth theme relates to the case for a common culture and values. It is highly likely that organisational values may be set outside, and above, HR policy and practice but the interpretation of values and the organisational culture that develops and evolves will be strongly influenced by the way that employees are, and perceive they are, treated.

Alongside the case for fit there is recognition that some degree of flexibility may also be appropriate. Sanchez (1995, p135) presents flexibility as the organisation's ability to respond to demands from dynamic competitive environments. The case for flexibility is built on the argument that the external, and possibly internal, environment can change quickly and that over-rigid rules and processes can delay or prevent an organisation changing to meet new needs or to capture new opportunities.

For example, an organisation may have clearly established, and strictly-enforced rules governing international assignments, but those rules may have been developed to cover Western Europe and the USA. If a significant business opportunity arises in the Middle East or Eastern Europe the existing rules will not be appropriate. As a consequence: it may be difficult to persuade personnel to relocate while the details of their 'deal' are worked through; and/or the process of determining what would be the right level of support and security might take so long that the opportunity is lost.

In balance it is important to register that flexibility is not anarchy. There should always be some element of common understanding and guidance. Morris, Wright et al (2009) highlight the importance of principles rather than templates in rolling out good practice, and an increasing number of organisations will specify essential HRM guidance for subsidiaries to follow, and the parameters within which those subsidiaries are expected to act.

Lengnick-Hall and Lengnick-Hall (1988, p461) have promoted an orthogonal view of a continuum from 'fit' to 'flexibility' with the proposal that organisations select the right point along that continuum to 'coincide with their assessment of upcoming competitive concerns'.

In sum, the best-practice literature base explaining the function of HRM policy and practice in organisations emphasises the dual demands of fit and flexibility. This suggests that the structures and process for HRM need to have a degree of standardisation across the workforce whilst also allowing adaption and differentiation amongst employee groups to enable strategic business goals to be met. Balancing these dual and potentially conflictual demands is an inherent feature of HRM. The concept of a continuum, and selecting a point along that continuum, is attractive and may work in highly-centralised or decentralised organisations with a clear market and product lines. However, for a multibusiness there will be more complex demands on fit and flexibility, for example some lines of service or business units may be best served with common and consistent policy and practice while others will need to be more agile, justifying greater flexibility.

2.3 The transition to SHRM

Given the consistent messaging from researchers and professional bodies regarding the importance of HR taking a more strategic role it should be a relatively simple matter to confirm definitions of SHRM and the broader HR contribution to organisational performance. Unfortunately there is a history of ambivalence in defining SHRM, both in academic circles and amongst HR practitioners, and further scope for misunderstanding and confusion when discussing the role and contribution of HR Business Partners and Strategic Partners.

The ambivalence about the definitions of HRM and SHRM does not mean that there is any shortage of candidate descriptions. Wright & McMahan (1992) propose SHRM as a focus on the pattern of planned human resource deployments and activities required for a business to achieve its goals. A similarly broad definition is offered by Boxall and Purcell (2000) who describe SHRM as being concerned with strategic choices in HRM and how HRM influences organisational performance.

On a similar line to the work of Wright & Snell (1998) around 'fit', Boxall and Purcell link SHRM and the emerging concept of HR business partnering with two processes: horizontal integration, integrating HR activities with each other; and vertical integration, integrating HR activities into business strategy. The underpinning assumption is that the HR function has some element of control and choice over people management issues.

The CIPD (2015) propose that SHRM provides a strategic framework to support long term business goals and outcomes. The attraction of this guidance is in describing a strategic framework, suggesting both organisation and process, and in relating that to the long term. 'Long term' is particularly important and relevant for HR as strategic initiatives, for example programmes for leadership development or performance management, take time to develop, implement, and adopt. One challenge to this definition would be that organisations operating in a volatile marketplace will not always have the luxury of 'long term'. In balance, the CIPD does also note that SHRM is a complex process that is constantly evolving.

Lengnick-Hall and Lengnick-Hall (1988) provide a helpful overview of academic approaches to SHRM, starting with a review of the focus given by particular writers. They cite three specific themes: human resource accounting; human resource planning; and responding to strategic change. The perceived contribution from human resource accounting is in assigning values, expressed as costs or expected contribution of human capital in an organisation, to assist organisations in assessing people risks and opportunities for the organisation. Human resource planning provides strong supply-side data on: employees; potential employees; planned and projected movements; and associated performance levels (Cascio 1998). In responding to strategic change the role envisaged for HR is in matching or aligning human capital to new conditions and opportunities, for example: market conditions; competitor activity; technological innovation; demographic change; or new legal and/or regulatory requirements.

Strauss (2001, p881) recognises that SHRM 'has taken on many meanings' but suggests a number of features of SHRM. He envisages: a heightened role for HR, engaging with senior business leaders; an emphasis on long range planning; aligning HR policies and practice with organisational strategy; an emphasis on employee involvement; and a focus on the impact of managerial policies on the organisational bottom line.

Schuler (1992) draws together academic and practitioner perspectives and suggests that SHRM is largely about integration and adaptation. He sees SHRM ensuring that: HR management is fully integrated with the strategy and strategic needs of the firm; HR policies cohere across policy areas and the organisation; and HR policy and practice are adjusted, accepted, and used by line managers and employees.

A concern with these otherwise attractive definitions is that they are so broad that they appear to cover just about everything that one might expect to find in HR, embracing operational as well as demonstrably strategic activity. The common element differentiating SHRM from HRM is the emphasis on business performance and alignment with organisational strategy, representing a move away from a view of more traditional HRM or Personnel Management as being more concerned with ensuring good people management practice in the organisation, promoting compliance with internal policy and external legislation, and dealing with the detail.

There is a clear assumption in much of the research and practice literature that businesses, and business leaders in particular, are concerned that HR should take on a more strategic role. The research interest is in examining the extent to which business leaders in different organisations are looking for a more strategic contribution from HR and how they support HR in taking that role.

SHRM and organisational strategy

A historic, if idealistic, perspective would be that SHRM starts from an organisation's strategy that is then translated into, and enabled by, a People Strategy (describing key people-management initiatives and interventions contributing to achievement of the organisation strategy) and/or HR Strategy (presenting the strategic role and activity for the HR community) and is implemented through SHRM.

The suggested approach is one where the Board or Management Team decide on their business needs and plans and then pass those to a competent HR professional, or team, to be turned into plans and strategies for human capital. This view is supported by US research from Lawler and Boudreau (2009) suggesting that the most common role for HR in business strategy setting is in providing input, in the form of data and opinion, and that HR is then most active in strategy implementation.

There are good academic examples of how SHRM supports different strategy models. Schuler & Jackson (1987) make the point that organisations can call upon a menu of SHRM practices to promote the behaviours required to implement a chosen strategy. Miles and Snow (1984) take this a step further by considering the SHRM requirements for organisations pursuing different strategic approaches. One of the most helpful outcomes from this Miles and Snow analysis is the reinforcement it gives to the view that decisions on strategy can only be right for one organisation at one point in time, and that the SHRM activity guiding and/or following on strategy decisions is similarly a one-off.

One of the concerns historically registered by HR practitioners to explain the difficulty they experience in taking a more strategic role and the absence of a People Strategy is that the organisation itself does not have a defined and detailed business strategy. In the absence of clarity and detail about organisational plans there is a risk that HR functions may develop a People or HR Strategy that is open to the criticism that it is more about the interests of the HR community rather than the needs of the organisation. Boxall and Purcell (2003) make an important contribution to thinking about SHRM by registering the difference for organisations between strategy and strategic planning. They describe strategy as something that exists in all organisations even when it is not explicit, and strategic planning as a formal process defining what and how things will be done in the future.

The work of Paroutis and Pettigrew (2007, p103) on strategising in the multibusiness firm draws a similar distinction, as they describe it between 'recursive' and 'adaptive' organisational entities. 'Recursive' strategising refers to recurrent or routinized activities, and by implication relates to greater stability and the status quo. An organisation engaging in 'adaptive' strategizing will emphasise explorative and transformative activity, concerned with a degree of change. The implication is that there is a continuum of levels of strategic activity for an organisation, from 'recursive' with little or simply an incremental level of change to 'adaptive' possibly ranging up to extensive organisational transformation. The challenge for the HR function in a multibusiness is that there may be business units operating at the 'recursive' end of the continuum while others are clearly engaged in 'adaptive' strategising.

The inference is that organisations always have a strategy at some level, even if that is one of 'business-as-usual'. The implication is that it is then for the HR function to draw out the strategic dimensions of organisational activity and to determine how best to address people management needs and opportunities.

HR engagement in formulating organisation strategy

It is probably a fair reflection of the perceived competence and strategic mindset of HR professionals, even at very senior levels but with a few notable exceptions, that they have been expected to follow rather than lead on strategy formulation, design, and development. Snell (1992, p293) makes the telling observation that while it is clear that managers must take account of HR policy and practice in informing and guiding the development, as well as the implementation, of strategy; there is 'no compelling evidence to suggest that they will, or can, do so'.

Schuler (1992, p20) sees that the 'biggest factor affecting strategic HR management' is the experience, or lack of it, that HR managers have in integrating HR and strategic needs. He thinks that the process 'takes time, persistence, and a detailed understanding of the needs that have been defined'. None of these requirements should be a deal-breaker but it would be fair to observe that many HR professionals would turn to established HR 'best practice' rather than feel sufficiently confident to explore unique solutions for unique challenges.

Caldwell (2011, p40) notes that a seat on the board has been viewed as 'the Holy Grail for the HR profession in the UK' (Sisson, 1995; Guest and King, 2004) and confirmation that the function really has progressed from a professional but substantially-service function to one which is strategically located at the heart of the business. A strategic leadership role for HR professionals would see them in a position to guide and, if necessary, to challenge other business leaders regarding plans and performance, ensuring that human capital is viewed and managed at least as professionally as any other organisational asset.

Both the UK CIPD and the US SHRM continue to collect data on numbers of HR Directors on Boards and see this as one of the indicators of whether or not HR is moving to a more strategic role. One argument for this is that many HR directors and managers still aspire to become strategic business partners (CIPD, 2003; EO, 2005). However, it is interesting to note that an HR Director role at Board level is substantially more common in the public rather than the private sector. For example, only a handful of FTSE 100 companies have a Board role for the HR Director (Phelps, 2008; Kersley et al, 2006), with a similar picture of the experience in the US.

There is, however, an alternative and growing stream of literature which suggests that HR professionals are well-placed to influence strategy through engagement with management teams and with key sponsors in the business (Torrington and Hall, 1996; Armstrong, 2000; Kelly and Gennard, 2007; Stiles and Taylor, 2002). The relevant question posed by Caldwell (2011, p41) asks whether it is 'more important for HR to forge new strategic business partnerships with line managers rather than worry about boardroom representation'.

2.4 Identification and evaluation of research-relevant theory

Research into human resource management in organisations has access to a broad church of theory. Jiang et al (2013, p1449) observe this as 'a wide range of disparate theoretical perspectives being used to advance our knowledge of mediating messages within strategic HRM'. The number and variety of these 'theoretical perspectives' is in part explained by the level of analysis and the particular perspectives pursued in different studies. The current research recognises that the practice of SHRM and the more strategic role for HR will be enacted at different levels in the organisation, and that it is important to take account of different perspectives.

The prospect of identifying and aligning the current research with one theory is attractive from the perspective of clarity and simplicity. However, it has not been possible to find a single theory that will 'fit the bill' for complex organisations operating in a dynamic business environment over which they have some influence but certainly not total control. And to this organisational complexity and environmental challenge we must add the practical issue of how Human Resource Managers manage relationships in order to get things done. In developing a conceptual framework to guide and anchor the research it has been necessary to draw on three well-established theories: the resource-based view of the firm; dynamic capabilities theory; and social exchange theory.

This Section reviews key themes from the most relevant theories, considering their strengths and weaknesses and general relevance for the current research, and concludes with a framework reflecting the review of the relationship between the constituent theories insofar as they are relevant to this research.

Resource-based theory

The resource-based view of the firm has long-provided a core theoretical rationale for viewing human capital as a strategic asset in the firm. This has led to extensive research into strategic human resource management aimed at identifying how and to what extent investments in human resource management practices can help to deliver sustained competitive advantage for an organisation (Becker and Huselid, 1998; Delery and Shaw, 2001; Ogbonnaya et al, 2013).

Research relevance

The basic premise of resource-based theory (Barney, 1991) is that competitive advantage, and therefore the potential for enhanced profits and value, derives from the ability of the firm to operate with lower costs than competitors and/or to offer higher quality products and performance, and that they achieve this through deployment of particular assets that may be considered to be 'tied semi-permanently to the firm' (Wernerfelt, 1984, p.172). The summary proposition is that firms will deploy and utilise those assets that create a position which optimises their own performance while making it more difficult for competitors to catch up and compete.

Barney (1991) takes the view that there are categories of assets which are more likely to lead to competitive advantage by reason of being rare and socially complex, making them more difficult for competitors to match. He specifically mentions human capital, featuring the experience, intelligence, judgement, and insight of the workforce, as such an asset. This consideration of the employment of skilled personnel as a relevant asset which should be hard for competitors to imitate helps to explain why resource-based theory has been seen as so relevant for research into human capital management and related fields. In his 2001 response to criticisms of resource-based research, Barney references knowledge, learning, culture, teamwork, and human capital as among the resources that were most likely to be sources of sustained competitive advantage.

Wernerfelt (1984, p172) suggests that relevant assets could include: brand name; machinery; capital; and 'employment of skilled personnel'. He takes the 'skilled personnel' point a stage further by reflecting on the importance of 'shared experience' as an asset for the Boston Consulting Group (BCG). The 'shared experience' at BCG represents the collective knowledge and experience of all the individuals in the consulting and support arms of the firm. The real differentiator for BCG is that there are mechanisms in place to provide an opportunity for individuals and teams to access and learn from this 'shared experience' asset.

The Hitt et al (2001) research into professional services firms is particularly relevant for the current research. Their consideration of knowledge as one way that a firm can add value and the recognition that knowledge resides in the firm's human capital is useful in itself but their description of two types of knowledge, articulable and tacit, is particularly helpful.

Articulable knowledge can be codified and recorded, and therefore is easy to share and transfer. Formal professional training is substantially articulable. Students from different professional firms may study at the same institution, take the same examinations, and leave their training with the same qualification and similar experiences. On this basis articulable knowledge would fail the Barney resource-based test of being rare and socially complex.

The message from Hitt et al is that it is tacit knowledge, described as knowledge gained in uncoded routines, that creates an asset which is unique and difficult to imitate. Examples of uncoded routines would include: deep expertise of working in a particular industry; understanding the best way to manage a particular client; or learning how to lead a multi-disciplinary and multinational team.

Snell and Dean (1992) also found that higher levels of knowledge and skill in the workforce could lead to higher productivity. Becker and Huselid (2006) have observed that the theoretical literature in HR strategy often draws on a resource-based view of the firm to suggest that aligning the firm's HR strategy with the business strategy is a potential source of economic returns.

In recognising that 'some jobs are more valuable (strategic) than others, and they should be managed accordingly' Huselid and Becker (2011, p424) make the business case for 'disproportionate investments' in key, strategic, roles and in the individuals in those roles, while recognising that 'top talent' is not going to be needed in every job. HR professionals would recognise these points as key to the development and implementation of a talent management strategy in an organisation (Gardner, 2005).

There is ample evidence for the proposition that collections of human resource policies and practices, for example those collectively considered as high-performance work systems (Becker and Huselid, 1998; Fu et al, 2015) and high-performance human resource practices (Hayton, 2005; Twomey and Harris, 2000), can result in enhanced workplace performance. Huselid and Becker (2011, p422) take the view that 'the primary conclusions of this line of research have been that the financial returns to investments in high performance work systems are both economically and statistically significant'. They see key elements in securing this enhanced firm performance including:

- Recruitment and selection systems linked to business strategy;
- Reward systems that promote and reflect successful delivery of strategy; and
- Training and development activity determined through performance management and driven by business objectives.

Much of the resource-based research to date, as evidenced above, points to the positive effects of more significant investment in HRM. The work of Shaw, Park, and Kim (2013) takes a different direction but makes an equally important resource-based contribution to human capital management strategy and practice. They draw attention to the harsh reality that human capital is unlike other organisational assets not least as, regardless of the efforts and intentions of the organisation, employees can leave an organisation, and perhaps join a competitor, and that this can happen at any time. By indicating that there will be negative effects on performance as the human capital asset is reduced, for example through voluntary turnover, Shaw, Park, and Kim point out the particularly-damaging impact of losing those people who make the key contribution to performance. They also make the practical point that this is even more of an issue where the organisation has historically made significant investments in those key contributors.

One of the major practical criticisms of resource-based theory is that sustained competitive advantage has been seen as unlikely, or at least more difficult to protect, when markets are more dynamic (D'Aveni, 1994). Gardner (2005, p1052) describes a resource-based situation where employers have traditionally offered job security in exchange for loyalty and hard work on the part of employees, and references a historic view that 'employees are temporarily captive and proprietary assets'. Gardner goes on to observe that emerging forces such as globalisation, technological innovation, and generally increased competition, have led to a situation where this employment relationship is breaking down and where employees can no longer be protected from outside forces and assured of job security and the opportunity of promotion.

This leads to one of the major challenges to resource-based theory as applied to human capital management today. In a perfect world, or at least a world where resource-based theory would work perfectly, employees are attracted to an organisation and the various human capital management investments in policy and practice will develop those employees, increase loyalty, and result in higher performance; and this situation will persist for as long as the organisation wishes. But the ideal world does not exist outside of text books. Competitors may seek to attract skilled performers, the 'superior resources' of Shaw et al, from their current employers. The competitors may then benefit not only from the investment already made in developing those individuals but also from reducing the potential contribution of the human capital in the organisation they are drawn away from. It is equally possible that an employer may have invested heavily in individuals or teams only to find that the market for the services provided by those individuals or teams has declined with a similar dip in the value-add generated by that human capital.

Barney (2001, p47) draws attention to another challenge to the theory, that there was an assumption about a degree of stability 'in technology and competition' relating to industry boundaries. He asks whether this stability was there even in 1991 and takes the view that questioning this assumption is 'even more appropriate in the twenty-first century, when traditional industry boundaries are being destroyed and when competition can come from numerous sources'.

A possible example that is very relevant in today's changing business environment could be a technology firm offering web-based information in substitution for professional advice traditionally given by well-informed, highly competent, and well-rewarded specialists. The technology firm would then be a new, readily-accessible and lower cost, actor in a field that was previously the preserve of professional services firms and their partners and staff.

Conclusion

Table 2.1 below provides a summary overview of the relevance and fit of resource-based theory to the current research expressed in terms of strengths and challenges.

Table: 2.1 Relevance of resource-based theory to the current research	
Strengths	Challenges
<ul style="list-style-type: none"> • Establishes human capital as a key asset – a possible source of sustained competitive advantage. • Supports the importance of key concepts: 'skilled personnel' and 'shared experience'. • Differentiates articulable and tacit knowledge. • Recognises that there may be a case for 'disproportionate investment' in key resources – a key feature in many talent management plans and strategies. 	<ul style="list-style-type: none"> • Instability associated with more dynamism in the market. New technology, or increased competition, will challenge traditional concepts of sustained competitive advantage. • Key performers are not tied 'semi-permanently' to the organisation and may be attracted to join a competitor. • Organisations are unlikely to be able to protect employees from the effects of significant change.

The resource-based view is at the root of increasingly common organisational statements, if not commitments, to human capital as 'our greatest asset'. As evidenced in the Wernerfelt (1984) research with the Boston consulting Group, human capital is particularly important to knowledge-based industries, often representing the only real source of potential competitive advantage. It is therefore in the best interests of the organisation to optimise processes to secure, retain, and motivate human capital, and the HR function will be a key actor in designing and delivering those processes.

There are questions about the relevance and suitability of resource-based theory in dynamic markets and generally changing times. The expectation will be that some business units in a multibusiness will be subject to frequent and significant change and will find that resource-

based theory is not altogether relevant. However, it is equally likely that there will still be business units operating with a significant level of longer term stability, for example with longer contracts with well-established clients, and continuing to represent a good fit for the resource-based view.

Dynamic capabilities theory

Teece, Pisano, and Shuen (1997, p516) proposed the dynamic capabilities framework 'to explain how combinations of competencies and resources can be developed, deployed, and protected' in order to respond to 'rapidly changing environments'. Eisenhardt and Martin (2000, p1107) took the view that dynamic capabilities can be seen as 'the organizational and strategic routines by which firms achieve new resource configurations, as markets emerge, collide, split, evolve, and die'.

Research relevance

This more-practical development from the resource-based view considered the types of processes by which firms could exploit resources (Newbert, 2007), emphasising how the organisation uses its resources in order to respond to change (Leiblein, 2011). Newbert's view was that while it is essential that organisations have access to key, valuable, rare, inimitable, and non-substitutable resources – as advocated under the banner of resource-based theory - in order for those organisations to be able to compete successfully they must also be able to vary those resources to ensure that they continue to deliver to their full potential.

Examples of critical dynamic capabilities that are very relevant for knowledge businesses and professional services firms will relate to:

- Knowledge creation routines, where managers and others build and share new thinking within the organisation; and

- Exit routines to enable successful severance of individuals or teams that have ceased to provide competitive advantage (Eisenhardt and Martin, 2000).

One of the important considerations is whether organisations can be both flexible and efficient in a dynamic environment (Eisenhardt, Furr, and Bingham, 2010, p1264). The observed need is that organisations should have flexibility ‘to adjust fluidly to unanticipated situations’ while being sufficiently efficient ‘to gain traction, create direction, and avoid mistakes’. Organisational solutions to this challenge can include:

- Ambidexterity, with physical and policy separation between business units with different needs on the efficiency/flexibility continuum; and
- Semi-structured entities, providing ‘some structure to guide actions (efficiency) while at the same time leaving latitude for real-time adjustment of actions in response to actual events (flexibility)’.

Eisenhardt et al (2010, p1068) observe that many organisations will face ‘multiple environments’. In a professional services firm there will be more traditional business units that would lean towards the efficiency solution, new businesses where flexibility is essential, and business units that fall between the two extremes. The key must be that efficiency measures, for example HR policies and processes developed to guide recruitment to a mature business unit in a stable business environment, do not act as an unhelpful constraint on business units needing to operate more flexibly to respond to new or changing business needs.

Another important contribution from dynamic capabilities theory relates to the concept of ‘environmental dynamism’ (Wilhelm, Schlomer, and Maurer, 2015, p1) defined ‘in terms of frequency, magnitude, and irregularity of changes in competition, customer preferences and technology’. When the market is ‘moderately dynamic’ ‘change occurs frequently but along roughly predictable and linear paths’ (Eisenhardt and Martin, 2000, p1110). In this situation an organisation would be very familiar with its clients and competitors, and potential sources of alliances.

In a situation where the market is very dynamic, or 'high velocity', Eisenhardt and Martin (2000, p1111) observe that 'change becomes nonlinear and less predictable'. This leads to a situation where there is less certainty about clients and competitors, and where uncertainty is the norm rather than the exception.

It is relatively straightforward to read-across aspects of the 'moderately dynamic' and 'high velocity' models for a complex professional services firm. There are business units which operate in traditional markets with: a limited and well-known community of competitors all offering similar services; a relatively-defined portfolio of existing and potential clients; and legislation and other regulation which may be stable for years at a time and where plans for changes are flagged early and may be discussed with key players before being enacted. From the perspective of HR this situation lends itself to generalised employment policies and processes covering significant groups of partners and staff. The relative stability in the market can support investment in long-term HR programmes, for example for leadership development or diversity. Over time those investments will add to the firm's human capital and broader knowledge base.

In contrast, those business units operating in 'high velocity' markets, for example those concerned with consulting, deals, or with a base in information technology, will need to be competent to deal with a significant degree of uncertainty. Client interests may shift as they respond to changing demands in their own markets, for example the market for merger and acquisition advice may be strong or decline to zero, or demand for a particular service may fall off in one sector but start up in another. It is also likely that the community of competitors will be broader and more varied, adding to uncertainty. In this dynamic situation the HR challenge is similarly more complex, with more emphasis on human capital flexibility, and more exceptions to policy and process as new staff are engaged, existing staff are redeployed, and some staff are released.

Conclusions

Table 2.2 below provides a summary overview of the relevance and fit of dynamic capabilities theory to the current research, expressed in terms of strengths and challenges.

Table: 2.2 Relevance of dynamic capabilities theory to the current research	
Strengths	Challenges
<ul style="list-style-type: none"> • Observes that organisations facing significant change will need to be able to vary their human capital resource quickly and without undue business disruption to meet the change challenge. • Recognises 'multiple environments' with business units facing different levels of environmental change. • Accepts that there is a potential for conflict between drives for flexibility and for efficiency. 	<ul style="list-style-type: none"> • Limited recognition/guidance regarding the rights and needs of the individual. • Potential challenge to 'fairness and equity'.

Dynamic capabilities thinking presents a practical extension of the resource-based view, considering how an organisation adapts to environmental change by developing and exploiting its capabilities (Teece, Pisano, and Shuen, 1997) and addressing the way that organisations should address their markets. Its particular relevance for this research rests with the recognition of the need to respond to 'multiple environments' (Eisenhardt and Martin, 2010, p1068) and in introducing the concept of 'environmental dynamism' (Wilhelm et al, 2015, p1) confirming the need for different approaches to the management of human capital in the same organisation. Overall, the theory represents a good fit for multibusinesses where some business units may operate in a more stable environment while others respond to frequent change and where the HR role in strategy, policy, and process may need to change and flex to meet the varied needs of different staff groups.

The one area where dynamic capabilities theory falls short in the current research is in relation to the individual. Organisations that respond smoothly and efficiently to environmental changes, for example by introducing redundancy programmes to balance resources against workload, may fail to take proper account of the needs and interests of individuals. For example, efficient routines to encourage staff leavers may run the risk of releasing the key talent and high performers that the organisation will need once the market improves and the organisation starts to hire again.

Social exchange theory

Much of the available research into the mechanisms of strategic human resource management (Schuler and Jackson, 1987; Miles and Snow, 1984; Wright and Snell, 1998) has been developed around the concept of an organisation operating with a menu of 'best practice' HR policies and practices designed to promote the performance and behaviours required to deliver the desired business benefits. In theory then a firm offering an appropriate menu of HR policies and practices should be able to attract, develop, motivate, and retain the talent that it needs. However, this may not always be the case. Competitors may be offering a similar, or even more attractive, menu of HR policy and practice, and there will be instances where particular clusters of employees feel a closer affinity with their professional or technical roles than with their employer (Kim and Choi, 2014; Olsen et al, 2016).

Research relevance

Social exchange theory focuses on the essential interplay between the organisation as an employer and the individual. The core tenet of the theory is that 'when organisations value employees' contribution and care about their well-being via investment in HR systems, employees are expected to reciprocate by exerting positive work attitudes and behaviours towards the organisation' (Jiang et al, 2013, p1452).

Social exchanges between the organisation and employees are built on reciprocity, looking for benefits to both parties, and are based on 'shared values, trust, and feelings of obligation' (Slack, Corlett, and Morris, 2015, p539).

Zhang and Ming conducted their research in the pharmaceutical industry, often with participants with multinational experience. Inter alia they gathered evidence that retention in an otherwise 'job-hopping' environment was directly influenced by social factors. One particularly relevant quote is well worth repeating "the reason I stay at this firm is that I perceive a strong degree of respect, understanding and support from the firm, rather than a

high salary, a comfortable environment, or something else” (Zhang and Ming, 2010, p745). Even accepting that the Chinese culture may place an especially high value on social factors in the workplace, the messages about respect, understanding and support will certainly be echoed in staff attitude surveys in professional service firms in the UK and globally.

Conclusions

Table 2.3 below provides a summary overview of the relevance and fit of social exchange theory to the current research, expressed in terms of strengths and challenges.

Table: 2.3 Relevance of social exchange theory to the current research	
Strengths	Challenge
<ul style="list-style-type: none"> • Argues that even best-practice HR practice will not guarantee that an organisation will attract, retain, and motivate the talent it needs. • Presents the argument for reciprocity in the relationship between employers and employees, looking for benefits to both parties. • Raises the case for ‘shared values, trust, and feelings of obligation’. 	<ul style="list-style-type: none"> • Most relevant at the micro-, team and individual, level, but does not apply in isolation: corporate and business unit contextual support are essential. • Relies on a degree of fairness and equity being in place in core HR policy and practice.

Social exchange theory draws attention to a number of human capital factors that are particularly relevant for the current research. First, when many potential employers are offering similar terms and conditions of employment it is likely to be the social factors that make the difference between a talented individual accepting or declining a job offer, or deciding to stay with or leave an employer. Those social factors will include: the employer brand, in particular whether there is an interest in the individual; the behaviour of leaders and managers; and the interaction with colleagues. A second factor would be the extent to which leaders and colleagues support individuals, for example in providing access to Hitt’s ‘tacit knowledge’, encouraging engagement with the organisation.

Social exchange theory is important to the HR community at two levels. At the organisational level, HR is likely to be seen as the agent responsible for promoting and sustaining

employee engagement and continuing commitment across the organisation, developing plans and programmes as required. And within the HR community, there is an acknowledged need for sharing information and knowledge, for example between specialists and generalists and to ensure that HR representatives in different business units are consulted on, or as a minimum aware of, plans and activities that may have implications for their own areas of responsibility.

In balance it is important to remember that even the most attractive social factors and broader relationships will only compensate to a certain extent for any shortfall in other terms and conditions of employment. Experience tells us that there will always be a point at which a particularly generous offer from another organisation will be too attractive for an individual to refuse.

Key theoretical insights guiding the research

Each of the theories reviewed above offers structure and rigour to the research intent and process. Taken as a collection, there are key insights from each theory which have implications for the enactment of SHRM and the potential more strategic role for the HR function in a multibusiness. Insights from particular theories may be most relevant at particular organisational levels but each of the theories has a degree of relevance at each level, as summarised in Table 2.4 below.

Table 2.4 Summary of key insights from theory			
	Resource-based theory	Dynamic capabilities	Social exchange
Teams and individuals (micro-level)	Supports the case for strategic investment in key roles and the talent recruited to those roles.	Recognises the need to respond to multiple environments and the fact that this may lead to exceptional treatment for individuals or groups of employees.	Brings an actor-centred component into broader theories with interest in individuals and how they respond to their managers and the broader business. Relations at the level of the individual are seen as a key business enabler.

Table 2.4 Summary of key insights from theory			
	Resource-based theory	Dynamic capabilities	Social exchange
Business units (meso-level)	Relevant for business units operating with well-established offerings in relatively stable markets.	Confirms the business case for different approaches to human capital in the same organisation, for example where some business units may operate in a more stable environment while others respond to frequent change. Human capital strategy, policy and process may need to be different for each community.	Emphasises reciprocity, investment and attention from the organisation as essential keys to employees demonstrating shared values, trust, and feelings of obligation.
Organisation (macro-level)	Confirms the place and value of human capital as a key organisational resource, and the importance of investing appropriately in that resource. High-performance work systems and high-performance HR should result in enhanced workplace performance.	Considers how an organisation may need to adapt to environmental change, for example with new or changed markets, and the case for more flexible approaches to HR.	Identifies employee/organisation relationships as a key to motivation and performance. Confirms that even high-performance HR policy and practice alone will not always deliver desired human capital outcomes.

Resource-based theory presents the macro-level case for investment in human capital, inclusive of knowledge, as one of the key assets for any organisation, in particular for a professional services firm (Wernerfelt, 1994). For an HR function in a professional services firm this recognition would be demonstrated in attention to the employer brand, in the development of 'best practice' HR policy and process, and in long-term strategic interventions such as partner development and related leadership programmes, all targeted at building a workforce of partners and other staff recognised by clients as leaders in their field. This strand of the theoretical approach works well at the level of the firm, and remains appropriate for business units operating in more stable environments with clarity over clients and competitors. It is also valid for teams and individuals following career paths in professional streams that offer well-established service approaches to long-term clients, and where the market is unlikely to undergo any significant change without clear notice.

The dynamic capabilities theory is more relevant for organisations operating in unstable markets and at the meso-level for those business units operating in markets where change is both frequent and significant, for example in consulting and mergers and acquisition. The HR role in support of human capital in these areas is likely to be more concerned with practice and interventions that facilitate speed and flexibility. Speed is required both in building up to provide new services, either through recruitment or acquisition, and in redeploying or releasing resources in areas where demand has changed or reduced. Flexibility is essential in ensuring that the organisation continues to tailor HR policy and practice to meet the different needs of a changing workforce.

Social exchange theory provides the third strand in the selected theoretical framework. While the resource-based and dynamic capabilities theories should lead to a situation where the organisation is offering 'best practice' policy, practice, and interventions, and is seen as a leader in the field, through developing new approaches and services to meet market needs, there is still a case for team and one-to-one interventions. At this micro-level, managers may be offering the prospect of promotions or additional compensation dependent on individual or team performance or continued service. Whether those offers have the anticipated impact on performance or retention of employees will depend in part on the relationship between the manager and those employees, and on whether employees believe that remaining with the organisation and delivering the required performance will increase their rewards, recognition, and general employability. There is also the question of whether other organisations are making more attractive offers.

Taken together the theories offer considerable positive insight to guide SHRM and the more strategic role for HR in multibusinesses. But they also identify certain constraints and contradictions that may exist or emerge. For example, a resource-based view of the organisation may encourage common role descriptions and competency frameworks, with personal development programmes enabling employees to perform better and to meet criteria for promotion to more senior roles. But those common role descriptions and competency frameworks may not meet the needs of business units operating in a more dynamic environment where dynamic capabilities theory may be more relevant. It may also be the case that individual employees joining those more dynamic business units are looking to develop transferable competencies rather than expecting to progress to more senior roles:

social exchange theory would encourage accepting and supporting (and possibly trying to revise) the valid intentions of those individuals. HR will be expected to find the best solution to all of the many and varied challenges, and will need to call upon theoretical insights to engage other essential actors in securing that solution.

2.5 The strategic role and activities for HR

Research into HRM and SHRM has led to the development of a number of models. The “Harvard” model (Beer et al, 1984) and the “Michigan” model (Fombrun et al, 1984) are broad-based and sufficiently influential to be regarded as ‘classic’ (Beer et al, 2015), and there are an increasing number of models which address specific aspects of SHRM and the role for HR, for example the Wright et al (2001) model for integrating strategy and strategic HRM. These models offer insights and potential value in relation to the relevant topic under research review.

The pressing message to HR professionals for some years has been that they need to improve their competencies to become ‘HR Business Partners’ (Caldwell, 2008). Wright (2008) describes ‘a normative discourse’ that has developed to encourage HR professionals to see adoption of the HR Business Partner or internal consultant role as an essential step towards improving their professional status. There have been consistent signals that HR needed to change. Guest (1987) considered that the transition from personnel management to HRM involved a significant change and noted that a ‘best practice’ HRM function would operate in an environment with a longer-term focus, a crucial role for line managers in people management, a unitarist perspective on employee relations, and a commitment to the maximum utilisation of human assets. Many of today’s HR Business Partners would recognise the aspiration towards the ‘best practice’ that Guest describes.

As HR functions move to take on different, more strategic, roles and responsibilities there is an inevitable shift in the roles for the HR and broader people management community and for the way that the HR function itself is organised. This Section reviews: the history and current thinking on roles in HR as the profession moves to adopt a more strategic role; best-practice guidance on HR organisation; and the debate regarding the competencies and capacity required for HR professionals in those more strategic roles.

Aligning HR and people management roles with the strategic imperative

The role for HR as a Business Partner, or even a Strategic Business Partner, is a centre-stage theme for professional publications, conferences, and professional training on a near-global basis. A key driver for this interest is the 'Ulrich model' seeing HR as a 'business partner' and leading to partnership between HR and line managers with an ultimate expectation that HR leaders will operate as 'strategic business partners' (Ulrich, 1987, p176). The HR community may be open to accusations of cherry-picking what suited them best about the new model, particularly the reinforcing messages about HR having a seat on the Board, as the model retains a strong focus on traditional operational delivery and transactional personnel administration (Ulrich and Brockbank, 2005).

The 'Ulrich model', and its suggestion that HR has a number of roles to play (Ulrich, 1997), has been common currency for many years but Ulrich was not the first researcher reviewing what HR does, and should be doing. There has, for example, been a historical division between 'hard' and 'soft' HRM, noted by Guest (1987), Storey (2009) and others. 'Hard' HRM has an emphasis on strategy and the achievement of organisational objectives, and therefore a strong alignment with the adoption of high performance work practices. 'Soft' HRM is more concerned with enhancing the quality and flexibility of employees. Storey (2009, p90) links 'hard' HRM to making tough changes happen, for example downsizing or outsourcing; with 'soft' HRM concerned for issues relating to empowerment, learning, and teamworking.

Another well-established division of HR roles and responsibilities is the split between 'transactional' and 'transformational' activity (Storey, Ulrich, and Wright, 2009, p11). Transactional activity represents the operational work of an HR function. In recruitment for example this could involve activity such as: placing advertisements for new staff; arranging interviews; following up on references; preparing and sending offer letters and employment contracts; and arranging induction. The transformational activity is much more concerned with strategy development and strategic interventions to protect and promote organisational performance to secure organisational objectives. Activities under the transformational

heading could include: design and implementation of performance management and incentive arrangements; trade union negotiations; and planning and managing the people aspects of major change.

There is also a long-standing distinction between HR specialists and HR generalists. Tyson (1987, p529) saw HR work being 'compartmentalised into relatively self-contained areas', and extended this point into identifying different career paths between specialists and generalists. Specialists will have gained, and share, deeper knowledge and understanding of one aspect of HR while generalists will operate across a broad range of HR activity, possibly looking to specialists inside or outside the organisation where deeper topic knowledge is required. Torrington et al (2008, p140) noted that HR work was becoming more complex and more fragmented, with an increasing likelihood of being undertaken by expert consultants. Adams (1991) references the number of organisations setting up in-house agencies for activities such as: graduate recruitment; training and development; and outplacement and redundancy counselling. These in-house agencies, resourced by specialists and experts can be considered to be the forerunners of centres of excellence/expertise in the HR shared services models since adopted in many organisations.

Articles in 'People Management' and other HR-practice-related publications often refer to organisations that have adopted 'the Ulrich model' to guide the way in which their HR function is organised. For many senior HR professionals the 'model' they refer to was the role framework introduced by Ulrich in 1997 alongside his challenge that HR roles must be refined to meet business needs, partnering with the business leaders, and with a reduced focus on what HR does and more emphasis on what HR should achieve.

The Ulrich framework presented four distinct roles for the HR profession as a four box model on axes of Future Strategic Focus/Day-to-Day Operational Focus; and Processes/People. The summary framework is shown in Figure 2.1 below.



Figure 2.1: Ulrich: four roles of HR professionals

In this model, Strategic Partners work alongside management to align HR with the business and help line managers execute strategy, meeting planned objectives and performance requirements. Administrative Experts deliver the basics of HRM by designing and improving people-related processes, focusing on efficiency and cost effective delivery of transactional or administrative HRM. Employee Champions retain the required link with employees to protect and/or improve motivation and competencies, targeting employee engagement and commitment to secure business success, accepting that there is potential for role conflict in mediating between the interests of employees and the business. And, finally, Change Agents facilitate organisational transformation and culture change, suggesting a shift in role for HR as a move away from reaction to one of intervention.

Caldwell (2008, p277) suggests that the Ulrich model of business partnering appears so attractive to HR professionals because of its 'rhetorical simplicity' and in the way that it sends out a 'forceful message to change the HR function'. A CIPD survey in 2003 invited the 1,188 HR practitioner participants surveyed to indicate which of the four Ulrich roles they aspired to. More than half of survey respondents (56%) aspired to become strategic partners, with almost a third (30%) targeting a future role as change agent.

Perhaps not surprisingly, of the 24% of survey participants holding administrative expert type roles only 4% aspired to this role in the future. The most worrying finding for researchers and practitioners who are concerned that HR is drifting away from representing the workforce (Kochan, 2004) is that only 6 % of survey participants holding an employee advocacy role wished to continue in this role.

Ulrich and Brockbank (2009, p5) emphasise that the role for HR as a business partner may be achieved in 'many HR job categories', typically in one of four positions: in corporate HR; in an embedded role, working alongside business leaders and managers; in centres of expertise providing specialist technical expertise; and in service centres, where Ulrich and Brockbank emphasise the contribution of technology-based e-HR systems. This thinking is developed in their proposals for the organisation design for the HR function.

2.6 HR organisation design and development

Given the way in which HR has developed and continues to develop, it is not surprising that a good deal of the available research and practical experience confirms that there are many possible roles for HR to play in an organisation. Correspondingly, there are many different possible organisational arrangements for the HR function. Ulrich (Ulrich and Dulebohn, 2015) is one of the researchers emphasising the importance of the organisation structure for HR matching the structure of the business. Other writers have considered different dimensions for HR organisation, for example the nature of the organisation as an employer (Gratton, 2009; Maybe et al, 1998; Frenking, 2016; Clark, 2009).

Aligning HR with business structure and strategy

Ulrich and Grochowski (2012) propose that the organisation design for the HR function should be aligned with the structure and strategy of the business. They describe three high level HR function organisation designs to match types of business organisations along a centralised to decentralised continuum, summarised in Figure 2.2 below, and then reviewed in more detail.

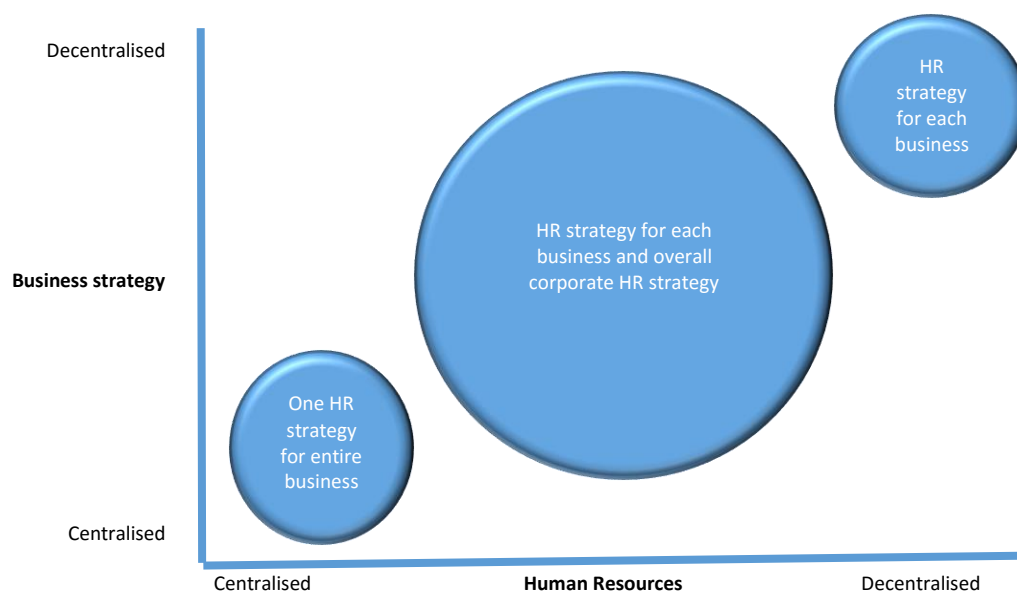


Figure 2.2: Aligning business and HR strategy

Centralised business

The summary description of a centralised business offered by Ulrich and Grochowski is that the business will operate with a strong corporate centre and that business strategy and related policy will be developed and rolled out centrally. The business operations may extend across different activities and different locations but those operations will all respect and follow strategy and policy developed centrally and then rolled out to those operational units.

In a centralised business, the HR organisation will also be centralised, with:

- A Head of HR leading functional HR units;
- A corporate people strategy that operates top-down and applies to the total organisation, without exceptions;
- An integrated HR community working across and through the organisation;

- Specialists serving all business units, with advice reflecting the interests of the organisation as a whole (for example a common grading structure and approach to performance management and incentives) rather than individual business units; and
- Transactional activities, for example recruitment and training administration, being managed by a single unit on behalf of all the business units.

Decentralised business

In a 'decentralised' organisation business units will operate independently, for example in a holding company structure where businesses and business units may have little or no relationship with other units in the decentralised structure and will be responsible for their own performance within the broadest corporate guidance. Decentralised organisations are typically headed by a holding company and are likely to comprise near-autonomous businesses with differing needs and priorities from HR. The HR organisation will be similarly diversified, with a corporate HR team likely to be responsible for Head Office and senior management across the businesses but HR teams for each business, and if necessary within each business for different locations or to meet special needs.

Multiple businesses – multibusinesses

Ulrich and Grochowski (2012) observe that most large organisations will operate with some form of multiple business structure lying between the centralised and decentralised models described above. Organisational performance will be a collation of the performance of a number of different, but linked, business lines, and business units are likely to operate in a highly-matrixed basis.

The HR organisation is similarly complex. On the one hand each distinct business line will justify its own HR team of advisors. However:

- There will be some activities/initiatives that need to be undertaken on an organisational basis to protect the organisation's brand and reputation. Examples could be in relation to diversity and governance;

- There will be initiatives that are delivered most economically and effectively across the organisation. Examples could be for graduate recruitment and leadership development; and
- Good practice will be shared, and replicated as appropriate, across the organisation (Morris, Wright, et al, 2009).

Ulrich and Grochowski (2012, p139) estimate that '65-75% of large (US) companies use a shared services/matrix model for HR. In the UK, responses to a CIPD survey in 2007 indicated that more than a quarter of organisations centralise the provision of HR administration, with HR Business Partners present in 38% of organisations and Centres of Expertise in 29%. However, there is a good deal of evidence from practitioners that even where an organisation has sought to adopt 'best practice' in organising its HR function, for example organising HR as a shared service model, there will be organisational issues that require some modification and local adaptation of the 'best practice' guidance. The CIPD survey identified difficulties in defining the new roles and insufficient resources as the two main difficulties encountered in implementing HR shared services. A study by Mercer Consulting advocating adoption of the shared services organisation model for HR noted that about 80% of the businesses surveyed were still operating with a mix of traditional and shared service models (Joinson, 1999).

The core elements of the model are likely to be found in many of these complex organisations although the levels of accountability and responsibility between the elements of the model will vary. The shared services model is often, if inaccurately, described as 'the Ulrich model'.

HR alignment with the organisation as an employer

The focus for Tyson (1987) and for Ulrich and his co-authors has been on aligning the HR function with the organisational business structure. Another dimension to consider relating to the proper alignment of the HR function is the way in which the organisation acts as an employer, for example whether the organisation is committed to fairness and equity across the workforce or there is a distinct focus on the contribution of the highest performers with disproportionate recognition and reward for those individuals

It is possible to consider a continuum with a battery of employee engagement measures as indicators of the extent to which the organisation cares for and is committed to its workforce as an asset to be protected and developed or where there is a short-term financial focus and an employee-as-commodity approach with at best limited commitment to the interests and needs of employees individually and collectively.

Organisations with a strategic concern to be, and to be seen, as corporately responsible and sustainable will sit at one end of this employment continuum. There will be a long-term view, with planned accountability for socio-economic and environmental responsibilities not just financial issues, and a strong emphasis on employee engagement to assist with attracting, retaining, and developing the skills of key people. CIPD (2012) research also suggests that there will be a commitment to a happy and engaging work environment, promoting open communication and social connections.

HR in such organisations will provide a broad range of services, generally placing considerable emphasis on the care of the individual. This is not quite the traditional welfare role for HR but there will be family-friendly policies and other demonstrations that people are respected and cared for, reinforcing messages about the importance of employees to what the organisation seeks to achieve.

To service these high-commitment organisations (Chiang et al, 2011) HR must be strategic, and supported by excellent specialist teams, but will also need to be well-organised to provide transactional/administrative services and to demonstrate to employees that they are valued and cared for. The employer engagement in 'high commitment HR strategies' is aimed at encouraging employees to become increasingly 'psychologically or emotionally involved with the enterprise' (Watson, 2004, p 455-456). The 'high commitment' role for HR is likely to transition into initiatives to improve performance, for example through fostering teamwork and knowledge sharing (Gratton, 2009).

Towards the other end of the employer continuum, moving from care to commodity, is the position of HR operating under a private equity business model. There is a shorttermist, 'low commitment' (Watson, 2004, p456), approach to employment exemplified in: downward

pressure on wage levels and terms and conditions of employment, with limited commitment to employee training, and the potential for underfunding in any pension funds. These measures are most likely to move 'the employment relations framework towards the lower road'. (Clark, 2009, p2040). To meet the needs of such a short term, high performance model, HR is aligned closely with management and focused on a narrow band of HR activity. In summary, anything that does not add value to the business immediately is not pursued. The one area where Clark has identified a positive, albeit divisive, approach is in executive remuneration and pension schemes. These are often designed as equity incentive packages to encourage executives to align personal interests and performance with business plans and market expectations.

Shared services HR – the 'Ulrich model'

Ulrich proposed that an HR function should be organised on a 'three-legged stool' or 'three box' model. Ulrich's original boxes were:

- HR Business Partners;
- Centres of Excellence (which are often rebadged as Centres of Expertise); and
- Service Centres.

HR Business Partners

The originally-proposed role for the HR Business Partner encompassed Ulrich's Strategic Partner and Change Agent. This was a role for professionals embedded in the business who were responsible directly to the business leadership for the strategic processes and necessary interventions that would ensure that people management in the business was aligned with, and supported the delivery of, business objectives. HR Business Partners have typically been appointed at the business unit, department, or regional level with a focus on the business that they are there to support. However, Caldwell (2008) and others have noted that the implementation of business partnering has rarely followed a single model.

There is a significant and growing correspondence on the effectiveness of the HR Business Partner role. Guest and King (2004) and Pasmore (1999) suggest that the neglect of people-centred responsibilities, perhaps as suggested for Ulrich's Employee Champion, which could have a home with the HR Business Partner, may have a negative effect on the sustainability of organisational performance. Hird, Sparrow and Marsh (2010) identify a number of practical concerns, one of which is that the HR people moving into HR Business Partner roles simply lack the capability to deliver that role to meet management expectations.

Stephens (2014, p36) has questioned the case for HR Business Partners as 'a game changer for HR'. The article presented the experience of HR leaders from different organisations and concluded that while there was strong support for the HR Business Partner role from some leaders there were others who remained critical. There are a number of writers who have questioned whether the HR Business Partner concept is good for an organisation without reaching a firm conclusion.

There is substantial evidence that many organisations have adopted the Business Partner model and role. In the 2014 CIPD survey conducted by Orion Partners, 40% of participants from larger organisations, with over 10,000 employees, reported that they had adopted the 'Ulrich model'. But there were significant differences in the way the model had been interpreted and implemented, and in the extent to which business partnering had achieved stated objectives.

There are certainly good examples from organisations that have adopted business partnering but even the organisations perceived to be operating well may have concerns about whether there are other things they should be doing, or ceasing to do, through Business Partners. A study by Mercer HR Consultants reported in Personnel Today (Eccleston, 2011) suggested that the time spent on pure strategic work by HR Business Partners was as little as 15%. Results from a Roffey Park survey point to a continuing view that HR remains reactive, with only a third of survey respondents reporting that HR is adding value (Hennessy and McCartney, 2008).

Wright (2008, p1083) suggests that the emergence of the Business Partner/internal consultant role has 'further diluted occupational identity' for HR professionals. A focus on

what top management wants done can lead HR professionals away from the basics of good HR practice and the traditional balancing role between employer and employee.

A number of writers (Marchington, 2008; Roche and Teague, 2012; Kochan, 2004; Hammonds, 2005) have observed that the attempt to develop a strategic role for HR has failed to deliver the increase in status, influence, and achievement that HR professionals had been led to expect. Hammonds' 'Why we hate HR' article in "Fast Company" may be one of the most challenging, but aligns with some less headline-grabbing themes from other writers.

In balance, there is empirical evidence (Farndale, 2005) that an increasingly strategic role does coincide with greater organisational involvement and influence. But overall it remains an open question as to whether there is a strong relationship between 'Strategic Partner' and the level of professionalism within HR (Farndale and Brewster, 2005; Caldwell, 2003; Guest and King, 2004).

There is strong evidence that it is still proving difficult to find the right candidates for the business partner role. There is a clear message from HR Directors that the HR Business Partner role that they wish to see implemented will not be achieved through a simple rebadging of existing HR generalists. Roche and Teague (2012) noted that a number of HR Business Partners in their study had limited previous experience of HRM. The new, non-HR, Business Partners may be credible on business and change topics in the management teams but may lack the basic understanding of people management issues and opportunities to be able to challenge proposals and plans and to represent the interests of the broader workforce.

It would be unfair and unwise to condemn the Business Partner model on the basis of experience to date. It is important to remember the length and complexity of the journey that HR is taking in many organisations, coming from a position where HR might be perceived as the poor relation, following rather than leading, and concerned more with internal administrative matters and benchmarking against 'best practice' than the sharper needs of the organisation. It takes time to move HR up the management food chain, and that move will require new competencies and new people. It is also important to note that there are strong, positive, examples of HR Directors whose experience, competencies, and personal

qualities have resulted in CEOs seeing them as trusted advisers on strategic HRM issues (Guest and King, 2004).

Centres of Expertise

Centres of Expertise, formerly Centres of Excellence, will be staffed by subject matter specialists who will be expected to: develop relevant policy to apply across the organisation; provide guidance on the implementation and any interpretation of that policy; and monitor organisational performance in relation to the policy area. The business case for Centres of Expertise rests in their ability to develop policies and practice that are relevant across the organisation, and in being able to support business units with necessary 'exceptions'.

Organisations will determine which people management activity may justify a Centre of Expertise approach but common examples would be for: compensation, including executive reward; learning and development; diversity; expatriate management; and employee relations (Grossman, 2010). There is strong and positive history here as the role for Centres of Expertise, originally and sometimes still described as Centres of Excellence, is substantially that for the specialists in the specialist v generalist split evident within the HR profession in the 1970s and 1980s.

Grossman notes a number of areas where criticisms have been levelled against the way that Centres of Expertise have been designed and implemented in some organisations. The key argument for relevance of policy and practice is that it has been developed in consultation with the business units, however, there is evidence that some Centres of Expertise are failing to consult sufficiently broadly and that guidance on policy and practice follows a 'one-size-fits-all' prescription reflecting what Head Office would like to see rather than what business units need.

A broader concern relates to the resourcing of Centres of Expertise. There are claims (Grossman, 2010) that resources may have been reduced during the recession and may now not be adequate to support business units looking to recruit and/or develop people to respond quickly to growth opportunities. Where Centres of Expertise are unable to provide business units with the support they need there is a risk that the business units will expect

the HR Business Partners to fill the gaps, or that the business units may look to outsource to specialist companies outside the organisation, possibly with limited knowledge of the client organisation's values, policy, and practice.

Service Centres

The rationale for Service Centres is essentially one of technology-supported economy of scale and customer service freeing up HR Business Partners to provide business units with strategic advice and guidance (Cooke, 2006). Service Centres provide a central unit for people-related administration and transactional tasks and will be open to a broad community including employees, managers, pensioners, and potential candidates, with access through portals, phones, and (exceptionally) meetings.

The services provided in Service Centres will vary to meet the needs of the organisation but will generally feature services with high volumes which can be delivered by technology or lower-cost administrative and clerical personnel rather than by HR professionals. For example, the 2010 SHRM survey of services offered through shared services departments identified the top five services as: health care benefits administration; flexible spending account administration; retirement benefits administration; payroll; and leave administration.

Service Centres typically operate with three or four tiered levels of inquiry, moving from standard matters that can be addressed via an employee or manager portal, to more complex matters requiring personal input and interpretation from an HR specialist, through to genuine exceptions needing to be addressed through contact with an HR Business Partner or the Centre of Expertise. One relevant concern identified (Cooke, 2006) has been that Service Centre staff do not always inspire confidence. Employees will want to talk to someone who they believe understands their issue and that they can trust, rather than someone they have never met and who they feel may just be working through a series of menus and scripts to provide answers.

Service Centres established with a strong cost-reduction agenda are likely to rely on technology being able to replace personal contact on inquiries. It is certainly the case that technology is changing the nature of interaction between the HR function and employees

(Keegan and Francis, 2010) but it is often the case that employees find the technology difficult to access and it taking time for employees to learn how best to do things using the new technology (Cooke, 2006).

There are a number of related considerations here. Early HR technology, in particular HR technology as part of an ERP, was substantially developed for the home country, for example SAP for Germany and Oracle and PeopleSoft for the US. eHR and related technology has advanced considerably over the past 20 years, and has now been adapted to work well in European and other Rest-of World locations.

Employees in different organisations will have different expectations of, and familiarity with, technology. Employees in a knowledge-based business are quite likely to be very familiar with this type of technology and will have easy on-line access: but employees in a retail or manufacturing environment may find it more difficult to get access.

HR has historically been seen as having a low priority for investment in technology. So the HR technology may not always have been best-in-class, or even fit for purpose, and was always at risk of budget cuts (Grossman, 2010). Budget reductions or cuts are a fact of life for HR Service Centres. Grossman notes that the Service Centre response, in a drive to operate at the lowest possible cost, may result in delays in responding to inquiries or to pushing back on possible exceptions to menu-driven guidance and solutions. One particularly undesirable outcome from these efficiency measures may be that people revert to looking to their HR Business Partners to address even administrative and transactional issues, reducing the capacity of the Business Partners to focus on the more strategic role that they have been appointed to deliver.

At the simplest level it would be easy to argue that the Business Partner models proposed by Ulrich and others would not have been achievable and sustainable without the underpinning technology of HR Information Systems and the development of eHR. Lawler and Mohrman (2003) have cited the opportunities created by eHR, as a major driver for change in the HR function observing that organisations making a serious investment in eHR were able to introduce self-service for employees and for managers with routine or common

questions or needs leading to the situation where experienced HR practitioners were only called upon for policy interpretation and guidance in the most complex cases.

Challenges to the shared service organisation model

The shared service organisation model for HR has been promoted as 'best practice' for medium- to large-sized, complex, organisations, but the research literature also raises concerns and challenges to the model.

The strategic partner role

The key driver behind the 'Strategic Partner' in Ulrich's 1995 model of roles for HR professionals was that there should be closer, and positive, links between HR strategy and business performance and that HR has a key role to play in making that happen. It has certainly been the case that many organisations have interpreted business partnering as the preserve of the 'Strategic Partner', usually also embracing the 'Change Agent' role from Ulrich's model. Those roles, and associated responsibilities, are often incorporated into job descriptions and/or role profiles for the position of HR Business Partner, particularly when describing the 'embedded' role proposed by Ulrich (Ulrich and Dulebohn, 2015, p199; Ulrich and Grochowski, 2012, p.138) which places the HR Business Partner on the business management team.

While there is broad support for the adoption of business partnering, a number of researchers have raised questions as to the implications of such wholesale adoption of business partner roles (Caldwell, 2008; Marchington, 2015; Farndale and Brewster, 2005). Wright's 2008 study of the perceptions of a number of HR professionals in a Business Partner and/or internal consultant role confirmed many of the normative presumptions around the role. Study participants described themselves:

- Moving away from a 'policing' role where they would enforce HR policy to adopt an 'influencing' role as a 'trusted adviser' and partner to their senior manager clients;

- Acting as coaches, sounding boards, and confidantes to senior managers;
- Being ready to challenge proposals and historic practice;
- Acting as change agents, with the CEO as sponsor and other senior managers as directors for the change;
- Having the capacity to act as a bridge between their own organisation and 'leading edge methodologies' that had already been adopted in other organisations; and
- Operating with considerable autonomy, not tied to one area but 'boundary-spanning', moving between organisational units, functions, and other operations.

In order to assess the way in which the HR Business Partner role has been defined and adopted in practice, the author undertook a high-level review of over 100 advertisements for HR Business Partner positions placed in 2015. The principal sources were 'People Management', 'Personnel Today', and the CIPD website. In some cases it was possible to obtain further detail from company websites.

The review findings, summarised in Table 2.5, confirm that there are a number of common elements although those elements may be described differently for different organisations. The documentation available does not always indicate the relative priorities attached to particular activity, but the following does give a guide to how a significant number of organisations see the HR Business Partner role, in particular the role for embedded HR Business Partners.

Table 2.5: HR Business Partner role review

Activity	Mentions	Comments
Human Capital Strategy - Implementation	100%	Developing plans and programmes to implement organisation or business unit people management strategy.
Human Capital Strategy – Design	8%	Working with the Board or Management Team to ensure that people management themes and opportunities are reflected in agreed strategy.
Employee relations	95%	Activities including: discipline and grievance handling; redeployment and redundancy; staff consultation and communication; industrial relations; policy and process interpretation, advice, and revision as required; and diversity.
Transformation and change	92%	Activities including: programme design and development, and change management.

Table 2.5: HR Business Partner role review

Activity	Mentions	Comments
Management support	98%	Activities including: planning and supporting the personal development of managers and high potentials; coaching and mentoring; and coaching to the senior management team.
Recruitment	100%	Activities including: tracking recruitment; engaging recruitment agencies; issuing employment contracts; induction; and probation.
Performance Management and Reward	95%	Activities including: performance management policy, training, and manager support; reward surveys and advice; and annual pay reviews.
Learning and Development	95%	Activities including: training needs analysis; development and commissioning of programmes (typically with Learning and Development specialists or external providers); and evaluation.
Talent Management	85%	Activities including: developing programmes to identify and develop key talent; attraction and retention initiatives and interventions; and coaching and mentoring support to 'talent' and managers.

Wright (2008) records two potential challenges to successful adoption and delivery of the Business Partner role. First there is a recognised need to secure the patronage of senior management, requiring investment of time and strong interpersonal skills, and still being subject to power shifts in organisational politics and other change.

Second, many of the HR Business Partners in his study were still expected to deliver day-to-day 'maintenance' HR as business unit managers and staff continued to expect a 'one-stop-shop' from HR. This is a clear departure from the ideal model proposed by Ulrich and others where much of the transactional/maintenance activity would be moved to a Service Centre or be undertaken by line managers.

A great deal depends on the size of the organisation and the HR team and whether it is possible to move to a shared service model and free up Business Partners for more strategic activity. The implementation challenge is to be able to shift the Business Partner role from transactional to strategic activity, for example from having a Business Partner spend 75% of their time on transactional matters and only 25% on strategic HR to a situation where the

Business Partner spends at least 75% of their time on strategic HR and only 25% on, possibly unavoidable, transactional matters (McCracken and McIvor, 2013).

The potential for role contradiction

The key areas of concern regarding the adoption of HR as a business partner relate to the potential for a disproportionate focus on business leader needs and interests from the HR function and the possibility of reducing the professionalism of HR.

Marchington (2008, p2) raises a number of concerns around the drive for HR to be a Business Partner, in particular that the ever-closer links between HR and business performance may lead to a situation where the function is 'in danger of becoming indistinguishable from other managerial functions', and where HR will lose out to functions such as Finance, Marketing, and Strategy in terms of influence. He argues for HR to review its focus and contribution to ensure 'distinctiveness' and to be able to add 'real value'.

Marchington notes the danger that HR may become both: unidimensional, looking for the ideal, one-best-way, to address issues; and elitist, focusing only on the needs and views of the few senior leaders rather than including consideration of the broader workforce. In a similar vein he is concerned that, in responding to line managers, HR may fail to address work design and other issues and opportunities that may offer performance opportunities for the organisation. He also offers a view that HR may take a superficial approach to the use of metrics, selecting metrics to be adopted on the basis of how easy it is to capture and present those metrics rather than on whether those metrics may demonstrate, or challenge, the HR contribution.

To address those concerns, Marchington calls for a return to a 'distinctive' role for HR, concerned with: respecting and reflecting the needs of a broad range of stakeholders; balancing the interests of different communities; and taking a professional approach to solving problems presented rather than providing the answer that the employer community would wish to hear. Beer et al (2015, p. 428) also support this 'multistakeholder perspective' for HR.

Kochan (2004, p133) takes a similar view, challenging the all-out drive for HR to be Business Partners with the closest alignment being with the interests of senior management. He is concerned that HR is losing its role as 'stewards of the social contract' representing and balancing the needs and interests of employers and employees. He also questions the 'deprofessionalisation' of HR, losing social purpose and responsibilities and becoming only an 'agent of capital'.

Farndale and Brewster (2005) also refer to the risk of deprofessionalisation. However, they note a rising education level of HR's line management clients and increasing coverage of people management topics and approaches in executive development and training programmes, and believe that the HR objective of developing a strategic business partnering role is key to enhancing professional standing.

Hope-Hailey (2016, p11) returns to the risks for HR, and the business, of HR being seen to be too closely engaged with business leaders, being 'so anxious to prove itself to be a strategic partner that it no longer represents or is interested in representing the workforce'.

2.7 HR competencies and capacities

This Section reviews the clusters of competencies considered to be most appropriate for HR in the more strategic role and the scope for HR professionals to develop and demonstrate those competencies. It also considers projected changes in demands on HR reflecting workload shifts and new ways of working.

Competencies

As might be expected for a profession with extensive experience of developing and promoting competency-based approaches, there is no shortage of candidate competency frameworks for the HR function. Many of these frameworks are supported by extensive surveys which may then be modified as new surveys are conducted and analysed. There is

also the unhelpful reality that the different ways in which the competency frameworks are presented and described complicates the process of drawing out agreed themes.

Deloitte (2008) consider nine capabilities for HR. Finance and business acumen as a capability embraces commercial awareness, business acumen, and customer focus. There are three capabilities that would fit under an HR heading, these are: HR technical knowledge; HR product expertise; and change management. The third capability community presents a number of consulting capabilities: influence and collaboration; project management; measurement and analysis; and orientation to results.

Boston Consulting Group in a survey collaboration with the World Federation of People Management Associations and European Association of People Management Associations identified five critical HR competencies. These were: transforming HR into a strategic partner; mastering HR processes; delivering on recruiting; restructuring the organization; and improving leadership development (Boston Consulting Group, 2011; Ulrich et al, 2015).

The UK CIPD has created an HR profession map constructed around eight HR 'practice areas' for leading HR (CIPD website). The 'practice areas' are: organisation design; organisation development; resourcing and talent planning; learning and talent development; performance and rewards; employee engagement; employee relations; and service delivery, and information. These 'practice areas' are then supported by guidance on the eight behaviours that the CIPD research identified as key to how HR professionals need to work to make a contribution to organisational success. The behaviours are: role model; curious; decisive thinker; skilled influencer; personally credible; collaborative; driven to deliver; and courage to challenge.

Ulrich and Brockbank (2009) observed that the business partner role requires HR to develop new knowledge and display new skills in order to be sufficiently and properly aligned with the business. Their 2013 (Ulrich et al) research study identifies six domains of essential HR competence defining the skills and knowledge that HR professionals should demonstrate.

Strategic Positioners think and act like a business person, understanding the business environment and the demands it makes on the organisation, and targeting and serving their own key customers. They may also be engaged in co-creating the organisation strategy. Credible Activists build relationships throughout the organisation and secure personal trust through demonstrating that they can be relied on and deliver on their promises. They communicate clearly, consistently, and with integrity, sharing their own views about HR and the broader business. They remain self-aware and committed to developing their own professional competencies.

Capability Builders seek to enhance the organisation's business capabilities through engagement with and development of human capital. Change Champions make things happen, applying structured and disciplined change processes. The change role embraces initiating change and then embedding change with appropriate organisational and HR processes and actions.

Human Resource Innovators and Integrators are fully experienced in, and aware of, HR and its contribution to organisational performance. They track insights and developments and are able to identify and evaluate those that are relevant for their own organisation. They are able to align new insights and development with organisational interests and introduce integrated HR and people management solutions.

Technology Proponent is a more recent domain for the HR function reflecting the way that Ulrich and his colleagues believe that technology has changed the way in which HR people think, and deliver their administrative and strategic work. The engagement with technology is seen as extending from the basic level of efficient delivery of HR administrative work through to connecting the HR community and connecting HR to key customer communities.

The structure and wording of competency frameworks for HR will vary across organisations but the research proposal is that there are a number of common elements that will need to be demonstrated by HR in a more strategic role.

Changing demands on HR

Increasing organisational complexity and expectations about HR as a strategic partner have a number of implications for the HR community, particularly where organisations have adopted shared service models for HR. Recent surveys, for example the CIPD (2003) survey of HR professionals suggest that numbers of Strategic Partners, a role which is increasingly likely to embrace Ulrich's Change Champion are likely to continue to increase while Employee Champions and Administrative Experts will be in communities with shrinking numbers.

One immediate outcome from the increasing specialisation proposed for HR is the prospect of losing the role of HR Generalist. There is also the spectre of deskilling as Centre of Expertise specialists take on relevant aspects of the strategic HR role and Service Centres and technology-enabled manager and employee self-service remove the need for Strategic Partners to engage in administrative and more transactional activity. That said it is important to consider whether line managers are themselves positioned to play their full and proper role in people management. Cooper (Churchyard, 2016, p11) notes that in the UK at least 'we have managers who are not socially skilled: they are not motivating people to deliver; they're managing them badly and therefore productivity is low". If line managers are not competent and motivated to be people managers, and until essential manager training and other initiatives are in place, HR may still need to step in to fill the people management gap.

There is also evidence of a trend for organisations looking outside the HR function when filling HR Director or Chief HR Officer roles (Bersin, 2015) and turning to leaders from functions on the business side, such as operations, marketing, or corporate law (Groysberg, Kelly, and MacDonald, 2011, p67). The suggested explanation is that HR as a profession, and with few exceptions, is still considered to be reactive to, rather than shaping, changes in the business world.

2.8 Propositions: best-practice guidance and requirements

The research and practice guidance and requirements presented above suggest a number of features and factors that would appear to be essential to the development and delivery of SHRM and the role and recognition of HR as a strategic partner. Much of this best-practice is normative in nature, in some cases supported by the experience of ideal-world case study examples. To facilitate the process of comparing these identified features and factors with the findings from the research fieldwork relevant features and factors have been considered as Propositions which will be subject to scrutiny in later fieldwork.

The research intention is not to criticise or challenge the validity of the features and factors captured as Propositions but rather to explore the extent to which they may be relevant, in whole or nuanced part, to the experience of a multibusiness. The objective is to secure a better understanding of the reality of the environment experienced by HR professionals, the interdependencies between features of that environment, and how this dynamic may then impact on SHRM practice and the opportunity for HR to play a strategic role. This better understanding of the reality for HR functions and HR practitioners in complex organisations can then guide the development of the theoretical model representing the opportunities and challenges open to them, and the conditions that need to be satisfied for HR to play a strategic role.

Table 2.6 below presents ten Propositions, indicating the alignment of each Proposition with the four research pillars: Organisational context; Strategic Human Resource Management; HR roles and responsibilities; and HR competencies and capacities. The table also indicates example academic references for each Proposition. The ten Propositions are not intended to represent a comprehensive summary of existing research and practice guidance but rather to inform a theoretical framework for SHRM and a more strategic role for HR which may be confirmed or challenged through the current research.

Table 2.6: Propositions from research and practice guidance

Research theme	Proposition	Supporting research (examples)
Organisational context	Organisations are able to identify the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment.	Lengnick-Hall and Lengnick-Hall (1988); Wright & Snell (1998); Boxall and Purcell (2000).
	Business leaders look to the HR community to take a more strategic role and will support the HR community in that role.	Hird, Sparrow, and Marsh (2010); Wright (2008).
	The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation.	Watson (2004); Gratton (2009); Clark (2009).
SHRM	HR functions are able to take a long term perspective when developing strategies and strategic interventions.	Guest (1987); Caldwell (2008); CIPD 2015.
	An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role.	Snell (1992); Schuler (1992).
HR roles and responsibilities	It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of organisational strategy.	Caldwell (2011); Sisson (1995); Guest and King (2004); Armstrong (2000); Phelps (2008).
	Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role.	Ulrich and Growchowski (2012); Ulrich and Dulebohn (2015); Joinson (1999).
	Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently.	Ulrich (1987); Cooke (2006); Lawler and Mohrman (2003); Grossman (2010); Keegan and Francis (2010).
	Increasing role specialisation in HR means that the role of the HR generalist is diminished.	Farndale and Brewster (2005); Kochan (2004); Marchington (2008).
HR competencies and capacities	To fulfil a more strategic role the HR function must develop and demonstrate competencies in: business understanding; HR knowledge and experience; credibility as a trusted advisor; and a broad range of skills which can be considered under the broad heading of consulting skills.	Deloitte (2008); Boston Consulting Group (2011); Ulrich and Brockbank (2009).

2.9 Conclusions

There is an extensive, and growing, body of research available to act as guidance for organisations and HR functions seeking to adopt SHRM practice and principles and to secure a more strategic role for the HR function. The difficulty is that there are conflicting, and even contradictory, views within that guidance and that the experience has been that there are practical problems to be overcome in evaluating and implementing 'best practice' guidance that takes a normative perspective of what should be happening rather than a more realistic view of what is happening and what can be achieved.

The aim of this work is to attempt to address these difficulties and problems by analysing, and then building on, the academic literature and the practice guidance from Institutes, consultancies, and other providers of HR services. The approach adopted considers a set of Propositions against the following four contextual pillars: Organisational context; SHRM in practice; HR roles and responsibilities; and HR competencies and capacities. The Propositions under review have been advanced as underpinning SHRM and the strategic role for HR, and would be seen as representative of best practice. The research fieldwork draws on the experience of HR practitioners in a range of complex multibusiness organisations in order to examine the relevance of each of these Propositions to the reality of HR in a multibusiness, and to support the development of a theoretical model that will be more relevant to multibusiness needs and opportunities, and of practical use to business leaders and HR professionals.

The research question selected to inform and guide the current research is "Which factors will help or constrain HR in playing the more strategic role advocated by many researchers and in practice guidance".

CHAPTER THREE: METHODOLOGY AND METHODS

3.1 Overview

The research intention has been to identify and evaluate those factors that will enable or constrain the practice of strategic human resource management (SHRM) and the adoption of a more strategic role for HR in an organisation, in order to provide guidance to enable the HR community to promote effective SHRM and more strategic HR, as required.

Capturing the personal experience and perspective of HR practitioners is particularly relevant in this research as there is a history of ascribing difficulties with SHRM to a lack of competence and quality in the HR community (Legge, 1978; Hird, Sparrow, and Marsh, 2010). This is perhaps the area that historically has been subjected to the least research investment and it has been particularly important to determine the extent to which such criticism is valid and fair.

The research has targeted SHRM and HR roles in multibusinesses, complex organisations with a business structure, and therefore a complementary HR structure, that falls between being 'centralised' or 'decentralised' (Ulrich and Dulebohn, 2015). Multibusinesses have been defined as organisations that operate in multiple markets through several distinct units (Greve, 2003). These organisations will have a number of distinct business units, and potentially different HR needs and priorities in each of those business units. The potential for diversity in the levels and nature of SHRM within a single organisation makes particular demands on all the actors in the HR and broader human capital management community.

The key Sections following are:

- 3.2 Research design;
- 3.3 Methodology;
- 3.4 Research methods; and

3.2 Research design

The research focus is on discovering, capturing and exploring the enablers and constraints on SHRM and adoption of the more strategic role for HR as perceived by HR practitioners and other actors, and seeking to understand the formal and informal processes and other interactions that produce this perceived reality. It therefore follows a stance that can best be seen as one of critical realism (Sayer, 2004).

The relevant proposition is that we can only understand what is really happening in the real world if we are able to understand the personal and collective actions, relations, and interactions that have led to the situation which we are trying to understand. This critical realist perspective emphasises the importance of multi-level, and multi-channel, research as each level and channel has the capacity and capability to alter or align the views and understanding of different actors in relation to the research topic under review.

The related ontology targets an explanation of why things are as they are, requiring an examination of the key features of SHRM as enacted in a complex organisation (Ackroyd and Fleetwood, 2000). Those factors will include, but not be limited to: the organisational context; policy and processes; support systems; established and expected roles and responsibilities; and the individual and collective competencies and qualities of the HR community and other people management actors.

The associated epistemology focuses on the actors themselves, in part at least as co-creators of the environment in which they are operating, and as key components of that complex environment (Cohen, Manion, and Morrison, 2007).

3.3 Methodology

This Section of the thesis presents the research structure and describes the methodology adopted. Details of the methods adopted and applied are presented in the 'Research methods' Section which follows.

Research structure

The research followed a well-established overall structure with key elements being:

- Desk research, including a review of relevant literature;
- Fieldwork, using a mixed-method approach;
- Analysis of qualitative and quantitative data;
- Development and initial evaluation of findings; and
- Confirmation of models and messages.

Details of each stage in the research process are presented in the following paragraphs. It is important to emphasise that the process was not linear, for example data presented in the fieldwork justified an extended literature review.

The research structure was enhanced by access to a sounding board of experienced and senior HR professionals and consultants. In total there were 11 members of the sounding board. Of these: three were based in professional services firms; two were from technology consultancies; two were from other knowledge-based industries; one was a consultant specialising in shared services and outsourcing; one was in a financial services organisation; and two were from executive search organisations.

The sounding board members were consulted on areas to explore in the research and also on emerging findings. They were therefore able to contribute to issues of validity: initially with face validity by advising on the areas which would be relevant to the research and on issues

which might arise on those areas; and secondly with content validity as issues and trends emerged.

Content validity was also strengthened through access to the experience in a range of organisations in the UK, USA, Belgium, Denmark, Switzerland, and Australia, to explore whether emerging issues and trends were unique to the organisations covered by the fieldwork or likely to be found across a broader community.

Desk research

The research process started with traditional desk research, in this case commencing with a review of relevant research and practice-based literature. Much of the available research literature, particularly from the USA, and the model approaches published by professional institutes (SHRM and CIPD) provides broad, normative, guidance on how organisations should approach the development of a People Strategy and an HR Strategy, and how HR functions should be organised and mobilised to assist with the development of relevant strategies and to deliver SHRM interventions and other programmes.

At the extreme, this rather objectivist perspective has often been interpreted as implying that there is a generic structural context – ‘best practice’ - defining the way in which HR should be organised and roles can be described, that could be applicable to all organisations. In balance, there is a broad community of research and practice-based literature challenging the possibility of there being ‘one-best-way’ to organise the HR function and to deliver SHRM that was appropriate for all organisations across all circumstances.

Fieldwork

The research intention was to examine how the delivery of SHRM and adoption of the more strategic role for HR are enabled or constrained in practice, with the added complexity that there will be a range of situational factors that will influence and inform the findings.

Capturing the complex dynamics present in organisational entities with scope for so many

different and subjective perceptions and actions argued for a case study approach (Eisenhardt, 1989) focusing on the practice in one relevant and representative organisation.

The research therefore followed a case study design (Yin, 1981). The intention was to provide insight into one issue, in this case HR adopting a role as strategic partner, and to support or challenge generalisations around the emerging 'best practice' guidance on SHRM and more strategic roles for HR. This focus on one issue fits with Stake's observation that a case study in itself is not a methodological choice but rather the choice of what is to be studied (Stake, 2005).

The fieldwork followed a multi-method data collection strategy (Saunders, Lewis, and Thornhill, 2009), with semi-structured interviews providing broad and rich qualitative information supported by Q methodology promoting more structured but equally rich responses and findings (Watts and Stenner, 2012).

The semi-structured interviews were designed to capture qualitative perspectives from a number of key actors regarding their roles and the context within which they operate. The methodology challenge was therefore how best to introduce a sufficiently structured element to complement rather than compromise the ongoing qualitative and free-flowing nature of the research.

One well-rehearsed solution to provide more structured and quantitative support would have been to design and administer a questionnaire with a Likert scale for responses. This option was considered seriously, not least because of face validity, ease of administration, and the perceived quantitative strength of the data emerging from questionnaire responses.

Following discussions with experienced HR colleagues, the traditional questionnaire option was discounted for this research. There are already rich data generated from questionnaires administered to large numbers of HR specialists in different organisations, for example the regular survey of competencies by Ulrich, Brockbank and other researchers, by Orion Partners (2014) and other consultancies, and by the CIPD. The strength of those data is in the impressive number of participants and the shared opinions that they bring.

The weakness of the traditional questionnaire option using factor analysis in relation to the interests of the current research, rests with a number of considerations. First, the traditional approach focuses on correlations between items or constructs rather than the preferences and viewpoints of individuals (Smith, 2001). Second, there is a risk that questionnaire participants may be steered, at least in part, towards perspectives that they will already be familiar with from research, professional publications, and other questionnaires.

The current research interest is in how research participants see and interpret real-life experience, providing an understanding of individuals' perceptions that will provide rich data on real-world practice as a base for theory challenge and development (Bartlett and DeWeese, 2015). Exceptions and outliers are welcomed as topics for review rather than being sidelined.

Q methodology was selected for this research as it was designed expressly to gather data in the form of opinions from the participant perspective in relation to a specific issue. The intention was to determine whether the opinions expressed demonstrate a theme, or themes, that will assist in understanding those viewpoints (Brown, 1993). In this research case the 'issue' relates to SHRM and a more strategic role for HR in a complex organisation and the 'opinions' are those held by the various key actors representing the HR function.

Sulphey (2014) argues for increased adoption of Q methodology in HR research on a number of grounds, in particular he recognises that Q methodology offers the opportunity for an in-depth exploration and analysis of how individuals think and feel about a particular issue. The process of inviting participants (sorts) to sort statements according to a fixed distribution forces participants to give more serious thought to their choices than might be required in response to a more traditional questionnaire. The related strength of Q methodology for this study is that it correlates the sorts, rather than their viewpoint, to provide structured, systematised, information about similarities and differences in perspectives on particular subjects. This structure provides guidance on the commonality and strength of feeling in relation to specific items that would be difficult to achieve with interviews unless those interviews were highly structured, with the consequential risk that interviewees may provide socially desirable responses rather than honest opinions (Oppenheim, 1992).

Q methodology may not have been used previously in studies of the more strategic role for HR but there is positive experience of using the methodology in related areas. For example, Bartlett and DeWeese (2015, p72) describe their research adoption of Q methodology 'to identify similarities and differences in the subjective perceptions across a sample'. This intent and experience is very much aligned with the current research into the more strategic role for HR. Their concern was to explain how Q methodology could assist in understanding subjective perceptions and, in turn, inform theory relating to human resource development. They describe the key steps to be followed in Q methodology in relation to a study with elite coaches of winter sports and explained how this would assist in building a better understanding of the skills to be acquired in the professional development of coaches.

Ethics and values have been seen as popular candidates for Q methodology studies, for example Graaf & Exel (2009) conducted a study of administrative ethics in the public sector, but there have been other studies in the other studies in the broad area of human resource management. These HR-related studies include: a study with police officers to identify their perceptions of the motivational impact of promotion (Gaines et al, 1984); and a study into the career experience of female IT managers in China (Aaltion and Huang, 2007).

The Durning and Osuna (1994) study of policy analysts, their values, and their perceptions of their roles is particularly relevant for the current study. The Durning and Osuna study was prompted by the prevailing view that analysts could be classified into a small number of ideal types but their Q analysis identified five factors. The current research also challenges prevailing assumptions about the strategic role for HR and the case for best-practice in SHRM.

One important point here is that Q methodology cannot, in itself, prove or challenge hypotheses (Stenner, Watts, and Worrell, 2007). Stenner et al observe that the strength of Q methodology lies in bringing a sense of coherence to research questions with the potential for a number of complex and conflicting answers. The research intention was to explore whether there were clusters of different perspectives, for example and not exclusively, with different views held by:

- HR Directors and others in leadership roles;
- subject matter specialists in the Centres of Expertise; and

- HR Business Partners in stable, more mature, business units and colleagues in business units facing or already undergoing significant change.

Following early findings from this multi-method case study approach, it was determined that the Q analysis fieldwork should be extended to examine the dynamics and practice in other multibusiness organisations. This further fieldwork provided an opportunity to determine whether the case study findings were unique to the case study organisation or could be seen to be relevant to a broader community of comparable organisations.

Analysis of qualitative and quantitative data

Given the considerable variations across the roles and competency levels of the HR community, the significant differences in the nature of the businesses and business units supported, and the fact that things were changing in real time, it would have been unrealistic to expect to be able to capture and represent all available variations. The research objective was to gain a deeper understanding of the factors most likely to promote a variation (Glaser & Strauss, 1967; Eisenhardt, 1991).

The narratives from the semi-structured interviews were reviewed and coded manually (Corbin & Strauss, 2015) in order to identify as many potential codes and themes as possible. The codes and themes were then clustered using thematic analysis (Braun and Clarke, 2006) to identify the key themes.

Completed returns from the Q study were transferred into PQMethod technology and analysed for Factors, the clusters of similar responses to provide the evidence leading to, and supporting, key findings. PQMethod also provided relevant data on reliability.

Development and initial evaluation of findings

Data from each element of the research study were collected separately and conflated where appropriate to confirm or challenge emerging themes. For example, the findings from the desk research were reviewed against themes and messages from the semi-structured interviews. In turn the items developed from the semi-structured interviews were used to form the Q set for the Q analysis, and findings from the Q analysis developed and assisted in evaluating messages from the semi-structured interviews.

While the principal methodology adopted in this research has been qualitative in nature (Beer et al, 2015), where possible measures of reliability have been taken into account and incorporated into the further development of findings.

There were two tests for messages emerging from the findings. The first test related to the extent to which findings from this study confirmed or challenged existing and available thinking. The second test was whether those findings could be translated into models and messages which would be useful for HR practitioners and future research.

Confirmation of models and messages

The final stage in the development of findings into models and messages involved testing thinking with two communities. The first community can be seen as academic. This community included specialists in HR management, organisation development, applied research, and Q methodology. They provided guidance on the validity of findings and the extent to which they would be regarded as sufficiently robust to act as the base for models and messages.

The second community comprised the sounding board of senior HR executives and included senior CIPD members. They were invited to view the findings from the study through the lens of their personal experience and to comment on the practical application and likely take-up of models and messages proposed.

3.4 Research methods

This section describes the data collection methods adopted and applied, presenting detail on relevant steps in the process.

Desk research

The literature and other desk research covered four, strongly-connected, areas. The first area drew on research into the organisational contribution of high performance work and HR practice, alongside HR benchmarking findings, to consider the value of policy, process, and practice aimed at improving people management in any organisation. The second area reviewed the relevance and fit of available theoretical frameworks. The third area comprised a review of the work of researchers and consultants regarding the organisation structure for the HR function and the roles and responsibilities proposed for the key actors. The fourth, and final, area reviewed current thinking on people strategy and strategic human resource management in alignment with business strategy, priorities, and needs.

For each area the desk research considered both the work of leading researchers and writers and available information on current practice and plans, for example from the professional institutes or from published people strategies, job advertisements, and job descriptions. The literature research was complemented by an analysis of published HR strategies and job descriptions/role profiles for HR practitioners in what are seen as strategic roles. This further analysis considered 25 published HR strategies and over 100 job descriptions/role profiles taken from the CIPD website. This provided a broad indication of how UK organisations were interpreting and applying the available guidance.

Selecting a case study organisation

To meet the research demands a case study organisation would need to demonstrate that:

- It operated as a multibusiness: having business units with significantly different people needs, responding to market change and related opportunities and challenges for the business unit; and
- It had invested in high performance HR practices and had implemented a 'best practice' shared service organisational model for HR to ensure that there is like-for-like comparison with the research base used by Ulrich, Brockbank, and other researchers.

The principal case study organisation selected for the research fieldwork was a UK professional services firm, CaseCo. Professional services firms, particularly those operating as partnerships, bring a particular challenge for the HR community. On the positive side it is clear that such firms recognise that their ability to attract, retain, develop and deploy staff is key to success (Fu, Flood, Bosak, Rousseau, Morris, and O'Regan, 2015). For example, CaseCo viewed their people as 'the biggest asset' (CaseCo Annual Report, 2013) and had introduced high performance and high commitment HR practices. CaseCo had also transformed the HR function organisation to a shared service model. However, alongside this high profile for human capital there is a risk in any partnership that even while operating with a common approach to management derived through a broad consensus, business units and even individual partners may still elect to 'do things differently in the daily control of their individual businesses' (Maister, 1993, p.203).

At different stages of the research process, findings and messages arising from the research in CaseCo were reviewed with senior representatives from other professional and knowledge-led firms facing similar people management needs, opportunities, and challenges. This assisted in testing the extent to which those emerging findings and messages were likely to be relevant across a wider body of knowledge-based multibusinesses.

Fieldwork: semi-structured interviews

Semi-structured interviews were conducted for two purposes. First, to explore and understand key themes relating to HR management practice, in particular strategy and strategic human resource management in complex, multibusiness, organisations. Second, to develop a number of statements expressing opinions and perspectives for use in the Q analysis stage of the research.

Interviews were semi-structured with open-ended questions to encourage a narrative response from interviewees. The decision to encourage a narrative response was based on the need to provide the best opportunity for interviewees to respond to questions and

express their responses as they saw fit, determining the detail and length of those responses and then expressing them in their own terms (Oppenheim, 1992). As recommended by Oppenheim and other writers, the interview structure and questions were piloted, in this case with experienced HR professionals from other organisations and in consultancy environments, before use in the case study organisation.

The piloting assisted in determining the content and construct validity of the semi-structured interview process. Pilot study respondents were asked: to provide feedback on the appropriateness and wording of questions; to suggest additional questions; and to suggest any questions that might be eliminated without diluting the value of the process. This piloting helped with the definition and ordering of questions and in providing early guidance on the nature of possible responses.

Following the piloting and finalisation of the interview structure and questions, a total of 21 interviews were conducted in CaseCo. The principal cadre of CaseCo interviewees came from the group in the role of HR Business Partner, that being the role suggested by other researchers as being most likely to be regularly engaged with SHRM and a more strategic role for HR in business units. Other interviewees were from the HR function leadership, Centres of Expertise, and Operations.

General biographical data were collected on: length of service with the case study organisation and in role; and previous experience in other HR or business roles.

Questions for this group focused on:

- the characteristics of the business unit(s) they supported, regarding numbers and the core professional/technical qualifications and competencies of staff;
- the scale and nature of any change in headcount, including recruitment and onboarding of staff with new and different skill sets and experience;
- key stakeholders, in particular the business unit leaders, the extent and quality of engagement with those stakeholders, and personal experience of managing difficult situations;
- whether the business unit had a clear and detailed business strategy or was working only with broad commercial objectives;
- the contribution of the HR Business Partner to developing a people strategy, identifying people priorities or designing strategic interventions; and the process used to make that happen;

- the performance management process for the HR Business Partners, in terms of who was involved in setting objectives, and monitoring and assessing performance against those objectives, and the nature of the objectives for individual interviewees;
- the contribution to SHRM made over a 12-month period;
- relationships with other HR actors including Centres of Expertise and the HR Service Centre;
- the fit of their personal competencies with the needs of the business unit today and for the future; and
- thoughts on, and plans for, personal career progression.

The provisional and follow-up questions relating to the semi-structured interviews are presented at Appendix A.

Interviews lasted between one and a quarter and two hours, permitting an opportunity for interviewees to add personal thoughts and to raise issues outside the planned interview structure. Each interview was recorded and transcribed.

One methodological concern in this interview process was that the data collected are heavily reliant on the personal perspectives of the interviewees. Two particular considerations needed to be addressed.

First, there was some initial interest from interviewees about anonymity around the extent to which they could express their views openly and honestly. It was explained that the agreement with CaseCo was that anonymity would be protected absolutely in the research. Comments made during the interview process appear to confirm that interviewees felt confident about sharing their experience and views, even where these might appear to be critical of their organisation.

The second consideration was the risk that interviewees may have been encouraged to be overly-positive, or unnecessarily-restrained, rather than being entirely objective in describing their role and contribution. To address this, interviewees were asked to give specific examples relating to the points they made, and to describe what happened.

Manual analysis of the interview narratives identified over 200 potential codes. These codes presented a broad sweep of issues, topics, and themes, as seen from the perspective of the individual interviewees. The research challenge was to identify those codes which were

most relevant to the study and which could provide candidate items for inclusion in the Q study.

The initial sorting involved placing items into one of the following four research pillars:

- **Organisational context:** codes describing how the organisation operates, for example regarding differences between the business and people needs of business units and the nature and extent of corporate involvement in business unit strategy and planning;
- **Strategic Human Resource Management:** how senior managers saw the role and priorities for HR and the extent to which the HR community are able/expected to operate at a strategic level, with examples of strategic and operational practice;
- **HR roles and responsibilities:** the roles and responsibilities for key actors, and the extent to which those roles were taken up by the different actors and the way that responsibilities might need to be reallocated; and
- **HR competencies and capacities:** the competencies, capacity, and broader qualities that members of the HR community draw on, and views on the nature and scale of any required development and other changes.

A fifth theme, 'Invisible activity', had also been considered as a number of respondents had identified aspects of SHRM and a strategic contribution from HR connected with particularly sensitive matters and had noted that the contribution of HR to this activity was unlikely to be referenced by the organisation. As a comparatively small number of interviewees commented on 'Invisible activity' it was not included as a major theme but was retained as a possible area of interest.

The research sounding board were consulted for their views on codes and items at each step in the process. There was broad agreement within the sounding board as to which of the four research pillars each item related to. However, this agreement was not universal and different views were proposed on a small number of items. These differences were reviewed and addressed, most commonly by revising the wording of particular items to clarify the point to be considered in the Q sort. The next step was to identify those codes

that were most relevant for the study. The key considerations in this further code analysis were:

- that the code should relate to the more strategic role for HR rather than being limited to the broader practice of HR and SHRM;
- that the code should represent evidence of a factor that would help or constrain HR in taking a more strategic role;
- that codes were representative of the perspectives of a number of the interviewees rather than reporting an issue only faced by one individual at one point in time; and
- that the code, and in particular the quotes supporting that code, should be capable of being captured in a single statement, preferably abstracted directly from the interviews.

In a sense-making exercise (Brown et al, 2008) members of the sounding board and supporting academics were asked to review codes in the light of their own experience and/or in relation to the perceived importance of specific codes/items to the research. They were invited to suggest items that they considered were missing or insufficiently-represented in the codes. Piloting of the code items, in the Q study, with members of the sounding board and the academic community represented the final check on code and item selection. Piloting resulted in rewording two of the suggested items.

Figure 3.1 (below) presents an overview of the high-level operational relationships between the four key pillar themes.

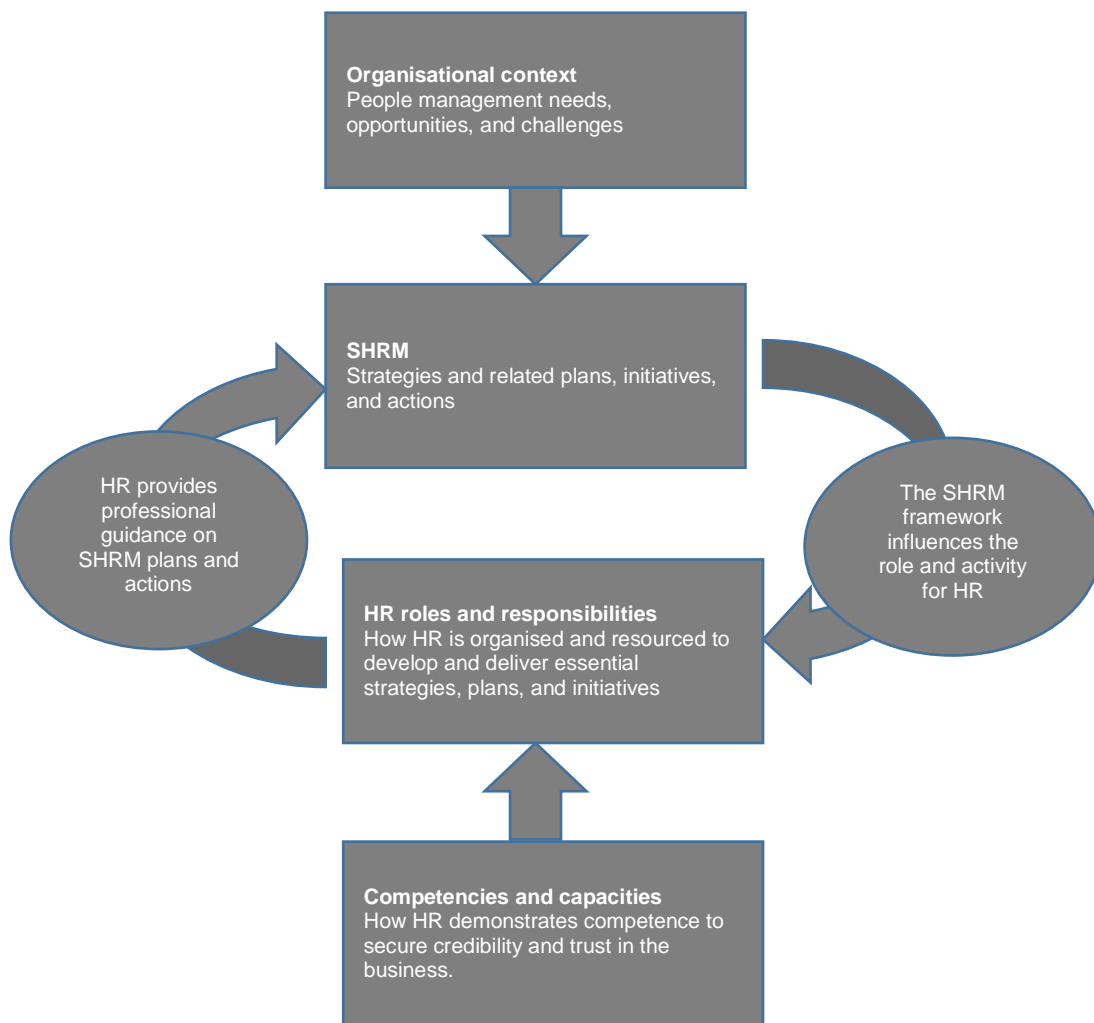


Figure 3.1: Relationships between main research themes

Fieldwork: Q analysis

The research interest relates to what individuals do in practice as the key actors in organisations that do not fit the 'model organisation', and whether there are particular competencies and qualities that promote more or less effective contribution.

The research objective at this point was to reflect the real-life experience of key HR actors, understanding the subjective lens through which they view their role and the challenges, and opportunities open, to the organisational units for which they hold responsibility. This calls for structured analysis to get to the root of how individuals see things.

Q methodology follows specific guidelines with clear steps, starting with the definition of the research proposition and concluding with structured analysis (Stenner et al, 2007; Bartlett and DeWeese, 2015). The study steps followed are introduced in Figure 3.2 below, and described in detail in the paragraphs following.

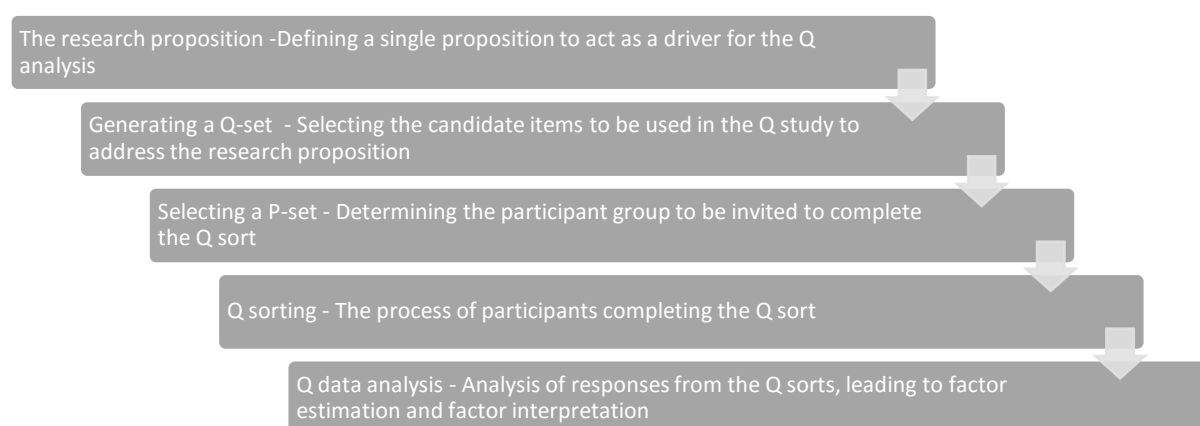


Figure 3.2: Steps in Q methodology

The research proposition

The first task in the Q approach was to define the ‘research proposition’ for this part of the research. The proposition needed to be clearly and simply expressed in order to be easily and consistently interpreted and understood. This presented a challenge as issues around people strategy, SHRM, and the strategic role for HR are necessarily complex and capable of broad and different interpretation. However, the Q requirement is for a single proposition which then serves as the driver for development of the Q set, the items to be used in the sorting and analysis steps, and also as the ‘condition of instruction’ for the Q sorting process itself.

The key theme for the proposition was always going to relate to the HR contribution to the most effective strategic people management in the case study organisation. A number of possible research propositions were developed and reviewed with the sounding board of experienced HR professionals and the broad proposition used for the Q sort was “Which factors will help or constrain HR in playing the more strategic role advocated by many researchers and in practice guidance”.

Fortunately for the integrity of the broader issues reflected in the initial research question, the Q analysis and findings are complemented by the case study research, including data derived from the semi-structured interviews, and by the opportunity to discuss, test, and develop models and messages with a broader community of HR professionals from other organisations.

Generating a Q-set

Having defined a proposition for the Q sort, the next step in Q analysis was to generate a Q-set that was broadly representative of the issues and perspectives likely to be associated with the proposition.

Q set selection started with over 80 candidate items developed from the original 200 plus codes. Candidate items were selected on the basis of: the strength of their relevance to the research proposition “Which factors will help or constrain HR in playing the more strategic role advocated by many researchers and in practice guidance”; the extent to which an item had been mentioned by a number of interviewees; and the selected item statement itself being complete and understandable.

Items which related only to one individual at one time were put to one side. Members of the research sounding board were consulted for their thoughts on which of the original 200 plus codes should be considered for inclusion in the 80 item list and which could be dropped or collapsed into other codes/items.

The sounding board role was essentially to provide a check and guidance on face and content validity. The face validity issues were substantially around whether the item statements would be understood by Q study participants and would be within their own

experience. The content validity issues focused on whether the item statements reflected the range and reality of the opportunities for a strategic role for HR and whether there were missing items that participants might have expected to see.

Following further discussions with the senior HR professionals on the sounding board and a pilot Q study exercise with a limited number of HR and academic specialists the 80 item list was reduced to 60 items, principally through a process of reviewing: potential impact; relevance to the strategic role rather than broader HRM or SHRM themes; and opportunities to address near-duplication.

At the request of the case study organisation the Q sorting process was to be delivered on line. A concern raised by specialists in on-line completion of Q sorts was that an on-line Q sort with 60 items would be complex and overly-time-consuming and that the number of items should be reduced. Access to the POET Q software meant that it was possible to invite comments on 14 barriers and levers providing the opportunity to include the content of existing items in the barriers and levers section and remove the corresponding items from the Q set. Through further streamlining, followed by piloting with experienced HR professionals from the sounding board, the Q set was reduced to 40 items.

The 40-item Q set finally adopted for the case study organisation is shown at Appendix B. Example statements relating to key themes are presented in Table 3.1 below.

Table 3.1: Summary of themes and relevant example Q-set statements	
Theme	Example Q-set statements
Organisational context	<ul style="list-style-type: none"> • I understand One Firm from a brand perspective but we have very different ways of working, with different human capital needs, across the firm. • Business leaders accept challenge as long as your explanation makes sense.
Strategic Human Resource Management	<ul style="list-style-type: none"> • Sometimes I think that we just skim the surface of people issues. • This is not an organisation that likes a big book of policies. • It is not easy to be creative or strategic because we struggle with the weight of policy and process

Table 3.1: Summary of themes and relevant example Q-set statements	
Theme	Example Q-set statements
HR roles and responsibilities	<ul style="list-style-type: none"> • I probably spend too much time dealing with routine matters for people who should use the employee portal or the Shared Service Centre. • Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.
HR competencies and capacity	<ul style="list-style-type: none"> • You need to be technically savvy. You need to know your HR management or be able to work your way around. • You need to be business-focused but you cannot be too judgemental.

Appendix C indicates the balance of item statements against the four key research pillars. Appendix D indicates the similar balance for Barriers and Levers

Selecting a P-set

The P-set is the participant group to be invited to, and who will complete, the Q sort. The accepted principle is that Q does not need large numbers of subjects (Smith, 2001), however, it is important that there should be a degree of variety in participation to ensure that different viewpoints are sought and captured. To maximise the likelihood of having a different range of viewpoints represented, the participant sample, for both CaseCo and the multibusiness studies, included:

- Experienced and less-experienced HR professionals;
- HR staff at different hierarchical levels;
- HR Business Partners, and specialists from Centres of Expertise and Operations; and
- HR Business Partners supporting stable and mature business units alongside those supporting business units facing or engaged in major change.

Q sorting

CaseCo had indicated a preference for the Q study to be completed on-line and individuals were invited to complete the sort using POETQ software developed by Stephen Jeffares (poetqblog). This software has been developed specifically to be used for Q sorting. There were four elements to the sorting process.

First, participants were asked for basic data on their job title and experience in that role and then in Human Resource Management generally.

Second, participants were invited to rank their own ability to provide strategic and/or sensitive HR advice and services. The scale used ran from limited to completely. Using the same, limited to completely, scale participants then commented on the extent to which their clients had given them the opportunity to work on relevant strategic or sensitive projects.

Third, participants were presented with a number of possible enablers or barriers to their work and were invited to select up to three enablers and up to three barriers, and then to comment briefly on those selections. The 'barriers and levers' items for the multibusiness study were designed to be applicable to a range of businesses and there were two changes from the items presented in the CaseCo Q study. There was no item for the business unit people management representative: this was seen as a role that was especially relevant for CaseCo but which may not exist in other organisations; and the item on 'the partnership' was redrafted as 'the organisation', again to reflect a situation that while 'partnership' was the appropriate descriptor for CaseCo it would not be seen as appropriate for the multibusiness study.

The fourth and final element offered a process requiring participants to sort the 40 Q-set item statements in terms of the extent to which they aligned with, or failed to reflect, their personal experience of working in Human Resource Management. The POETQ software led participants through the sorting process. The on-line process was broadly consistent with the method that would have been followed in the desk exercise that would normally have been followed.

Participants were presented with statements one at a time and invited to decide which statements they agreed or disagreed (least agreed) with, and those where they held mixed/neutral feelings. These statements were then held in three 'boxes' in the software: one for 'agreed' statements, one for 'disagreed (least agreed)', and one for 'neutral'. From the participant selections in the 'agreed box', participants were first invited to select the two

statements with which they were most in agreement. Those two statements were then removed from the 'agreed box' and participants were asked to select the next batch of most agreed statements from the statements remaining. They were then asked to repeat the process for those statements that they had placed in the 'disagreed (least agreed) box'.

The process continued until all the statements had been placed in a -4 to +4 normal distribution (See Figure 3.3 below).

Agree least					Agree most			
-4	-3	-2	-1	0	+1	+2	+3	+4
35	24	20	14	12	16	15	38	13
9	2	29	34	21	22	18	40	10
	8	37	19	25	23	27	6	
		33	26	30	28	32		
		5	4	31	3	1		
			17	36	7			
				39				
				11				

Figure 3.3: Example Q statements in the -4 to +4 distribution

Participants were shown the distribution resulting from their selection and given the opportunity to move statements within the distribution if they considered that their location in the distribution did not provide the most accurate reflection of their views. Participants were then asked to provide brief comments on their selection of the two 'most agreed' and two 'disagreed (least agreed)' statements. Finally, participants were given the opportunity to suggest adding a new statement if they considered that an item was missing, and to indicate the rating -4 to +4 that they would have given that statement.

Q data analysis

In Q methodology it is the participants, the P-set, who are treated as the variables. Q data analysis considers the rankings, in this case on the -4 to +4 scale, given by each participant for each item, and compares this on a by-item basis to the rankings given by all the other participants.

Responses from each participant (sorts) were analysed into clusters where similar views were held by other participants and any significant differences of opinion held by different clusters were then explored. Responses were collected and analysed anonymously but each participant was allocated a unique number by the software so that they would be able to identify their own profile in different clusters.

Q data analysis was conducted using the PQMethod (Schmolck, 2002) software. This enabled the early identification of Factors, clusters/groups of participants sharing similar viewpoints about item rankings. The objective was to look for groups of participants where there was a high degree of correlation of rankings.

Reviewing the data from all participants (sorts) using a by-person analysis to identify the principal components captured those key elements explaining the greatest percentage of the study variance. This enabled identification of distinct groupings (Factors) within the data set, described in Chapter Five for CaseCo and Chapter Six for multibusinesses. The analysis provided for:

- factor estimation, using a factor array to show a complete Q sort for each Factor; and
- factor interpretation, producing accounts to explain the viewpoints expressed by a particular Factor, in comparison with other Factors.

3.5 Reflections on the adopted methodology

The overall methodology follows a traditional structure, selected to be robust and to generate relevant and defensible findings. The major departure from approaches adopted in other (S)HRM research is in following Q methodology rather than adopting a Likert-scale, or similar, questionnaire to provide quantitative research data. Part of the attraction of Q analysis was in the novelty of the approach, both: in terms of its appeal to an audience familiar with questionnaires across a range of HR topics; and in targeting the ‘real-life’ experience and perspectives of members of the HR community in depth rather than their views on what should be happening across a small number of more-controlled test items.

Q analysis has been used in studies of Learning and Development but, despite the view that its use would be ‘highly appropriate for the conduct of HRM research’ (Sulphrey, 2014, p.15), there is no evidence that it has been used previously in studying SHRM and HR roles. While the sounding board, and senior HR leaders from CaseCo, expressed broad interest in following the Q analysis approach there were concerns that the novelty factor could be either good or bad, with one potentially negative concern being that the experience of completing the Q study document was *“thorough but rather demanding”*. The research experience around the Q study exercise has actually been very positive. For example, one unsolicited comment was *“It was certainly different to anything I have done before and I think it really made me think about why some statements might be more important to me than others - other questionnaires that I have come across don't really let you do that to a satisfactory level”*.

The next test of methodology and methods can be expected when researchers and practitioners come to evaluate the impact of findings and models and messages from this research. The post-fieldwork position is that representatives from across the HR community appear to be very positive in their support of the methodology and methods adopted.

CHAPTER FOUR: CASE STUDY RESEARCH AND FINDINGS – INTERVIEW STUDY

4.1 Introduction

The fieldwork for this research has been conducted across a number of organisations but the principal activity has centred on one case study organisation. For the purposes of anonymity this organisation is designated CaseCo. The following Section presents summary information describing CaseCo, in particular regarding: its position as an employer; the organisation and activities of the CaseCo HR function; and why CaseCo was selected as the case study organisation.

The Chapter then describes the semi-structured interview study conducted with representative members of the CaseCo HR community. In concluding the Chapter, findings from this study are compared with the Propositions for best-practice guidance on SHRM and the more strategic role for HR. The following Sections are:

- 4.2 Introducing CaseCo;
- 4.3 CaseCo semi-structured interviews - overview;
- 4.4 Organisational context – key messages;
- 4.5 Strategic Human Resource Management – key messages;
- 4.6 HR roles and responsibilities – key messages;
- 4.7 HR competencies and capacities – key messages; and
- 4.8 Concluding thoughts.

4.2 Introducing CaseCo

CaseCo is a leading UK-based professional services firm, offering a broad range of services and solutions to clients from different sectors and industry groups. The core services offered are in the areas of: assurance; tax; deals; and consulting. There are then newer or developing services such as human resource consulting, sustainability, and legal services.

CaseCo is a member of a global network of firms. Many of the clients supported by CaseCo are global or international companies or public sector bodies and many of CaseCo's partners and staff will work internationally with those clients, often as part of a multinational and multidisciplinary team.

The information presented in this introduction to CaseCo is abstracted from annual reports, recruitment material, and the CaseCo websites.

CaseCo as an employer

CaseCo employs over 18,000 partners and staff in the UK, and recruits around 2,000 new staff each year. 1,200 of these new staff will be graduates or apprentices, joining well-established training and development programmes leading to professional qualification. The balance will be 'experienced hires' (CaseCo Annual Report 2013). 'Experienced hires' may join from other professional services firms or managerial roles with other respected employers, but they may also join following the CaseCo acquisition of their employing organisation.

The personal interests and career objectives of these two broad communities can vary significantly. Graduates and apprentices acquiring their professional training and further development with CaseCo may look forward to a long term career with CaseCo and the prospect of a senior role, and possibly the partnership. Many of the learning and development programmes, in the UK and internationally, have been developed specifically to address the needs and career interests of this community.

Experienced hires are likely to be more mobile, staying with CaseCo for a shorter period and, unless they have special skills and interests and possibly some experience of work in a professional services firm, are less likely to consider themselves as candidates for the partnership. The personal interests of experienced hires are more likely to be centred on immediate benefits including earnings and quality assignment work with well-known clients

that will add to their potential attractiveness to the external employment market (Olsen et al, 2016).

- The CaseCo high-level people strategy (CaseCo Annual Report, 2013) has three main areas of focus: providing an employment experience that assists in attracting, retaining, and developing talented individuals;
- encouraging and supporting diversity in the workforce, recognising the value that different skills and approaches will bring to clients and the business; and
- promoting movement within and across the business, and the international network, to assist in servicing emerging client needs and opportunities.

CaseCo has a strong and attractive brand as an employer and has won major awards across different aspects of strategic human capital management, for example in graduate recruitment and for diversity. At least as importantly CaseCo has a strong and improving record of engaging with existing partners and staff, measured through an employee engagement survey.

HR in CaseCo

The HR function in CaseCo is organised, and operates, as a shared service. The four organisational clusters are: Corporate, providing professional leadership for the function and addressing issues escalated from other HR individuals or teams; Business Partners, responsible for the embedded HR role in a business unit (sometimes a number of business units) with several hundred partners and staff; Centres of Expertise, providing specialist guidance and support across key themes; and a Service Centre supporting HR colleagues, line managers, and staff, across a range of more-transactional activity.

The HR shared service model has been in place for some years and has developed over time to address changing demands and to reflect emerging experience of what works well or needs attention. CaseCo HR leaders have confirmed that there has been comparatively little movement of HR staff between Centres of Expertise and HR roles embedded with the

business units, and between the HR teams in the different business units. The reasons for this are explored in the research findings but it is important to register here that one of the main reasons is that many business unit leaders have placed a premium on continuing to work with those HR staff who have developed key relationships and who demonstrate their understanding of the ways of working and culture in their own business unit.

Selecting CaseCo as the case study organisation

The particular interest in this research has been to explore how the HR function can operate in a strategic role in an organisation with complex, and sometimes competing, people needs and priorities. It was always the intention to select a multibusiness as the principal case study organisation in order to provide access to a broad range of different HR and people management experience.

Multibusiness organisations accept that they are seen by the external world, clients and candidates, as a single organisation, but will tend to manage the many and varied business units with a sufficiently-light guidance and governance mechanism to ensure an essential level of consistency without committing business units to policy and processes that will overly constrain their ability to add value to the organisation as a whole. Extending this guidance and governance model to human capital management requires a delicate balance between HR policies and processes that are mandatory and enforceable and those that are promoted or even only advisory.

The particular attraction of conducting this research in a multibusiness is that business units will tend to operate within guidelines and/or parameters set corporately but will have developed ways of working that are most effective for their clients and their own staff. This potential tension between corporate and business unit intentions and ways of working provides an opportunity to explore and evaluate the actual processes adopted by each business unit, accepting that different business units will face different challenges and opportunities requiring different strategies and strategic interventions (Birkinshaw and Morrison, 1995). This offers the strength of being able to consider different interpretations

and ways of working within a consistent umbrella of essential policy guidance (Mintzberg and McHugh, 1985).

As the case study organisation, CaseCo represents a multibusiness with a number of business units at different stages of maturity and operating in different business cycles. CaseCo has recent experience, through the recession, of the workload shifts and associated people management needs of business units changing to reflect business needs, for example with a decline in work on mergers and acquisitions but a significant growth in work in administrations and corporate recovery. CaseCo therefore provides an excellent context for examining how an HR function can act strategically in a complex and dynamic organisation, and for evaluating to what extent best practice SHRM, as advocated in research guidance, can support that strategic role for HR.

4.3 CaseCo semi-structured interviews - overview

This Section provides detail on the semi-structured interview process in CaseCo, and describes the way in which research findings were analysed for presentation in the Sections following.

Participation in the interview programme

To address the research concern (Delery and Shaw, 2001) that in the study of HRM in larger organisations it is imperative for researchers to collect data from a number of informants, interviews were conducted with 21 HR professionals from CaseCo. Of these:

- Three were in leadership roles;
- Fourteen would be classed as HR Business Partners;
- Three were from Centres of Expertise; and
- One senior professional represented Operations.

Many of the interviewees had previous experience in a range of HR roles. Sixteen of the interviewees were female and five were male. The HR experience of interviewees ranged from three years to more than twenty years. HR experience in CaseCo ranged from six months to over fifteen years.

Interviewees were often able to draw a comparison of practice in CaseCo with human capital management in a broad range of other organisations that the interviewees had worked for, in HR or line roles. Those other organisations included: professional partnerships; blue chip companies in the UK and internationally; smaller consultancies; and the public sector.

Analysis and coding of study findings

The literature search and pilot discussions with a sounding board of experienced HR professionals had identified four broad themes as the focus for research and analysis. These themes were: Organisational context; Strategic Human Resource Management in practice; HR roles and responsibilities; and HR competencies and capacities.

Analysis and coding of the text generated in the semi-structured interviews confirmed the relevance of these four broad themes and drew particular attention to specific topics which interviewees considered had major implications for the role and contribution of the HR function in CaseCo. Given the multibusiness nature of CaseCo it was expected that there would be evidence of significant variation in terms of the interviewee experience of the practice of SHRM and broader strategic activity for HR. The research interest is in exploring the reasons for those variations in experience and in evaluating what this means for organisations and for HR functions.

Presentation of findings

The open and narrative approach adopted in the semi-structured interview programme resulted in the generation of a broad range of rich, and sometimes contradictory, detail

representing the personal views and experience of interviewees from across CaseCo. Research findings are presented under the headings of the four broad themes, and then in terms of relevant sub-themes.

Each Section opens with a Figure confirming the relevant broad theme, and then the sub-themes identified in the analysis. Findings are reported under the headings of the sub-themes, and are evidenced with quotes from the interviews (in italics), presented anonymously. Each Section concludes with a summary analysis of findings in comparison with the best-practice Propositions developed in Chapter Two earlier in the review of literature guidance.

4.4 Organisational context – key messages

Analysis of comments from the interviews confirms the range of experience for HR practitioners across the different business units. Viewpoints and comments are reviewed below under headings relating to emerging themes. The Section structure is summarised in Figure 4.1 below.

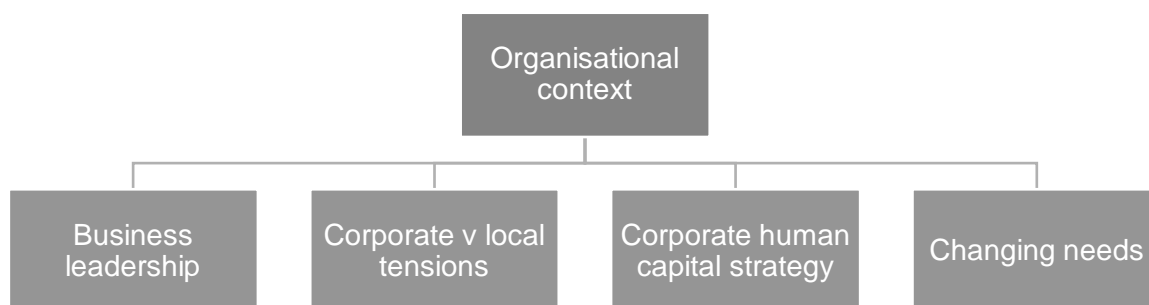


Figure 4.1: Organisational context sub-themes

Business leadership

Interviewees emphasised the importance of recognising and respecting the position of CaseCo as a partnership, in particular the concept of 'one firm' (Maister, 1993, p303). There were positive comments in terms of the way that business leaders – CaseCo partners and other senior leaders - approached factors such as: shared values and knowledge; a common culture; one mission and high level objectives; regulation and governance; and a collegiate approach to sharing problems and opportunities overriding local interests.

“Because of the regulatory structure there are things that must be done. So I never have the feeling that the business unit leaders are not doing something that needs to be done.” Clare

“Partners will do the right thing by the wider organisation. They are very loyal to, and supportive of, their people but equally they see the bigger picture as well. It's very much a team.” Alan

“I think that the values are alive and well”. Alan

But some interviewees expressed concerns that the historic 'one firm' concept was under threat, or at least may need to flex, in response to the significant differences emerging between the interests, needs, and ways of working, of different business units.

“One of the dangers is that when people are more financially driven what does that do to relationships and collegiate mentality and mutual support?” Alan

One key business leadership consideration in CaseCo is that it is the partners who own and run the business. There are strong messages about the readiness of at least some partners to listen to their HR function advisors and to trust that advice.

“An observation, and one of my pleasant surprises about CaseCo partners, is that partners do listen to HR, at least give them a voice. You are always asked for your opinion, which I thought was a refreshing thing for a partnership.” Sheila

However, and as noted by Maister, there is always a tension that a partner will decide on a particular course of action and may even be ready to ignore HR advice, with the attendant risk that this can create bad feeling within a broader team or even an unhelpful precedent.

“But [a partner] will still appoint when they want to appoint people into roles. And that can undo a lot of good work that has been done.” Noreen

One of the challenges identified by interviewees was that partners, particularly those in business units with a less certain income stream, are focused on acquiring and delivering profitable assignments, and that people management responsibilities will tend to sit lower on their performance agenda.

“The leadership team does care about their people but the leaders are so busy that they just do not have the time to do everything they would like to do.” Ian

My sense is that the [partner] intention was to treat people fairly but not take their eye off the ball about going out and winning more work But that it was more of ‘we have got to win work and we have got to pull ourselves back so that we are not just the poor relation’ ...” Olive

A related example quoted was that senior external hires joining CaseCo at the partner level might bring their own teams with them, sometimes as the result of a business acquisition by CaseCo. These new partners have often been engaged to generate new business with an immediate focus on business opportunities rather than on integrating fully into CaseCo. This brings the risk that they retain different ways of working to those advocated for CaseCo.

“He came from X so he is very X. He only likes to work with his team, everybody else is crap ... only his guys will do.” Olive

Clearly this is a business issue and not one that HR alone can address. But there is an important responsibility for HR to help to keep the potential for bad feeling and other people problems front of mind for the business unit leadership and to be ready to offer advice on how best to secure the behavioural changes required to address this type of difficulty.

Corporate v local tensions

One emerging message is that there are examples of, sometimes considerable, tension between HR policies and criteria, for example on diversity or talent management, that have been developed corporately and are then rolled out for adoption across the organisation. The lead responsibility for developing and drafting new policy is likely to sit with the HR leadership working with the relevant Centre of Expertise, and networking with the wider HR community and with business leaders. The expectation is that the HR people embedded with business units and business leaders will represent the business units and feed in to the design of the criteria.

“So they might say for example in [my business unit] we don’t think that is going to work.” Helen

While other organisations may have developed clear policy guidance on people management issues, and would have expected to be able to enforce that policy guidance in every situation, CaseCo has historically taken a more flexible approach, managing by exceptions rather than with hard and fast rules.

“Nothing is written down around that if you do XYZ this needs this level of governance. If you do ABC... A lot of it has been judgement and a bit of trial and error challenging and drawing them back if they are going completely off piste.” Phoebe

“My issue is that occasionally the organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.” Leonard

There is a drive to improve consistency across a number of more operational processes, for example regarding how CaseCo responds to changes in employment legislation. The emerging message is that business units will try to follow corporate approaches or will need to be ready to explain why they may have a problem doing that.

“There is now a general acceptance, and people have changed over the years in all of these roles, that mostly things cannot just be signed off locally.” Phoebe

“We are going to do it this way, and you are going to do it this way, and if the business doesn’t want to do it this way I want to know about it so that we can deal with it accordingly.” Rachel

The intent is to introduce one best way although there is a recognition that the business unit leadership determines whether or not that one best way works for them and their business unit. However, CaseCo takes a mature view of how corporate criteria apply across such a complex business. It is accepted that CaseCo needs corporate policy and criteria to set and maintain standards. It is also accepted that there will always be situations where those criteria may be inappropriate or unachievable.

“It is tricky isn’t it. That balance between legislating everybody to do exactly the same thing and accepting that there are times or situations that might not be appropriate.” Helen

“So we definitely do not try to impose a one-size-fits-all approach.” Phoebe

Corporate human capital strategy

Human capital management strategy in CaseCo is seen as a *“top down and bottom up”* (Clare) process. At the CaseCo Board level the strategy has a small number of ‘areas of

focus' (CaseCo Annual Report 2013). It is then for the business units to determine how best to action those areas alongside any other strategic people management priorities and broader needs.

"I don't tend to use the words people strategy too much because I think that there is only one strategy and that is the firmwide strategy. That is just a perspective and I think that there are definitely priorities." Clare

The reality is that some business units will find it much easier than others to demonstrate alignment with the corporate strategy. It is not a matter of having different standards across the business units but of recognising priorities and being realistic in terms of what can be achieved.

"It [recruitment] has not been such a priority this year as it was last year because there are other priorities on engagement and retention etc." Clare

Interviewees commented on the differences they saw between different business units, in particular around the case for business units, and the human capital management practices for those business units, to reflect the situation and needs of that business unit.

"We have things in the firm but we [the business units I support] want something simple." Joanne

The differences may be reflected in the mix of people, from mature businesses with an emphasis on structured career progression for a staff community where many join as graduates or apprentices, through to businesses mostly recruiting experienced specialists mid-career. Pay is one of the areas where CaseCo has introduced differences in HR and people management practices in response to emerging needs.

“You have got people who were line managers in manufacturing companies for 20 or 30 years. So that brings with it different people challenges. It’s fast-paced and they are all very confident. And they also have a different salary structure as well.” Joanne

“It’s the sexy part of [one of the mature businesses] It pays more and has bigger bonuses but there is also a higher involvement with clients.” Sheila

There was evidence of significant differences in the people management needs across and within the business units, in terms of the scale and nature of those needs, and the implications for the HR function. One consideration has been that the demand for certain services dried up during the recession with business units being unable to make the case for what would have been planned promotions.

“The market has been flat for quite a while so there has been no growth in the business area but people have not left to go elsewhere. There were lots of people stuck in various roles. People that have been around for a very long time, very experienced. So [we have] a real succession issue in terms of thinking about who we bring through [to more senior roles] and how we make sure that they are able to add incremental value.” Olive

A number of interviewees also commented that the business unit(s) for which they were responsible were themselves composed of sub-units which may have different people needs and priorities.

“It’s not the size of the groups. I suppose that it is the complexity of the groups ... some of the problems they will have will be completely unique for that skills group. So effectively I see some of them as minibusinesses within a business unit wrapper.” Georgia

“We have so many sub-groups and it is always the exceptions that take up your time.” Alan

CaseCo definitely encourages a view that people are an important asset and has introduced a number of high performance human capital management practices, for example, with quarterly talent review meetings and a firmwide emphasis on diversity. However, especially in business areas where staff are compensated at higher levels, partners will still be responsible for ensuring that a commercial balance is achieved, and sometimes this can seem to be at odds with CaseCo corporate intentions.

There is a sense of 'we pay well, you get good bonuses, if we need you to go somewhere or put in the hours' ... it is dependent on external forces rather than seasonal forces." Sheila

"working with [named clients] you [partners and other chargeable staff] basically do what they need you to do, whether it's at midnight, whether it's on a Saturday"
Joanne

Without exception, and despite the challenges identified above, respondents were positive about the CaseCo brand in terms of its value in attracting and retaining skilled personnel as a key asset. A number also cited the brand as a key reason for their own career move into CaseCo with the view that other organisations would look to CaseCo as a leader in HR.

"It is a remarkable brand. I am a genuine believer that if you work for a firm like CaseCo you are going to be able to [get] work anywhere." Florence

Changing needs

CaseCo is one of the UK's largest recruiters of graduates. Graduates will have been recruited into one of the more income-stable lines of service and will join a training and development programme covering skills, behaviour, and professional qualification. Subject to personal performance and potential, market demand, and a robust business case, there is line-of-sight scope career progression to senior roles including the partnership. Many professionals who joined as graduates could expect to spend their career life in CaseCo.

Recent developments have seen CaseCo recruiting experienced hires externally, including hires from non-traditional catchment areas, to resource business units embracing significant growth or addressing new business needs, for example in areas such as sustainability, cyber security, and portfolio management. There is a good deal of competition in the market for individuals with these skills and this has thrown up some challenge to existing CaseCo arrangements.

“These individuals come on board almost outside our [salary] bandings because they are very difficult to get from the market.” Karen

A number of respondents expressed concerns about the challenges that individuals may encounter when they join a complex organisation like CaseCo. A substantial tranche of induction and onboarding systems and processes has been geared towards the graduate or apprentice entry to mature businesses. Experienced hires will join CaseCo at a more senior level and will be expected to learn on-the-job about how the business works and how they fit in with CaseCo ways of working.

“We are recruiting people that have not followed the traditional CaseCo career route. Experienced hires are coming from different backgrounds and organisations and feeling like they don’t fit in they would arrive and we would send them away on a job immediately.” Bridget

“Lifers have a reasonably good idea but the majority feel that they have stepped into a strange place where everyone has a funny language and there is some game going on but no one has actually told us what the rules are.” Alan

The HR Business Partners embedded in business units play a key role in addressing the individual and CaseCo needs and expectations of new, ‘non-lifer’, communities of partners and staff joining CaseCo. For example, CaseCo expects that individuals progressing to senior levels in the organisation would need to be able to display a broader range of skills than just the professional or technical ones individuals were recruited with.

“Things like relationships and leadership, all of those softer kind of skills, are becoming much more high profile and high priority. We need our people to have those skills as much as the technical stuff.” Helen

A number of HR Business Partners referred to challenges they were experiencing in planning the career development of technical specialists who were new entrants to CaseCo and who had been recruited primarily for their technical competence in areas such as cyber security or sustainability rather than competence in any ‘softer kind of skills’. In one part of CaseCo these people are known as ‘quants’, in another they are seen as ‘spiky’. The HR Business Partner role has been to help these specialists understand that to have a career path in CaseCo does not just mean being technically good and that to progress, and possibly for the first time in their careers, they need to have relationship and leadership skills. As one HR Business Partner described it:

“My job is to try to level out some of those spikes.” Alan

Comparison of organisational context findings with Propositions of best-practice

The nature and ways of working of CaseCo are highly influential in determining the scope for the strategic contribution of individuals in the HR function. As a partnership operating as a very diverse multibusiness the organisational structure and arrangements in CaseCo present the HR community with a number of particular challenges.

Relevant study findings describing the organisational context in CaseCo are compared with the best-practice guidance presented in three Propositions in Table 4.1 following.

Table 4.1 Summary comparison of interview study findings with Propositions of best practice – Organisational context

Proposition	Study findings	Summary view
Organisations are able to identify the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment.	<ul style="list-style-type: none"> • There is clear support for consistency in HR policy and practice across the organisation but a recognition that exceptions will continue to be required to meet the needs of particular business units. • Where business units are mature and stable existing CaseCo HR policy and practice is generally relevant. • Existing HR policy and practice is unlikely to be such a good fit for newer and/or more dynamic business units. 	CaseCo will struggle to achieve an 'optimum fit' for HR policy and practice across the organisation while there need to be such substantial differences in required ways of working, calling for partners and staff with different knowledge and experience and different work patterns.
Business leaders look to the HR community to take a more strategic role and will support the HR community in that role.	<ul style="list-style-type: none"> • CaseCo business units operate with a considerable degree of autonomy as regards people management. • While some business units actively encourage and welcome HR advice, guidance, and challenge, others are less interested, even to the point of active resistance to a more strategic contribution from HR. • The extent to which HR practitioners are able to play a more strategic role is strongly influenced by the relationship that HR holds with key partners. 	<p>There is no evidence of universal commitment from CaseCo business leaders for HR taking a more strategic role.</p> <p>The extent of any commitment is influenced by the nature and strength of the relationship between HR and business leaders.</p>
The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation.	<ul style="list-style-type: none"> • CaseCo enjoys a strong and positive brand as an employer. • The employer brand acts as a unifying theme that people can identify with and support, with the added consideration that protecting the employer brand is seen as critical to continuing organisational success. • Acceptance of the need to protect the employer brand provides an overarching business driver that contributes to the perceived value of HR in CaseCo. 	The employer brand has an important influence on what HR does and how HR is valued in CaseCo.

4.5 Strategic Human Resource Management – key findings

Interviewees commented on a number of issues relating to business strategy and broader strategic themes and opportunities in the business units they supported. Viewpoints and comments are reviewed below under headings relating to emerging themes. The Section structure is summarised in Figure 4.2 below.



Figure 4.2: SHRM in practice sub-themes

Business unit strategy and people priorities

There was evidence that a number of business units operate with an explicit business strategy and have developed a clear people strategy. The business units concerned tended to be those that had recognised that they were engaged in, or likely to experience, significant change, either organisationally or in response to market needs. HR Business Partners had been directly involved in the development of the people strategies, but a key factor determining whether there was a people strategy or not was the extent to which there was a strategic rapport between the HR Business Partner and the senior partners.

“There is a people strategy There has not been previously.” Noreen

However, many business units operate without a detailed business strategy. This was often the case in business units that were recovering from particularly difficult times in the market,

or where the business unit was responding in real-time to significant, and possibly unplanned, change.

“We don’t have a strategy. Well the strategy was to meet budget which is more of an objective or a target. ... There has always been a feeling of ‘we need to get our heads above water, and then we will learn how to sail again. And then we will have a strategy’.” Olive

In terms of their ability to operate strategically, interviewees often referenced the interests of the key stakeholders in the business units they supported. The ideal stakeholder would have: a keen interest in people management; support from the business unit; and time available for the role. Some HR Business Partners were clearly filling the gaps, typically over time available for the role.

“I think on the people priorities stuff, I get into the detail of what I think that we need to focus on and give my recommendations and my view, and I will be in the relevant meetings where it is discussed and agreed. I am absolutely at the heart of it.” Joanne

Not all business units have an agreed human capital management strategy but most will have agreed people management priorities if only those proposed by the HR Business Partners. The key here appears to be that there has been a history, at least for some of the business units, of managing without a formally-agreed human capital strategy and that it has been considered best to continue to give the business what it wants rather than challenge for the sake of challenge.

“I’m never quite sure that we have a strategy ... I think that we have priorities that move with the business.” Clare

“We created it. Is it a far-reaching strategy or more of a people plan? I guess that’s debatable.... You might call it a plan.” Bridget

Part of the problem is that business unit leadership teams, and partners more generally, do not always know what they should expect from their HR teams. An example from one of the HR Business Partners was particularly relevant. One of the partners in the leadership team had consulted other partners on their people priorities and gathered a list of things that partners wanted to be addressed by HR. But the view from the HR Business Partner was that the list was of operational rather than strategic things.

“stuff that will keep us busy but not actually the things that we should be doing.”

Georgia

The HR Business Partner had explained to the partner that a strategic focus would also be on business issues, including changes in the business, and how people in the business should be expected to respond to those issues and the required change. The question then was:

“what sort of investment are you prepared to make to create that change”. Georgia

Strategic insight

HR Business Partners attend meetings of the business unit leadership teams. Several of the HR Business Partners, particularly those with previous experience of the role with other organisations, made the point that they were always welcomed at those meetings, often being the only non-partner at the meeting. Attending the meetings gave HR Business Partners an opportunity to understand issues that the business unit was facing and to secure an early warning of any planned changes.

However, practice varied across the different business units. While some business unit leadership meetings always included a ‘people agenda slot’ others would avoid a standing item on people management topics, particularly where there were pressing business acquisition or delivery issues to discuss.

“There could be some meetings where I am mute for the whole meeting because it is very operations focused and doesn’t have a people angle. There are other meetings where everything they are talking about has a people angle.” Joanne

Invisibility

A number of interviewees made points suggesting that HR is not a great advocate for the services provided by the function, and the value deriving from those services.

“But how much do we stand up for our function? I’m not sure that we do all of the time.” Noreen

The related point was that a good deal of what HR did, for example in advising and coaching managers on how best to manage a particular issue or even a difficult meeting with an individual was invisible to the business, and even to colleagues within the HR community.

“There are lots of threads that we do without other people seeing.” Alan

“What you are not seeing is the coaching and stuff and the support that I try to give behind the scenes.” Florence

The other point registered by several interviewees was that recent projects where they had played a key role, for example in severance programmes or releasing senior individuals, were not the sort of things that CaseCo would wish to publicise, and which business leaders may prefer to forget as soon as was possible.

Comparison of SHRM in practice findings with Propositions of best-practice

CaseCo has a long and positive history of adopting and implementing leading edge HR policy and practice, relying on deep specialist content from Centres of Expertise informed and modified by HR Business Partner awareness of human capital considerations in their business units. CaseCo is already seen as a leading organisation as regards the introduction and adoption of progressive and strategic HR policies, processes, and practice but there remain a number of considerations that may be seen as enhancing or constraining the opportunity for HR to play a more strategic role. These considerations are reviewed in Table 4.2, following, in comparison with the best-practice guidance presented in three relevant Propositions.

Table 4.2 Summary comparison of interview study findings with Propositions of best practice – SHRM in practice		
Proposition	Study findings	Summary view
HR functions are able to take a long term perspective when developing strategies and strategic interventions.	<ul style="list-style-type: none"> CaseCo is a client-facing and market-sensitive business which must respond quickly to changing client needs and opportunities and broader market volatility but it can take several months or even years to design and introduce new HR policy or a significant human capital intervention. Business unit performance also impacts on SHRM and the more strategic role for HR. <ul style="list-style-type: none"> Strong performers have funds available to invest in their human capital but may not see the case to change what seems to be working well. Struggling business units will focus on the market, with human capital interests taking a lower priority. 	Taking a long term perspective looks more like an aspiration than readily-achievable best-practice.
An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role.	<ul style="list-style-type: none"> CaseCo operates with a high-level corporate business strategy setting out the direction that CaseCo intends 	CaseCo business units with an explicit business strategy are likely to take a more positive view of HR as a strategic partner.

Table 4.2 Summary comparison of interview study findings with Propositions of best practice – SHRM in practice

Proposition	Study findings	Summary view
	<p>to take and the philosophy that will guide that journey.</p> <ul style="list-style-type: none"> • There is a high-level corporate people strategy as a complement to the CaseCo business strategy. • Not all business units will have an explicit business strategy and may aim to achieve performance targets set corporately using existing ways of working. • Business units with an explicit business strategy are more likely to see HR Business Partners as important contributors to the process of strategy development and implementation. • In the absence of an explicit HR strategy HR Business Partners will develop their own annual performance objectives and plans focusing on business unit needs and opportunities. These will be reviewed with business unit leaders and will provide the skeleton of an HR strategy. 	<p>Having an explicit business strategy, with the intention that the strategy will be fixed for a period of time, supports the longer-term planning proposed as best-practice for HR.</p> <p>But HR also needs to support those business units that operate without a formal business strategy. The strategic role for HR is not limited to producing strategies. It is about planning and acting strategically, and engaging the business unit in consultations about the future role and activity for the HR team supporting the business unit.</p>
It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of organisational strategy.	<ul style="list-style-type: none"> • HR Business Partners attend business unit leadership meetings but there are considerable differences across the business units relating to their role and expected contribution. • Having a senior business person, a People Partner, representing human capital interests is seen to present the best strategic option in a partnership such as CaseCo. Partners are more likely to respect the views and contribution of a fellow partner, as a commercial equal, than those of an HR specialist. • HR must ensure that the People Partner is well briefed on human capital issues and opportunities and that People Partners feel confident in the ability and capacity of the HR specialist(s) to provide relevant advice and guidance. 	<p>HR does not need a seat on the Board, or to be seen as an equal in the Leadership team. There are considerable advantages in having HR represented by a People Partner who will be seen as a professional equal by other partners.</p>

4.6 HR roles and responsibilities

Interviewee comments on HR organisation, roles, and activity were collated and reviewed under the headings of emerging themes. The Section structure is summarised in Figure 4.3 below.

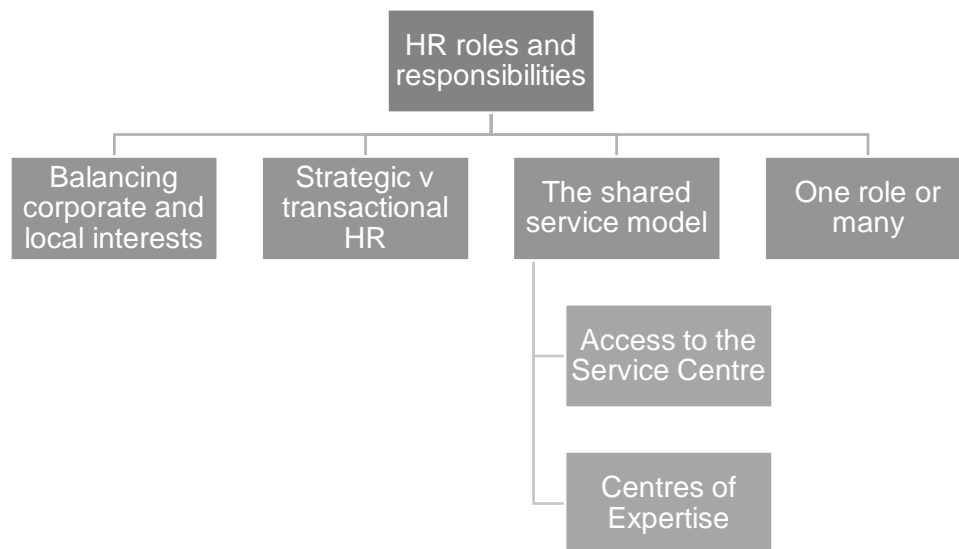


Figure 4.3: HR roles and responsibilities sub-themes

Balancing corporate and local interests

As a multibusiness operating in multiple environments, CaseCo would definitely occupy space towards the decentralised end of the centralised to decentralised business continuum suggested by Ulrich and Grochowski (2012). Evidence from the interviews suggests that the guidance offered to a number of the HR Business Partners was to position themselves as though they are working in a decentralised environment.

“For them and their development they [HR Business Partners] should see themselves as the HR Director of a standalone business within a corporate organisation. So it is their show to run.” Clare

“I kind of feel that I am in my own little firm and I have my own stakeholders.” Joanne

Interviewees emphasised the essential balance between servicing the interests and needs of the business units they worked with and the broader strategic interests and initiatives of CaseCo. In part this emphasis was driven by CaseCo's high level strategic objectives, however, there was also recognition of the need to make best use of competencies and capabilities from across the CaseCo HR community.

"I always try to make sure that I am aligned with the wider agenda rather than just our [business unit] priorities, and make sure that everything ties up and connects to as many people as possible across HR to make sure that I am using the fabulous resource and material that we already have." Bridget

There is a clear choice for multibusiness organisations to determine whether HR Business Partners should be aligned with the business units or deployed from a central HR resource to ensure that corporate decisions and standards are implemented consistently. CaseCo has explored both options in the past and interviewees commented on the benefits and risks associated with each option. On the one hand there were concerns that the way that HR was organised had created silos and confusion in the business as to who was responsible for different aspects of the HR activity. The balancing concern was that HR people might be seen to be working for themselves and their business units rather than seeing themselves having responsibilities within the overall HR community.

"We can really design our role. Of course this will be led by what the business needs but also by what we are interested in ourselves." Bridget

"I am really lucky that I have autonomy. They let me have a lot of space to do stuff." Florence

One interesting point, at least in CaseCo, was that HR Business Partners working in different business units could hold different views about the extent to which they were aligned with the business units rather than the broader HR community. For example:

“My colleagues and I sit with our business unit. And it breeds a very different view of the business unit and of clients and I think that affects the way that you do the job as well.” Alan

compared with:

“Over time I think that we have distanced ourselves from the business”. Noreen

One outcome of this decentralised view of the HR function is the effect that it has on relationships within the function. Different HR Business Partners will have different interests and preferred ways of working, meaning that there is at best limited consistency in the way in which individuals work with other units of the HR function.

“It depends on the relationship with the HR Business Partner. Some of the Business Partners are really good and support the Operations people that work with them in terms of developing them and giving them access to the more strategic stuff. Some of the Business Partners have their own passions and leave all of the operational stuff to Operations and keep all the exciting stuff to themselves.” Rachel

A concern registered by a number of interviewees was that CaseCo’s multibusiness breadth, allied to the specialised nature of roles across the HR function led to there being no strong view of the HR function as one team. This concern played out in terms of whether individuals felt loyalty to the HR ‘team’ or just focused on the role they played.

“It is easy to say well I’ve done what I can, but not so and so next-door ... And in a way I think that our role is to take a lot of that and deal with it because we don’t want our clients to have to go to 10 different people.” Noreen

“I think that we need to foster better relationships, so that we are one HR function not a them and us.” Rachel

“There is going to be that tension. ... There is a need for both of us to walk in eachother’s shoes for a bit.” Florence

Strategic v transactional HR

One of the fundamental points from research on transformed HR functions is that the HR Business Partners should be focusing on more strategic activity, (Guest, 1987; Guest and King, 2004) with more operational/transactional matters being picked up by individuals through portals and shared service centres and by line managers (Lawler and Mohrman, 2003; Ulrich and Brockbank, 2005). The reality that many HR Business Partners are still spending time on process and transactional rather than strategic matters has influenced much of the general criticism levelled at the HR function, in particular from consultancies promoting shared service models and HR outsourcing.

CaseCo has transformed its HR function in a shared service model as advocated by Ulrich and other writers and researchers, and a key theme in that transformation was that the HR Business Partner community should be able to focus on strategic matters.

“The idea is that I should remain in the strategic space working with the partners and the team leaders.” Florence

Even so there is a good deal of evidence that HR Business Partners are still undertaking some level of non-strategic activity.

“My understanding is that it [the HR Business Partner role] is a purely strategic role ... I would say that I am 50:50, 50% strategic and 50% operational.” Ian

“You have got to do the basics. You will always have to do the operational stuff. And unless you can do the basics, and do them well, you can’t do the strategic stuff.” Florence

The broad distinction suggested between strategic and operational/transactional activity was that operational/transactional activity would generally relate to an individual and be capable of being dealt with in accordance with existing policy in a short period of time.

“for example getting involved in an individual hiring situation. Anything that is a case in that regard, versus looking at something that is longer term, and trend and business focused.” Michael

Even here there is room for challenge around what is strategic or operational/transactional as there may be issues that relate to partners or other senior leaders where there is a sensitivity and confidentiality consideration meaning that the issue falls to HR Business Partners or other senior members of the HR community.

“I think that a lot of my role is fixing things, and sometimes that is not negative. ... We are helping the business not get into trouble, and that is what we do. So day in and day out, from a small problem to a big problem that is what we spend a lot of time doing.” Joanne

HR Business Partner interviewees cited a number of different reasons to explain why they were continuing to undertake some level of transactional activity, for example that transactional concerns may be high on the leadership agenda.

“Getting the balance [between strategic and transactional activity] right is the tricky thing. If all I do is talk about one or the other then I don’t think that I am doing my job properly. If I am doing too much operational stuff then you don’t need someone on my grade doing that.” Michael

The majority of interviewees saw undertaking some level of operational/transactional activity, in particular when a question is raised by a partner or other senior manager, as one way to build relationships.

“Being able to answer that question for them is the way in which you build relationships. You do little favours here and little favours there.” Alan

“And I have worked out here that whether it is right or wrong it is about favours.”

Florence

Linked to this point is recognition that, in the absence of common and consistent policies and practice covering all business units, there is the risk that the standard answer on the portal or from the shared service centre may fail to provide the complete solution to a particular problem. There is also recognition of the simple fact that the partners and other senior managers are in the business to win and deliver client work and that it is not the best use of their time to be looking for solutions to people problems if their HR advisors can help with a speedy and appropriate solution.

“in a big organisation with rules and policies it does not always work out in every case and you have to make exceptions, and accepting that when you make an exception there is a risk”. Alan

There was only one HR Business Partner interviewed who took a substantially different position on transactional/operational issues, with discipline about not getting involved in those issues.

“I don’t do any of that.... It does sometimes happen that someone will come and ask you a question and I will say you need to go and speak to [the Service Centre] and they will help you.” Karen

One telling observation that may explain why HR Business Partners may retain some element of operational/transactional activity was that line managers within many of the CaseCo business units are appointed for their professional and technical competence, and valued for their performance in those areas, rather than for their people management strengths.

“A key business challenge is how we get our directors the support and experience that they need and help them to support them in terms of broadening their skills when actually there is such a high volume of delivery required.” Bridget

This time pressure on line managers to deliver the business rather than develop their people management skills was referenced by almost all of the interviewees, across different business units. A number of interviewees commented on the implications of this situation compared to what they had found working in other sectors and industries.

“In my experience in another industry line managers sort of did a line management role, and that includes lots and lots of different people things. We don’t have line managers here so that is the first difficulty that you run into.” Michael

“You need more HR people to do a lot of the stuff that might be done by the line in other organisations.” Quentin

The organisational response to this concern about the absence of line manager competencies has been to provide training and coaching on people management topics to the line manager community, and much of that training and coaching has been led and sometimes delivered by the HR Business Partners. This is seen as a promising way forward but one that will take some time to take effect.

“We do have a key role in enabling people to be better people managers and encouraging partners to look at talent. It is not us doing the doing. It is very much making them think about it. Thinking about doing things differently.” Noreen

The immediate challenge for the HR Business Partner community seems to be one of balance. They are expected to have a strategic focus but, at least in the short to medium term, there will be operational/transactional issues that will come their way and that they are best equipped to handle. At the end of the day it is seen to be down to the business units to decide on their own needs, however, it remains the responsibility of the HR Business Partner to ensure that the balance should always include strategic considerations.

“It is still [HR] people’s comfort zone the operational stuff. They may be better at it. It is easier to do. I have the spectrum of people who enjoy and naturally want to do more operational stuff and I have others that naturally enjoy and want to do more of the strategic business stuff. It is getting the balance right in terms of what the business needs and wants.” Michael

One of the major issues mentioned by interviewees was the pace and nature of change experienced in, at least, some of the business units and the pressure that this puts on HR Business Partners in seeking to balance business unit needs with corporate intentions. The business unit focus is on winning and delivering work, and corporate HR initiatives may not always align with what the business unit, or key stakeholders, want to happen.

“It feels a bit like the Wild West. Let’s get some order in here. ... One thing that I had not realised was how much of this [HR Business Partner] role is a lot of multiple projects, multiple stakeholders, trying to keep it all together. HR wants to roll something out into your business but the business wants to do something else. And trying to strike a balance and keep it, well sometimes it feels a little bit like spinning plates but it is a bit more sophisticated than that.” Olive

With such a direct and dynamic reliance on the external client market, CaseCo plans and strategies may be put on hold or accelerated to capture windows of opportunity. A number of interviewees quoted external recruitment as an example showing how HR had mobilised quickly to help business units to staff up for new business opportunities.

“You can never put everything in place because nothing may happen in that time. I think that the way we have reacted as a function has been great. We have actually responded very well and made things happen.” Noreen

The shared service model

While a number of interviewees raised concerns about aspects of the way in which HR was organised in CaseCo there was broad support for the shared service model for HR. The majority of concerns expressed related to issues of delivery, access to resources, and communication.

“I think that the Ulrich model works It works when the communication works.”

Rachel

“I think that the biggest problem we have with the model that we have is one of communication lines and taking responsibility.” Emily

One negative point raised by interviewees was a concern that the specialisation within the model might lead to individuals not being able to deploy the full complement of HR knowledge and experience that they might have gained over time, and that they may not be able to refresh relevant HR skills.

“I also have a concern about deskilling. So I feel like I am being deskilled.” Leonard

Access to the Service Centre

There is extensive research evidence confirming typical frustrations experienced with portal access and shared service centres, in particular that guidance available to individuals and their managers is not always appropriate or sufficient in every case. In CaseCo there are the additional challenges of:

- Not always having access to detailed and consistent policy guidance as CaseCo necessarily accepts the case for exceptions that may be specific to business units, sub-business units, or teams and individuals; and

- Individuals and managers who are themselves under time pressure to deliver on assignments and who may expect instant responses to sometimes complex questions.

Another well-evidenced challenge is that individuals would prefer to speak to a person who they think will be able to understand their situation and help them. And again, this challenge resonates within CaseCo, particularly where the HR Business Partner shares the same office accommodation and is available to business unit partners and staff throughout the working day.

“They want to talk to a human being face-to-face”. Alan

Centres of Expertise

CaseCo operates with a number of Centres of Expertise. Interviewees from Centres of Expertise drew attention to the need for flexibility, for example in the way that CaseCo policy leaves room for re-interpretation to meet needs not envisaged when any original policy was developed.

“This is not an organisation that likes a big book of policies. ... In a unionised organisation or in many large organisations you would have several procedures for disciplinary action depending on the nature of the reason, and they would have a lot of detail in them. We have one policy It is a single procedure. It has the minimal amount of procedural aspects that we can get away with.” Quentin

In general the principle is that Centres of Expertise develop policies and processes to meet corporate needs, in consultation with other representatives from the HR community and from business unit leadership teams. They then support the HR community and other stakeholders in rolling out and implementing policies and processes.

“When you are presented with a question, and very often you do not know the answer, you need to have a network of people so that you only need to pick up the

phone. ... and I think that this is where the Centres of Expertise are really worth gold.” Karen

However, it is inevitable that some decisions on HR policy are taken without every relevant stakeholder being engaged and contributing, and this can be considered to add to the corporate HR versus business unit HR tensions.

“We have tried to build up more of a rapport [with Centres of Expertise] so that we can understand what their priorities are and where they are going. But they often will not come to us. They go to the business before they come to us.” Noreen

Some of the Centres of Expertise are seen as highly supportive of the HR Business Partners, for example providing expert guidance on technical matters and additional resource to address particular cases.

“It is a model where we have a team who deal with different aspects ... it feels really great and supportive and of course you do step away from the detail”. Bridget

In balance there was criticism of other Centres of Expertise for failing to consult more widely and for not always having resources available to support business units with particular initiatives.

“My colleagues and I talk about this and say that we are not entirely sure what they all do”. Alan

“I certainly feel that the guys in the Centres of Expertise kind of sit in an ivory tower and they don’t necessarily understand the pressure.” Florence

“It has been hard for me because the partners see me as accountable.” Florence

One role or many

There is a common tendency in any transformation of an HR function to provide standard role descriptions and person specifications for jobs in HR. For a multibusiness like CaseCo this leaves the re-interpretation of roles to individuals and the managers engaged in recruiting or deploying those individuals into the roles.

“I think that we are not really aligned on what [complete talent in HR] feels or looks like.” Noreen

There were clear differences of opinion within the HR community as to the relative merits of standardisation or differentiation. For example, one of the strongest advocates for greater consistency argued that:

“There is such a wide disparity between how the HR Business Partners operate depending on their experience, what they have done, the environment they are in etc etc. There is no consistency of professional approach.” Leonard

The issue he saw developing from this point was that:

“It speaks to a very unassertive, unprofessional, HR service. It speaks to an HR service that does not know its own worth.” Leonard

In balance there was a view from other interviewees that colleagues required different competencies and experience to be able to support their business units.

“I am trying to get the best people at the point in time. And I am not too concerned, but I like a blend because it adds to the dynamic of the team.” Clare

Comparison of findings with Propositions of best-practice

Issues relating to the HR roles and responsibilities theme concern the status and organisation of the HR function and the broader community of actors engaged in HR and people management in CaseCo. These issues are reviewed in Table 4.3, following, in comparison with the best-practice guidance presented in three relevant Propositions.

Table 4.3 Summary comparison of interview study findings with Propositions of best practice – HR roles and responsibilities		
Proposition	Study findings	Summary view
Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role.	<ul style="list-style-type: none"> CaseCo operates with a shared service model for HR. The model has been in place for a number of years. There is broad support in the HR community for the model. The CaseCo model broadly follows best-practice guidance. Changes have been made to address difficulties as they are experienced. It is essential that all the elements of the model work together. 	The shared service model works when all of the components (HR Business Partners, Centres of Expertise, and Service Centre) work well together.
Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently.	<ul style="list-style-type: none"> The technology and systems in place in CaseCo are not always adequate to meet growing and changing needs and expectations, resulting in criticisms of the HR function regarding speed of response and the accuracy and quality of information made available. The Service Centre staff appear to struggle with the growing complexity of CaseCo HR policy. Managers and staff often revert to the business unit HR support for advice and guidance on more-operational matters. CaseCo client-facing staff may have unreasonable expectations of how they should be treated by CaseCo and what HR can do for them. The 'entitlement culture' represents an additional 	<p>Adoption of HR technology and HR service centres should promote employee and manager self-service, and help to manage all transactional HR activity consistently and efficiently but this is an 'ideal-world' view.</p> <p>The CaseCo experience is that a complex HR policy framework, coupled with demanding staff and managers, creates problems for the Service Centre and leads to managers and staff contacting HR Business Partners on matters that they should be resolving themselves using portal technology or with Service Centre support.</p> <p>Line managers do not always play a proper role in people management for their teams. The performance of line managers is more often measured in terms of</p>

Table 4.3 Summary comparison of interview study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
	<p>complication for the HR community.</p> <ul style="list-style-type: none"> • There is no consistency in CaseCo as to how line managers should act in their people management role. While some line managers are acting as people managers there are concerns that other managers are not sufficiently equipped or motivated, with tangible credit or consequences, to take on the people management role. • HR has to step in when line managers are not acting as people managers. 	<p>securing and delivering business rather than on people management activity.</p>
<p>Increasing role specialisation in HR means that the role of the HR generalist is diminished.</p>	<ul style="list-style-type: none"> • HR Business Partners need to focus on 'fixing' things, keeping the business out of trouble. This requires a balance of strategic and transactional understanding and activity. • In a complex business there will always be exceptions, HR people need to be able to understand and evaluate the risks involved. • Only one interviewee insisted that her role was purely strategic and did not involve any transactional support. • There is limited general concern about losing professional skills but concerns were raised by individuals who felt that they were unable to deploy the full range of their HR and OD competencies because the business unit(s) they supported resisted a more strategic approach in favour of HR focusing on a traditional transactional role. • More recent entrants to HR were concerned that they were not able to broaden and deepen their experience if they were deployed to business units where the more strategic role for HR was resisted. 	<p>HR teams attached to business units still need to have a broad understanding of HR policy and practice and to be available with transactional support where required.</p> <p>There are concerns about professional skills but the issue is less about losing generic HR skills and more about whether:</p> <ul style="list-style-type: none"> • experienced HR professionals are able to deploy more strategic HR and OD skills; and • new entrants to the HR profession will have the opportunity to acquire a fuller range of skills. <p>These issues appear to be most relevant in business units not supporting a strategic role for HR.</p>

4.7 HR competencies and capacities

CaseCo interviewees held different roles and commented on a range of competencies and capacities that they required in acting in those roles. Relevant comments are reviewed under headings relating to emerging themes. The Section structure is summarised in Figure 4.4 below.

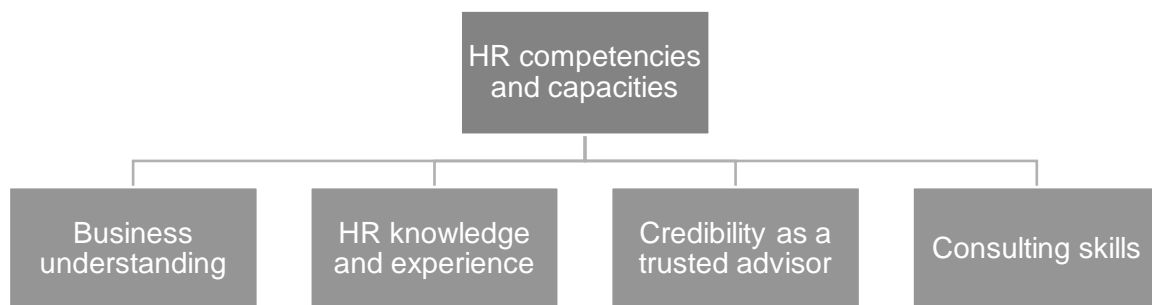


Figure 4.4: HR competencies and capacities sub-themes

Business understanding

There was general agreement from interviewees on the need for an HR person deployed to a business unit to understand and identify with that business unit. One question raised by interviewees was whether the HR person should have that business knowledge before they join the business unit or that they could acquire that knowledge soon after taking up their appointment. Opinions in the two camps divided broadly on whether the interviewee had (a) transferred into HR from a business or other professional role or (b) was recognised as an experienced HR specialist.

“They would need to find somebody who wants to be business focused. It is important for the business that they have somebody who understands what they do.”
Karen

“If you are a half decent human capital person you can do it as well in CaseCo as in Formula 1 or the Army or whatever. You do not have to have an understanding of what they do. You have to learn once you are there.” Ian

“You may move to a different business unit. Effectively the role is very similar. You are just influencing and building relationships with different people.” Dierdre

HR knowledge and experience

There were distinctly differing views on the extent to which anyone in an HR role would need to be ‘an expert’. Those differing views seem most likely to have been influenced by personal experience. At the extreme, one view was that HR in CaseCo was so complex that no one person could be expected to have all the answers and that access to HR networks was the best way forward.

“I am not meant to be the expert.” Noreen

“Of course, everything that my business might need I absolutely cannot offer. ... I think that you can play a key role in connecting people.” Bridget

The counter view, often from more experienced HR professionals, was that their HR and organisational development subject matter experience was key to the strength of the relationship they would have with the business units.

“It is about me being able to assess what is appropriate, and I get my licence through my ability to operate ... being able to diagnose what is going on within an organisation using a number of different tools.” Leonard

“... I am coming to them as the subject matter expert and they are coming to me as the business with the in-depth knowledge of what is required.” Ian

“You need to be technically savvy. You need to know your HR.” Karen

There appears to be validity in both views. Even experienced professionals are unlikely to be fully knowledgeable and up to date on legislation and practice in all of the areas that may be covered by the HR community, for example post acquisition integration and expatriate and inpatriate management. It seems that the optimum position is to have good knowledge of core SHRM and then to know who to go to for guidance and support on the less common topics.

“You have to have a good knowledge of lots of different areas, to the extent that you are credible and you can make an effective contribution to the business. But there will be times when you have to call a friend, call upon people, because your knowledge does not extend that far.” Georgia

Overall though there is a general feeling that HR Business Partners may be doing less traditional HR and spending time on relationship management and broader consulting activity.

“more stakeholder management, change, and communication stuff.” (Bridget).

Credibility as a trusted advisor

All of the interviewees emphasised the importance of building and sustaining relationships with key stakeholders in the business units with which they worked.

“What you have to do, whether you are operational or strategic, is build relationships with the partners.” Florence

One of the key requirements was to gain credibility with a business community likely to be well qualified, high-performing, and constrained for time.

“Like any consultant, when you go into an organisation you have to build those relationships, and it takes time. And you have to prove your worth.” Leonard

“I think they see me as tough but extremely fair. And so that gives them confidence that I’m not going to do anything to expose them.” Florence

Sometimes the key to gaining that credibility was not to make a show of personal experience and knowledge but rather to wait for the right situation and then to offer help to an individual.

“It is often the big things isn’t it, the big strategic things, and when they are having a low moment and you are able to help them. Or it might be something quasi-operational. But it is just the moment that counts.” Georgia

The HR Business Partner community relies on relationships to get things done, and this means selecting the right people to target.

“I think that you also need to get an ally. You need to get somebody who really wants to invest in this and build those relationships.” Karen

“It is all about engaging the business leaders. Sometimes it is going with those who are particularly passionate or perhaps someone is aware of something, so going with that. ... Sometimes it is going where the pull is and other times there are issues where we have to do something. It is that pragmatic approach.” Dierdre

There is an emphasis on sharing and trust.

“It is a trusted relationship.” Ian

“Where I have got to know the partners well and to earn their trust I am able to go to virtually any meeting that I want to go to.” Georgia

There are also relationships that need building with the line managers in the business units to encourage them to play their part in people management for their own teams. HR Business Partners have evolved practices that work best for their own stakeholders, not least in recognising the business priorities for those stakeholders and the need to optimise the time they may have available for people management.

“You do little favours here and little favours there At some point I will need the managers and senior managers to be people managers.” Alan

“I think that people are very fixed on their numbers and on client delivery. So I think that it is just about working more closely and more cleverly together.” Karen

A small number of interviewees commented on the nature of relationships, in particular that the HR role is not to be submissive, but often to take the lead on strategic or otherwise sensitive people management topics.

“It is really about relationships and your strength in that relationship is built upon the fact that you are able to have open and candid conversations.” Ian

“You need to have impact and influence. You can have all of those [other] things but if no one listens to a word that you say, what point is it?” Michael

The majority of interviewees were able to identify specific situations where they had been called upon to challenge partners or other senior managers: over things that those partners and managers wanted to do that fell outside existing policy; where their own advice on a particular matter was called into question; or where they were asked to do something that was clearly a management role, for example having a ‘difficult conversation’ with a partner or member of staff.

“Everyone had an example of when they have had to be brave and talk about the elephant in the room or whatever. And however uncomfortable it feels the next day the dial has moved and we are going down the right road.” Joanne

All the interviewees concerned saw it as their responsibility to make or respond to challenges regardless of who they were talking to. However, there were significant differences in the style adopted ranging from more controlled, presenting the arguments for or against a particular action with the explanation that this is how things have to be, through to being ready to match emotions with the other party and take a strong line.

“... not just saying no. I do not believe that HR should be policing or be the gatekeeper to decisions because this is the business and we are there to support and enable the business.” Bridget

“Ultimately it is still the partner decision, and I’m not going to dispute that. But I want them to have all the information.” Joanne

“You have to be quite robust You end up saying ‘no’ and ‘I’m sorry’ quite a lot.” Alan

“I think that sometimes when your personality, your initial reaction, comes out, it actually does make a difference. Because if you just tiptoe around it ... You sometimes just need to say it as it is.” Joanne

“Sometimes I have to be a little bit more confrontational.” Ian

The majority of interviewees were able to give examples of contributions they had made to strategic thinking and strategy development in the business units they supported. While most of those examples related to working with leaders in the business unit to ensure that people management issues were properly addressed in business unit strategy, there were examples where the HR business unit leaders had taken a more proactive stance.

“I see my role as sometimes trying to tie things up together. The partners are extremely busy people so I am like the connector that brings the different [strategic] elements together.” Florence

“Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.” Leonard

And that challenge to the business will not always be well received.

“You have to operate in a slightly antagonistic space. Perhaps it’s just asking the difficult questions.” Leonard

Despite the strong messages about the importance of stakeholder relationships and delivering through others, hopefully the right people, there was a common recognition that HR has a role in making things happen. In part that was driven by a recognition that CaseCo is an organisation with a core competence in analysis, and an awareness that spending too much time in planning and analysis will reduce the time available to move things forward.

“I appreciate that you cannot do the job without rolling your sleeves up and doing it. ... I could sit for hours pontificating with various people making recommendations but unless somebody’s prepared to go and do it nothing is going to happen.” Ian

*“There is always that balance between doing [strategy] and driving things forward.”
Bridget*

“If we can analyse it to death we will if we are not careful.” Phoebe

Consulting skills

One of the key themes mentioned by interviewees was not trying to do everything oneself, accepting that other people might be better placed or possess more appropriate competencies. This could mean taking on more of the coaching and guiding role, particularly with managers in the line, rather than being ‘hands on’ all the time.

“What the role has benefitted from is me being able to stand back from all of that. being more of the trusted advisor and not feeling the need to be famous for

something, coming in and wanting to change something and everything and make a name for myself.” Noreen

*“I used to run around trying to do it all myself and more recently I have started to recognise the power of being able to inspire other people to go away and do it.”
Bridget*

But interviewees made the point that this was still a very active role, for example that coaching sometimes meant allowing other people to learn from their own mistakes.

“I am conscious of the need sometimes to let them slip a little bit but also then to bring them back when they need to as well.” Noreen

It was also clear the coaching role included monitoring and managing progress.

“If we do not keep our foot on the pedal it is going to go away.” Clare

“I tend to follow up and keep the momentum going because people get keen, and then they get busy. So I see that as a bit of my role as well.” Joanne

One of the greatest challenges arising from adopting a shared services model for the HR function is in getting individuals to accept that leadership roles on particular initiatives or management of cases will rest with other HR people. Trusting others and letting go is an important element in operating as a shared service.

“If I’m honest at some stage that felt uncomfortable but now I just kind of go with itI don’t need to have a finger in every pie.” Clare

There were also clear messages recognising that it was increasingly important for HR people to be comfortable in interpreting data and using data to develop and support arguments for particular initiatives.

“There is a greater requirement now for the job to be numbers driven.” Alan

“You have got to have that flexibility to understand which button to press. And for a lot of our partners presenting them with cold data is quite an effective way of doing that.” Dierdre

The literature search suggests that organisations often look for people in HR roles to have had line management or consultancy experience on the grounds that this would give people a better grasp of business principles. CaseCo appointments are more likely to be made on the basis of HR and change experience but there were interviewees who had had previous line management experience and thought that it added something to their competency portfolio.

“I’m not saying I am the most commercial person ... but having been in different parts of the business and then coming back into HR I think gives you a different perspective.” Noreen

Comparison of findings with Propositions of best-practice

There is an extensive body of research and practice literature on the competencies required by HR practitioners. There is no intention in the current research to add to the already extensive competency models advocated by researchers and consultancies but only to consider relevant themes. The comparison of the best practice Proposition and findings from the CaseCo interview study is presented in Table 4.4 following.

Table 4.4 Summary comparison of interview study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
To fulfil the strategic role proposed for HR, practitioners need to develop and display competencies in the following key areas: business understanding; HR knowledge and experience; credibility as a trusted advisor; and consulting skills.		

Table 4.4 Summary comparison of interview study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
Business understanding	<ul style="list-style-type: none"> Business leaders expect that their HR Business Partners will be familiar with the operations and culture within the business unit. One question which divided opinion was whether HR Business Partners need to be familiar with their business units before they join the business unit or whether an experienced HR person could quickly gain a sufficient understanding of the business. One concern for the HR Leadership is that HR Business Partners may risk 'going native' and being identified with the business unit rather than with the broader HR community. 	HR professionals must be able to demonstrate that they have a sufficient understanding of the business unit operations and ways of working.
HR knowledge and experience	<ul style="list-style-type: none"> All members of the CaseCo HR community need to be competent practitioners, at least in HR and increasingly in organisation development and change management. The open question is whether everyone needs to have deep knowledge and experience of key areas of HR and change or a sufficient knowledge and experience coupled with access to a personal network of colleagues who can provide support to cover any gaps. Both models seem to be in place, and working well in CaseCo. 	Business leaders expect their HR teams to provide HR advice and guidance. Depending on the relationship they have with HR team members, business leaders may not be concerned about how the essential HR knowledge and experience is sourced.
Credibility as a trusted advisor	<ul style="list-style-type: none"> CaseCo interviewees emphasised the importance of gaining the trust of business unit leaders and other key stakeholders. There were differences in how that trust was earned but common messages related to: demonstrating strengths in HR, change, and understanding the business; delivering on promises; being realistic in advice and guidance; and generally being resilient and persevering under challenge. 	HR professionals must gain the trust of business leaders. As trusted advisors they are able to inform and challenge business leaders regarding the HR and people management implications of business or business unit plans and actions.

Table 4.4 Summary comparison of interview study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
	<ul style="list-style-type: none"> Some, but not all, interviewees saw it as part of their role to challenge business unit leaders regarding business unit performance and plans. 	
Consulting skills	<ul style="list-style-type: none"> Interviewees placed considerable emphasis on relationship building and management, for example recognising that partners carried the influence and authority to act on human capital issues and that the extent to which partners would look to HR for advice and support would depend on the relationship they had with relevant HR practitioners. There was also considerable mention of the need to tailor presentations and general information to get the right messages to business leaders to secure the appropriate responses. This could entail the use of metrics and measures, 'cold' and accurate data of the kind that partners would expect to share with colleagues and clients. 	<p>There is a need for HR professionals in CaseCo to demonstrate a broad range of consulting skills.</p> <p>One consideration that might have a particular resonance in CaseCo is that partners, managers, and staff are themselves trained and experienced in analysis and communication, including giving presentations. The possibility that this may place higher-than-normal expectations on the HR community regarding their own communication and presentations is one to be explored in further studies.</p>

4.8 Concluding thoughts

Data from the CaseCo interview study confirm that while there are consistent themes there are also clear and significant differences in the way that HR operates in different business units in CaseCo. The interview study assisted in identifying a number of mediating forces and factors acting as levers or barriers for the HR function in CaseCo in delivering SHRM and taking on a more strategic role.

While there is broad interviewee agreement that some forces and factors are seen either as a lever or as a barrier, the multibusiness nature of CaseCo, and the many and varied human capital opportunities and challenges to be addressed in the business units, lead to a

situation where interviewees will hold different views or where a view is presented with significant caveats. For example:

- HR practitioners who are working in mature businesses are likely to believe that CaseCo HR policy and process, while complex, is likely to meet business needs. The main areas of concern are: that there are business units and new service teams that are not well-served by existing policy and practice and where exceptions are the norm; and that dealing with exceptions is a transactional activity that makes considerable demands on the time of HR Business Partners supporting those business units and service teams.
- Business leaders who recognise the importance of human capital management and the contribution that HR can make to business unit success are most likely to support HR taking a more strategic role. However, there appears to be a wide range of opinion from business leaders about whether HR should be more strategic, ranging from total support to strong resistance.
- Business units with an explicit strategy appear to be more supportive of HR taking a strategic role, and not being engaged in transactional activity. However, business units with an explicit business strategy will be in a minority. Interviewees observed that it was often important to wait for the right moment, for example when business leaders saw a human capital issue as an opportunity or a problem, to make a strategic suggestion that would have the best chance of being supported.
- The shared service organisational model for HR assumes that line managers will act as people managers but a number of interviewees expressed concern that managers in the business units they supported were not acting as people managers. Line managers were likely to look to HR for support, for example in dealing with 'difficult conversations'.

Analysis of comments and observations from interviewees suggested a number of items that might be viewed as levers or barriers. The items, and the summary case for considering them as relevant to the research, are presented in Table 4.5 below.

Table 4.5 Barriers and Levers	
Item	Summary case for inclusion as research-relevant
Business unit people management representative	There was near-universal support for a partner taking this role. Partners are seen as commercial equals in the business unit and will have the respect of fellow partners as business leaders or key stakeholders. The HR role is to develop strong and positive relations with these individuals to ensure that they are able to represent human capital management issues at leadership level. One challenge identified is that partners will have other business responsibilities and may not have sufficient time to devote to the people management role.
The partnership	Partners own and run the business. The nature of a partnership is such that they operate with a degree of autonomy which may extend to resourcing and other people management areas. Interviewees commented on problems experienced in 'fixing' problems created when partners had acted outside of CaseCo corporate policy.
People strategy for the organisation	There is broad support for the corporate strategy as a high-level guide to what should be happening throughout CaseCo but there are concerns that particular business units may face needs and challenges that require a different approach.
HR processes	Interviewees recognised the case for clear and consistent policy and process but there were concerns that the corporate drive for fairness and equity had made some policies too complicated for non-HR people to follow. This led to HR professionals being asked to help with transactional matters.
HR colleagues	Many interviewees saw HR colleagues as important contributors to their professional network, helping with advice and guidance.
HR leadership	HR leaders were responsible for the development of corporate HR strategy and strategic and policy initiatives. Interviewees who were close to the HR leaders were very positive about their contribution.
Demanding staff	A number of staff chose to go to their local, embedded, HR team on HR matters rather than use the portal technology or contact the Service Centre.
HR systems	The general observation was that the technology and systems in place were inadequate. This resulted in concerns over the accuracy and reliability of information shared with business leaders.
Demanding people managers	There were concerns that line managers were not always equipped or committed to play their role as people managers. Interviewees observed that some managers expected HR to deal with sensitive or otherwise difficult management matters.
Diversity	CaseCo has a corporate view on diversity, but accepts the need for local variation. For example diversity targets are tailored to the opportunities and challenges of each business unit.

Table 4.5 Barriers and Levers	
Item	Summary case for inclusion as research-relevant
Business unit performance	Business unit performance has significant implications for any strategic role for HR, but there is no certainty over what that implication might be. A high performing business unit will have opportunities to invest in human capital and may look to HR for leadership and guidance, but the business unit leaders may also decide that there is no need to change anything. Poor performing business units are likely to lack the funds for major human capital initiatives and the partners and other key staff will be focused on immediate business needs rather than more strategic human capital possibilities.
Volatility	For a business reliant on client interests, volatility is seen as one of a number of reasons why business units operate without detailed, longer-term, business strategies.
Winning awards	Like many other leading organisations, CaseCo has a strong track record for winning awards across a number of human capital related areas. Interviewees recognised that awards can show that there is external recognition of the contribution of HR but did not see this as a strong lever.

The CaseCo interview study suggests that there are four broad areas with significant implications for the delivery of SHRM and the more strategic role for HR. The first of these is **business leader engagement and support**. HR has a key role to play in ensuring that business leaders are aware of human capital issues and that they recognise the contribution that HR can make in addressing those issues.

The second area relates to **strategic opportunity**. HR cannot rely on business units having detailed business strategies that can be translated into people and HR strategies. The practical solution for HR is to promote strategic thinking, for example through personal performance objectives, and to be ready to step forward when a strategic opportunity is presented. Interviewees did draw attention to the reality that some business leaders may not be ready to see HR take a more strategic role, but circumstances may force a change in that perception.

The third area is **human capital infrastructure**. This is a large, and complex, area encompassing aspects of: HR organisation; policies and practice; systems and technology; and the contribution of business leaders, managers, and staff. HR can only take a more strategic role if there is full support and cooperation from all elements of the infrastructure.

Evidence from the interviews in CaseCo suggests that there are aspects of the CaseCo human capital infrastructure which are in need of considerable improvement.

The fourth, and final, area is **strategic partner competencies and capacity**. This covers the competencies and commitment required if HR is to play a more strategic role. There are competencies to be developed and displayed, but there is also a question to be raised about the readiness of candidate strategic partners to take on the role, for example to be ready to challenge business leaders on their plans.

One key, emerging, message is that there must be strong performance in each of, and across, these four areas if HR is to move on to play the more strategic role.

CHAPTER FIVE: CASE STUDY Q ANALYSIS

5.1 Introduction and Section structure

This Section describes the Q analysis in CaseCo and presents findings and interpretation. A total of 28 HR professionals completed the Q study:

- Four were in HR leadership roles;
- Ten would be classed as HR Business Partners;
- Two were from Centres of Expertise; and
- Twelve were from Operations.

The HR experience of participants ranged from two to three to more than 10 years. HR experience in CaseCo ranged from less than a year to more than 10 years. At the request of CaseCo the study was conducted on the internet. Participants were invited to:

- Consider a list of possible barriers to, and levers for, the practice of SHRM and the more strategic role for HR in CaseCo, select up to three barriers and three levers, and then comment on their selections;
- Rank 40 statements relating to SHRM and the more strategic role for HR in CaseCo on a -4 to +4 scale into a fixed distribution, and comment on those they had ranked as -4 and +4, being those with which they disagreed or agreed most strongly; and
- Suggest any statement that they might have expected but which was not included in the 40 statements, with a ranking on the -4 to +4 scale to indicate whether this represented a significant omission.

Following this summary Introduction the Chapter is structured to review and present:

5.2 Barriers and Levers;

- 5.3 Factor Q sort values for each statement;
- 5.4 Factor CC1 Q sort interpretation;
- 5.5 Factor CC2 Q sort interpretation;
- 5.6 Missing statements;
- 5.7 CaseCo Q sort key themes and messages;
- 5.8 Comparison of CaseCo experience with 'best practice' guidance; and
- 5.9 Concluding thoughts.

5.2 Barriers and Levers

Table 5.1 following presents a summary of the study participants' (referred to as Q sorts) comments on barriers and levers to the practice of SHRM and a more strategic role for HR in CaseCo. These findings are then reviewed under the headings from the barriers and levers table. Relevant quotes from sorts are shown in italics. Sorts are identified by the letters SC (Sort in CaseCo) and then a number from 1 to 28.

Table 5.1 Barriers and Levers – CaseCo Sort		
Barriers: number	Item descriptions	Levers: number
	Business unit people management representative	19
11	The partnership	1
2	People strategy for the organisation	12
18	HR processes	1
1	HR colleagues	18
	Our brand	8
3	HR Leadership	14
11	Demanding staff	1
20	HR systems	1
5	Demanding people managers	3
3	Diversity	3
4	Business unit performance	9
6	Volatility	1
	Winning awards	3

Business unit people management representative

CaseCo has adopted a structure with business leaders (People Partners) responsible for people management on the Board and in each of the business units. Interviewees had indicated that this was a critical role in influencing the scope of SHRM, and this view is strongly supported in the Q study with 19 sorts identifying these leaders and their role as a lever for SHRM and a more strategic role for HR. The general view was that the key contribution of a People Partner was in ensuring that the business unit retains a focus on key people priorities, possibly taking a more supportive position on HR matters than their fellow partners and being ready to support the HR function contribution.

“They are established in the business and take their role seriously so they help to promote the people agenda and demonstrate leadership in this area.” SC1

One particularly relevant observation from sorts was the fact that the people management representatives were themselves partners with commercial responsibilities gave them status and influence that an HR professional would not enjoy:

“Driving the people strategy is easier when you have partner sponsorship. The People Partners are generally very passionate and other partners are more open to messages when being delivered by a peer rather than from HR.” SC11

The Partnership

The one sort registering the partnership as a lever enjoyed positive relationships with the partners they dealt with in the business unit they supported. The more common view, with 11 sorts expressing the opinion, was that partners and the partnership represented a barrier. Maister (1993) suggests that individual partners may decide on a course of action and

expect to see that through regardless of the impact on the organisation. This view is one that many CaseCo sorts would share.

“They will push ahead with something regardless of the impact.” SC12

“[Partners are] not always in touch with what goes on at grass roots level” SC7

The other key theme was that the collegiate nature of the partnership culture encouraged, and required, significant consultation, with too many partners expecting to be involved in decisions. This led to extensive, time-consuming, consultation.

“No clear leadership model and too much consultation due to partnership culture.” SC10

“Too many partners trying to make decisions.” SC5

People strategy for the organisation

There is broad support for the CaseCo people strategy, with 12 sorts seeing it as a lever. The sense from the Q analysis is that the strategy, even though this is expressed only at a high level, demonstrates a commitment to people as an asset and provides a focus for HR contribution.

“The people strategy is focused on what is best for our people and ensuring that we are a 'people' firm. This enables HR to add value.” SC20

“This has come on leaps and bounds since I have been here and it is fantastic to see and it is a real enabler.” SC18

Two sorts raised concerns about the strategy, but with issues relating to its relevance for the business units they supported rather than for CaseCo as a whole.

HR Processes

Eighteen sorts identified CaseCo HR processes as a barrier to the practice of SHRM and a more strategic role for HR. The concerns listed related to: general complexity, with processes being difficult to follow as a result of trying to accommodate too many different situations and communities; some processes being developed in isolation and not linking with others; and a broad view that striving for common CaseCo policy process will prevent a business unit from being able to respond flexibly, and most effectively, to situations.

“We have far too many processes, access levels, systems, and policies with far too many iterations.” SC16

“Current HR process are overly complex and do not link together”. SC15

“They are not agile and [are] process clunky. It does not add the value and in a partnership everything needs to be different and we are not set up or resourced in that way.” SC18

“Firmwide policy often prevents us from making business-savvy/commercial decisions based on a particular circumstance.” SC1

HR Colleagues

This was seen as an area of strength in CaseCo, with 18 sorts identifying their HR colleagues as a lever. There is an evident sense of pride in being part of a professional and committed community.

“Great colleagues, hard-working, sensible and make all the difference.” SC9

There is also recognition of HR colleagues as a key resource, with a broad range of experience and skills, and a readiness to share their own knowledge and experience.

“In our HR team there is a wealth of different experiences and strengths and, for the most part, we are keen to share those and learn from each other. If I come across something I haven't done before or need help with something, there is always someone who will help.” SC19

“You learn from the people you work with.” SC1

By way of a contradiction, one sort saw their HR colleagues as a barrier, taking the view that the HR community was not sufficiently well integrated and that HR professionals in different roles might not always pay enough attention to the interests of HR colleagues in other roles.

“We are quite siloed and don't think of each other and the impact we have on each other and [that] can be such a barrier to the success and engagement of the team I lead.” SC18

Our brand

Eight sorts identified the CaseCo brand as a lever, principally because it was something that everyone could identify with and support, and that protecting the brand was critical to continuing business success.

“ well understood in the business, good agreement around the business re the need to protect our brand and reputation.” SC10

HR Leadership

There was strong support for the HR Leadership as a lever, with 14 sorts sharing that positive view. Comments supporting this position emphasised the HR Leadership role in supporting the HR community, collectively and individually, in addressing issues and in promoting change.

“I feel very supported by the leadership team and know that when something gets escalated I will have their support in ensuring the best result is obtained in the most efficient way possible.” SC4

“Provide support and a form of escalation when we need help in resolving issues.” SC6

However, three sorts took an opposite view, seeing the HR Leadership as a barrier. The comments supporting this view drew attention to a perceived lack of understanding about the reality for more junior HR staff, and the difficulties experienced in trying to get business units to address more strategic issues.

“Lack of understanding of more junior administrative roles and challenges faced by them, leading to under resourcing or lack of support and consequently more data entry errors that reflect badly on the whole HR function and prevent clients listening to any more complex or strategic ideas when we struggle to meet basic requirements. Has a lot of people who can talk about HR and strategy but very few who take any action to help the business to implement and deliver their ideas and make any real contribution.” SC8

Demanding staff

Eleven sorts reported concerns with demanding staff, identifying this item as a barrier. Although individual sorts expressed their views in different words there were a number of relevant themes. One theme related to the fact that many staff only have experience of working in CaseCo and, with nothing to compare, may not be aware of the benefits they enjoy.

“At CaseCo people who work for us have often never worked elsewhere so don't realise what a great organisation it is to be a part of so can sometimes be demanding or think we are being unfair when we are actually being very fair!” SC11

A second theme is that staff, and sometimes their managers, may believe that agreed policy and practice does not fit their needs, and may argue for exceptional treatment that might result in setting unhelpful precedents and which would certainly involve the HR community in additional work with little or no benefit to CaseCo.

“Even though there are clear processes and reasons we do things the way we do in HR, there will always be staff or partners demanding that something should be done a different way, and that their reason or situation is special enough to warrant going against policy, thus setting precedents further down the line.” SC21

“The high demands from the business can feel like HR are firefighting problems, rather than proactively adding value.” SC20

There is also a theme about ‘entitlement’ with client-facing, and thus fee-earning, staff members having a great sense of their own self-worth but less awareness of the contributions of others.

“Client facing staff are very demanding, [with a] sense of entitlement, support staff are not valued.” SC9

“CaseCo employ a high number of people who feel 'entitled' and who often take their frustrations out on a function [HR] that is very hardworking and who have the best intentions.” SC1

HR Systems

Twenty sorts identified existing HR systems as a barrier, the most for any item. The expectation, in keeping with the ‘Ulrich’ model, was that HR professionals should be able to rely on systems for data and process support, and that this would facilitate their SHRM activity and enable their more strategic contribution. The experience was that CaseCo HR

systems are often out-dated, not linked to other systems, and subject to failure, leading to problems in delivery and a potential negative perception of the HR function's competence.

"The HR systems are antiquated, and do not link with any other system. Slow, prone to collapse, with cheap, quick fixes applied instead of any real investment." SC17

"The systems are clunky and can act as a barrier to HR adding value." SC20

"The separate systems used by HR and other support functions, eg Finance, do not talk to each other which leads to a disconnect between each of the functions' understanding of our people and the business and this, I believe, has a detrimental effect on our credibility in the business." SC19

The sort who identified HR systems as a lever confirmed the critical contribution of systems to SHRM.

"I do think we have implemented new systems." SC18

Demanding people managers

Eight sorts commented on demanding people managers, line managers with responsibility for leading a team or other organisational unit. Five sorts saw them as a barrier and three as a lever. The basic argument for seeing people managers as a lever is that they make sure that HR are aware of things that are happening in the business that affect people. The sorts seeing demanding people managers as a barrier commented on the need to manage expectations, explaining that things cannot always happen quickly or even in the way that the people managers would like to see.

"People Managers don't always understand SLAs [Service Level Agreements] or understand that certain tasks take time so I am constantly having to manage expectations. Even when doing that I am still chased repeatedly." SC4

“Working with [outsourced Service Centre] has led to levels of inflexibility which demanding staff and demanding partners who are not aware or engaged in people processes do not 'care' about, which often means our job is more difficult than it should be.” SC17

Diversity

Diversity was an item which elicited comparatively little comment from sorts, with only three seeing it as a lever and three seeing it as a barrier. The key lever argument is that there is a CaseCo focus on diversity, as evidenced by its inclusion in the CaseCo people strategy, and that HR is seen as having a big part to play in moving diversity forward.

One sort seeing diversity as a barrier was concerned that non-minority staff should not be disadvantaged. A second wanted to see greater diversity in the senior levels at CaseCo.

“The lack of diversity at more senior levels, particularly from a gender perspective, limits the breadth of thinking amongst our leaders.” SC11

Business unit performance

Business unit performance is another item which divided opinion. Arguments both ways focused on the differences when business units are performing well or badly.

“If the business is doing well, essentially we can do whatever we like, promotions, training, L&D wise, so we can add more value, with less scrutiny from leadership, but if the business is not doing so well, it can often be very difficult to run certain initiatives/courses or even engagement exercises which may have a cost incurred.” SC16

“This is a lever if the business is performing well. However, if the BU [business unit] you work in is not performing well, poor financial performance can be used as an avenue to refuse all requests coming from the business.” SC11

Sorts saw discussions about business performance as a route to identifying areas where the HR community could add value.

“Provides the context for me to be able to make most impact. Highlights areas where I can contribute and make most impact.” SC8

However, there was a view that good performance at the business unit level could provide an argument for resisting change, and therefore had the potential to be a barrier.

“The success of businesses acts as a barrier to any change - 'We're already successful, if it ain't broke, why fix it?'. ” SC17

Volatility

There is increasing recognition of the impact of volatility in the market for professional services. Six sorts identified volatility as a barrier, often for reasons that crossed over with business unit performance. The top priority for business leaders in an increasingly demanding environment was to maintain or increase revenue and profits, and this could mean people management taking a lower priority.

“Pressure to grow the bottom line is a focus for the leadership and will always come first - so clients will often come above people activities/processes.” SC21

There were also concerns: that the HR community was not sufficiently resourced to be able to support the business when needs changed quickly; and that the need to respond to

frequent, and significant, change in the business environment reduced the possibility of longer-term thinking on plans and strategy.

“We are not resourced or ready enough to change so the business changes and the impact on the team is high.” SC18

“Business requires knee jerk responses - no opportunity to plan or remain consistent to a long term strategy.” SC10

The sort who scored volatility as a lever suggested a mixed view that volatility acted as a lever in times of strong business performance but presented a problem, acting as a barrier, when times were more challenging.

Winning awards

Despite CaseCo holding several awards for excellent HR practice, only three sorts identified winning awards as a lever. They saw external recognition of HR performance and practice as an indicator that CaseCo was doing things well, creating an opportunity to establish the credentials of the HR community as high performing.

5.3 Factor Q sort values for each statement

Analysis of the completed Q sorts confirmed two Factors: Factor CC1 with ten sorts and Factor CC2 with eleven sorts. Six sorts were flagged as non-significant, not loading significantly, at or above 0.41, on either of the two confirmed Factors. One sort was confounded, loading significantly (above 0.41) on both Factors.

Table 6.2 below presents the 40 item statements that each participant was invited to read and rank on the -4 to +4 scale. The numbers shown in the columns under the sub-headings Factor CC1 and Factor CC2 are the rankings for each item statement for each Factor.

Table 5.2 Factor Q sort values for each item: CaseCo

Item	Statement	Factor CC1	Factor CC2
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.	+1	+3
2	Working here is about favours, helping people and then expecting them to help you.	-3	-3
3	I have a lot of autonomy in my role. I get a lot of space to do things.	+2	-2
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.	-3	0
5	Sometimes I think that we just skim the surface of people issues.	-1	+1
6	I am the face and voice of Human Resources for the Business Unit(s) I work with.	+1	0
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy.	+1	-1
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves.	-1	-1
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.	-4	-1
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.	+3	+3
11	There is a growing emphasis on data and analytics in my job.	0	+2
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.	-2	+3
13	The critical thing here is helping to deliver the business.	+4	+1
14	This is not an organisation that likes a big book of policies.	-1	-4
15	I work hard on my relationships and that gives me an edge in the work that I do.	+3	+2
16	You need to be technically savvy. You need to know your HR management or be able to network your way around.	0	+1
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower.	0	+2
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.	0	-2
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills.	-1	-1
20	People think that the organisation's strategy and people message changes every five minutes.	-2	-1

Table 5.2 Factor Q sort values for each item: CaseCo			
Item	Statement	Factor CC1	Factor CC2
21	I have learned not to show emotion.	-1	-3
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.	0	+4
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'.	+2	-1
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."	-4	-2
25	I quite like fast-paced things and the opportunity to really get involved with the business.	+2	+2
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths.	0	0
27	Business leaders accept challenge as long as your explanation makes sense.	+4	0
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here.	+1	0
29	I feel that I almost have to reinvent myself every time I go to different Business Units.	-2	-3
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services.	0	+1
31	You need to be business-focused but you cannot be too judgemental.	+1	0
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.	+2	-2
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach.	-2	0
34	I rely on sponsorship from the Business Unit(s) for my personal career progression.	-1	-2
35	I do have concerns about deskilling, losing some of my HR skills.	-2	+1
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials.	+1	0
37	There is no longer any role for the 'HR generalist'.	-3	-4
38	Sometimes I think that we over-engineer and overcomplicate things.	+2	+4
39	We still have a long way to go to become one team in HR.	0	+1
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.	+3	+2

The next stage of analysis involves comparing the statement rankings for each of the two Factors, presented in a crib sheet for each Factor identifying:

- Statements ranked: at +4;
- Statements ranked higher in that Factor array than in the other Factor;
- Statements ranked lower in that Factor array than in the other Factor; and
- Statements ranked at -4.

This stage of analysis concludes with an interpretation of the viewpoint captured by each Factor.

5.4 Factor CC1 Q sort interpretation

Table 5.3 below presents a crib sheet comparing the statement rankings for Factor CC1 with rankings for the other Factor from CaseCo (CC2). This provides the base for an interpretation describing the viewpoint of sorts in Factor CC1.

Table 5.3 Factor interpretation crib sheet for CaseCo Factor CC1	
Statements ranked at +4	
13	The critical thing here is helping to deliver the business
27	Business leaders accept challenge as long as your explanation makes sense.
Statements ranked higher in Factor CC1 Array than in other Factor Arrays	
3	I have a lot of autonomy in my role. I get a lot of space to do things. +2
6	I am the face and voice of Human Resources for the Business Unit(s) I work with. +1
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy. +1
14	This is not an organisation that likes a big book of policies. -1
15	I work hard on my relationships and that gives me an edge in the work that I do. +3
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic. 0
21	I have learned not to show emotion. -1
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. +2
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here. +1
29	I feel that I almost have to reinvent myself every time I go to different Business Units. -2
31	You need to be business-focused but you cannot be too judgemental. +1
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need. +2
34	I rely on sponsorship from the Business Unit(s) for my personal career progression. -1
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials. +1
37	There is no longer any role for the 'HR generalist'. -3
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds. +3

Table 5.3 Factor interpretation crib sheet for CaseCo Factor CC1	
Statements ranked lower in Factor CC1 Array than in other Factor Arrays	
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation +1
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on. -3
5	Sometimes I think that we just skim the surface of people issues. -1
11	There is a growing emphasis on data and analytics in my job. 0
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process. -2
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. 0
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower. 0
20	People think that the organisation's strategy and people message changes every five minutes. -2
22	It takes a lot of time to change things here. There is always someone else that you have to speak to. 0
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services. 0
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach. -2
35	I do have concerns about deskilling, losing some of my HR skills. -2
38	Sometimes I think that we over-engineer and overcomplicate things. +2
39	We still have a long way to go to become one team in HR. 0
Statements ranked at -4	
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."

The interpretation description is supported by references to statement numbers and the rankings. Relevant supporting quotes from sorts are presented in italics.

An Eigenvalue of 1 or above is regarded as significant, and acceptable for analysis and interpretation. Factor CC1 has an Eigenvalue of 5.39 and explains 19% of the study variance. Ten sorts are significantly associated with this Factor. Sorts are from professionals in HR Leadership, HR Business Partner, Centre of Expertise, and Operations roles. Experience in HR ranges from between two to three years up to more than 10 years. Service in CaseCo ranges from less than one year up to more than 10 years.

Factor CC1 is a 'bipolar' factor. This means that two 'opposed' viewpoints are being expressed by the participants who load on this Factor, each viewpoint having a Factor exemplifying a Q sort that is the 'mirror-image' of the other. What the positive version of the factor (Factor CC1+) sees as vital to its position, for example 'Business leaders accept challenge as long as your explanation makes sense' (27, +4), the negative version of the

factor (Factor CC1-) rejects (27, -4), and vice versa. It is therefore necessary to present two narrative accounts for Factor CC1, Factor CC1+ and Factor CC1-. However, it is relevant to note that only one sort in Factor CC1 presented the negative viewpoint suggesting that the positive interpretation (CC1+) represents the most common viewpoint.

Factor CC1+ interpretation: Engaged and appreciated HR partners

This Factor describes HR practitioners who have rated their own HR strategic competence reasonably highly, at 0.6 and above on a 0 to 1 scale, and who believe that they are able, and encouraged, to act strategically in their employing organisations. They are clear that helping to deliver the business is the critical issue (13, +4).

“We are a business at the end of the day, and we need to support staff in delivering excellence, and maintaining our brand.” SC7

“We are a client facing business - there needs to be a role for HR in delivering to our clients and we can do this by providing, shaping and developing our people.” SC14

Sorts are confident that business leaders listen to their advice and take it seriously (24, -4).

“... I know that our advice is valued, expected and wanted. The process stuff is important and we need to make it work - but bluntly we are paid to give advice.” SC13

But they recognise that their advice must be well-founded and expressed in a way that resonates with their audience (27, +4).

“HR may not be top of people's priorities and may not be something everyone understands so the explanation needs to make sense of them and the reasoning.” SC12

Sorts see themselves as the local representatives of the HR function, 'the face and voice of HR' (6, +1). This helps them to feel properly engaged with the business units they support.

"My business unit come to me with all and any HR issues, they do not make people decisions without me. This makes me feel valued and part of their business solution."

SC12

They are undoubtedly assisted in playing a strategic role, engaged with business delivery and advising business leaders, by having line managers in the business who appear to understand and accept their own role and responsibilities in people management (9, -4), at least to the extent that might be expected in other organisations. While positive, there is recognition that this is not an ideal-world situation as not all line managers will be competent in, and committed to, people management.

"We are no different to a lot of organisations. The experience of line managers is variable." SC13

Sorts recognise the importance of building relationships (15, +3), emphasising that it is their responsibility to get out into the organisation to learn about what is going on and to understand the problems and opportunities being faced (40, +3). They see investing time in building those relationships as the key to gaining trust in the business units they support, giving business unit leaders and other staff the confidence to come to them as HR professionals who will be able to add value with advice and broader support.

"Being integrated into the organisation, gathering feedback and understanding the needs of the business and also individuals is integral, I believe, to understanding what the business needs. For individuals it also gives you vital information and insight into any personal issues that may be arising and helps build the relationships so that employees feel comfortable coming to you for help." SC23

“I have found that the key to be able to be creditable and respected by the business is trust and to get the trust you need to invest in your relationships.” SC6

While they have realistic reservations about the time that it takes to change things, collectively they are more positive than sorts in the other CaseCo Factor (22, 0). They believe that they have reasonable autonomy in their role (3, +2) while retaining the support of the HR community.

“I work as part of an HR team but I am the sole HR representative in my office, this allows me autonomy in my role to manage things but also still giving me support from the rest of the HR team.” SC23

They are sufficiently confident in their own competencies to be themselves in meetings with business leaders and managers rather than feeling any pressure to change their style to suit their audience (29, -2).

“From my experience I have been able to be myself in every different team I have worked with or business unit I have worked in.” SC20

They are also prepared to show emotion to emphasise the importance of their argument, and are reasonably confident that this will not have a negative impact on how their message is received (21, -1). That confidence extends to being ready to challenge business leaders on what they believe is the right things to do (32, +2).

Their acceptance of the case for exceptions may be influenced by their view that different business units within CaseCo will have different ways of working (1, +1) but that there is a balance to be struck between what is right for CaseCo and what will work best for their business units.

“I have found that to some extent every business unit has a different way of operating which is driven by the business rather than the lack of HR trying to be consistent.”

SC6

Sorts in this Factor are more likely to have experience of how HR works in other organisations, enabling them to take an informed view of what happens in, or is planned for, CaseCo (18, 0). They are comfortable that CaseCo has adopted a sensible approach on the extent to which it needs to be tight or loose regarding HR policy and practice (4, -3), focusing more on ensuring that things are done well and that essential processes are followed.

“I don't feel that the organisation has a view at either end of the spectrum, but just expect[s] things to be done right.” SC7

While there is a slight concern that there may be an excessive number of CaseCo policies (14, -1) there is an acceptance that a complex organisation will need consistent guidance on policy and practice.

“We are an organisation that has big books of policies for many different matters in HR. However, we are an organisation that has the ability to flex these policies to suit the situation as it arises. Still, we have policies to fall back on should we require which is fundamental in such a big firm.” SC25

Sorts are generally supportive of the view that their business units are clear about their strategy (7, +1) and build on this by setting performance targets that relate to priorities for the business units (23, +2).

One particularly interesting point is the strong positive support for the continuing role of ‘HR generalist’ (37, -3) as this appears to run counter to research recommendations on HR organisation and HR roles. The support is evidenced in part by a focus on delivery in the face of the broad range of HR interests and activity.

“There is a need to continue to understand the wide spectrum of HR to really challenge and bring direction to the business.” SC14

There is a degree of identification with the role of HR generalist, recognising that things may evolve but emphasising the case for an HR role to address the broad range of human capital management topics and to interact with people as individuals.

This is not a Factor where sorts emphasise their personal HR knowledge and experience (16, 0) although they see the relevance of their experience as key to gaining and sustaining credibility with business leaders and line managers (36, +1). They have little concern about losing their HR and related skills (35, -2).

They recognise the need to move quickly in gathering an understanding of the business and ways of working (28, +1) and that they are expected to be business-focused (31, +1).

Factor CC1- interpretation: Aspiring but resisted contributors

This Factor describes HR practitioners who have rated their own HR strategic competence reasonably highly, at 0.6 and above, but who believe that they are constrained from providing that level of service to the business units they support. In particular they see business leaders as being unwilling to listen to any challenge. They see the business leaders they support being ready to push ahead with people management decisions that may run counter to existing CaseCo policy and practice and being ready to escalate matters above their own HR teams if they sense that things are not moving in the direction they wish to take as quickly as they would like to see (27, -4).

“Some decisions get taken at board/leadership level and no one helps the HR team at ground level to push back on constant exception to policy. We often have to run around trying to follow an exceptions process and be afraid of what we are

challenging lest it gets escalated to the head of HR. Everything seems to get escalated really quickly even though the teams are genuinely trying their best to keep their head above water.” SC9

This distance from what business leaders are thinking, at least until problems arise, leads sorts to believe that they are prevented from helping to deliver the business (13, -4). Instead they are expected to focus on transactional matters, including dealing with the exceptions created by the business leaders (24, +4). They are concerned that this, inter alia, restricts the opportunity for them to operate with greater autonomy and freedom (3, -2), and that they are unable to be pragmatic in dealing with special cases (10, -3).

This business leader emphasis to keep sorts focused on transactional HR matters rather than being given the opportunity to play a more strategic role is exacerbated by the comparative lack of people management experience in the business unit line manager community (9, +4). Sorts find that they need to spend time on matters that should be dealt with by the staff and managers themselves (8, +1), citing problems with the strength of the organisation’s commitment to self-service and the reality that it was often the more junior HR practitioners who were expected to challenge staff and managers when they chose to ignore established processes.

“I think there is an interest in moving to self-service etc but no real accountability from anyone to move this agenda forward. All too often more junior team members are left pushing back to people who are reluctant to use self-service and also finding ways around processes and processing exceptions.” SC9

Sorts experience problems with existing HR policy and practice. They find that the weight of policy and practice makes it difficult to be creative or strategic (12, +2) but also believe that CaseCo may still skim the surface on people management issues rather than deal properly with those matters (5, +1). They question whether CaseCo has secured the right balance between those areas where policy and practice need to be clearly defined and those where there is a case for more flexibility (4, +3).

“In the HR role in CaseCo there are such strict guidelines and focus on process that you don't need any true HR skills to thrive and progress. I don't really feel that I am adding much to my HR knowledge/skills other than some very strong personal brand building skills and learning how to navigate the politics of CaseCo. There is no exposure to OD skills, change management or anything further than learning [how] to manage huge volumes of very, very, transactional problem fixing, often involving filling out multiple spreadsheets.” SC9

There is a clear message that sorts do not feel that their competence and commitment is recognised or valued. They believe that there is a considerable risk of losing their HR skills (35, +2), and consequently hold a view that the HR generalist role is being phased out (37, +3).

Whether because of the volume of work created by their transactional activity or perhaps because of the unhelpful reception they expect from business leaders these sorts are not committed to going out into the organisation to determine the role they might play (40, -3). They are less involved with the business (25, -2) and will focus more on HR. They do not see it as part of their role to challenge the business to consider changing ways of working (32, -2), perhaps influenced by the view that business unit support and sponsorship is critical for their own career progression (34, +1).

They are less likely to build relationships (15, -3) than colleagues in Factor CC1+ and consider that doing and expecting favours in return is the way to make things happen (2, +3). They will not feel confident about being themselves in dealings with senior people but will tend to adapt their style to what they think will work best (29, +2). They will try to avoid showing emotion, fearing that this might be interpreted as a sign of weakness (21, +1).

5.5 Factor CC2 Q sort interpretation

Table 5.4 below presents a crib sheet, inter alia, comparing the item statement ranking for Factor CC2 with rankings for the other Factor (CC1). This provides the base for an interpretation describing the viewpoint of this Factor.

Table 5.4 Factor interpretation crib sheet for CaseCo Factor CC2

Statements ranked at +4	
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.
38	Sometimes I think that we over-engineer and overcomplicate things.
Statements ranked higher in Factor CC2 Array than in other Factor Arrays	
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation. +3
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on. 0
5	Sometimes I think that we just skim the surface of people issues. +1
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations. -1
11	There is a growing emphasis on data and analytics in my job. +2
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process. +3
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. +1
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower. +2
20	People think that the organisation's strategy and people message changes every five minutes. -1
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things." -2
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services. +1
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach. 0
35	I do have concerns about deskilling, losing some of my HR skills. +1
39	We still have a long way to go to become one team in HR. +1
Statements ranked lower in Factor 1 Array than in other Factor Arrays	
3	I have a lot of autonomy in my role. I get a lot of space to do things. -2
6	I am the face and voice of Human Resources for the Business Unit(s) I work with. 0
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy. -1
13	The critical thing here is helping to deliver the business. +1
15	I work hard on my relationships and that gives me an edge in the work that I do. +2
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic. -2
21	I have learned not to show emotion. -3
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. -1
27	Business leaders accept challenge as long as your explanation makes sense. 0
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here. 0
29	I feel that I almost have to reinvent myself every time I go to different Business Units. -3
31	You need to be business-focused but you cannot be too judgemental. 0
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need. -2
34	I rely on sponsorship from the Business Unit(s) for my personal career progression. -2
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials. 0
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds. +2
Statements ranked at -4	
14	This is not an organisation that likes a big book of policies.
37	There is no longer any role for the 'HR generalist'.

The interpretation description is supported by references to statement numbers and the rankings. Relevant supporting quotes from sorts are presented in italics.

Factor CC2 interpretation: HR professionals targeting a more strategic role

Factor 2 has an Eigenvalue of 5.35 and explains 19% of the study variance. Eleven sorts are significantly associated with this factor. Each of the sorts has a role as an HR Business Partner or in Operations. They have a range of HR experience from three to five years up to more than 10 years and HR experience with CaseCo in the range less than one up to three to five years.

Seven of the sorts do not rate themselves highly, below 0.6, on their ability to deliver SHRM, and rate themselves even lower on whether the organisation allows them to operate at a strategic level. The sorts in this Factor demonstrate a strong focus on, and commitment to, SHRM and good HR and people management practice, possibly to the detriment of their engaging with broader business issues.

They view CaseCo as an organisation that is strong on consistent HR policy and practice (14, -4) to a point where the drive for comprehensive and consistent policy coverage leads to more, and more complex, policy which can make life more challenging for the HR community.

“Certain, though not all, areas of the firm love guidance and policies, which they want to point at to back up any decisions that they make. When they come across anomalies on which decisions are made and actions are taken, they then want those written into the guidance or policy to ensure consistency of approach should that anomaly ever arise again. Thus the guidance and policies grow.” SC19

“We have so many policies and processes [the outsourced service centre] have to have things spelt out for them or things do not get processed; and because we operate in a highly regulated industry, we make an industry out of our people policies and issues.” SC19

Sorts believe that different business units in CaseCo operate with very different human capital needs. They are particularly concerned that any drive for consistency in HR policy and practice should be sufficiently well-informed not to impact negatively on the business units they support (1, +3).

“We have different offerings in each line of service, make differing amounts of money, [and] have differing cultures.” SC1

“The main businesses in CaseCo are very different and whilst I agree with consistency where possible, and that that can be more efficient, it should not be at the detriment of what makes sense for my Business Units.” SC21

Sorts in this Factor take the view that the extent and levels of HR policy and process reduce any opportunity to be creative or strategic (12, +3).

“I feel that it is difficult for HR [people] to find the space and time to be creative or strategic [in] HR as CaseCo has built up operational process after process over time, which suck up all of the hours in your day.” SC19

“HR Operations and HR Business Partners are generally seen as the 'face' of HR in the business. SO MUCH goes on [done] by so many people, but it rarely touches the 'everyman' out in the business.” SC1

They believe that CaseCo may be guilty of complicating things unnecessarily, and that there would be real benefits from operating with simpler policies and practice guidance (38, +4), and deciding those areas which need to be closely defined and those where more flexibility could be appropriate (4, 0).

“We do try and make things complicated and I really don't think it needs to be.” SC18

Despite the complexity and coverage of HR policy and practice guidance, sorts are concerned that CaseCo may not be paying sufficient attention to people issues (5, +1).

“We don't truly deal with some issues. We cover them up and say that we are listening to people but really we haven't. Consultation is very 'plastic'. CaseCo has made its mind up and knows where it is going and dissatisfaction will not change that. But the HR team is left to deal with the fall out.” SC24

Sorts see that Centres of Expertise are there to provide 'best-in-class' guidance and advice (30, +1). But they want to see Centres of Expertise engaging more with HR colleagues before recommending new or modified HR policy or practice proposals as those proposals might add to existing levels of complexity or run counter to what HR colleagues see as being in the best interests of the business units they support (17, +2).

Sorts in this Factor are looking for stronger relationships within the HR community (33, 0). They feel that the level of their day-to-day activity and the fact that they support specific business units reduces the sense that they are part of a strong corporate HR function (39, +1).

“Business units like to 'see' individuals. If you are not on the floor every day then you are unknown and not trusted. We still operate in silos. Very little x-team communication or opportunity to network due to high work volumes.” SC17

A possible contributor to the nature and volume of daily work for HR in business units is the concern that some of the line managers in those business units are less experienced on people management issues, and less committed to playing a proper role in people management than line managers in other businesses (9, -1).

“We don't provide training to line managers on how to handle people issues so the line managers tend to then refer the matter to HR who will then pick up with the line manager.” SC22

Sorts like fast-paced things. They would welcome the opportunity to get really involved with the business (25, +2) and offer strong support for treating business delivery as a critical issue (13, +1). But they feel that they struggle for any autonomy in their work (3, -2).

“Every leader has their own ideas and want[s] to push and support their ideas without standing back, thinking about why an individual may have made a decision, or given advice.” SC24

Sorts believe that the organisation resists change. They observe that it takes a long time to change things as there always seems to be a need for further consultation (22, +4).

“It is a very complex system we work in, and I feel I am up against it to change anything. It is not easy.” SC18

“Because when you think a decision is made you are then very often asked to consult with just one more person... and then one more... and then one more. It's not clear who holds responsibility/governance for certain areas.” SC11

Sorts in this Factor recognise the importance of HR knowledge and experience (16, +1) and may hold concerns about losing some of those HR skills (35, +1). Aligned with their commitment to HR knowledge and experience, is a strong and positive emphasis on the case for retaining the role of the HR generalist (37, -4).

“My role is very generalist and touches a lot of different areas. Both day-to-day and generalist.” SC24

“We are all human beings and we feel most reassured with human contact - not from a system or IT software. The generalist role may evolve to take out transactional processes, but ultimately, there will always be a place for an HR generalist to facilitate and respond to the organic needs of the organisation and people.” SC16

They are more likely than their counterparts in other business units to place importance on understanding what happens in the business unit, even before joining that business unit (28, 0). One related point is that sorts in this Factor may place less emphasis on the importance of being business focused (31, 0). Sorts recognise the importance of building relationships and will work hard at this (15, +2).

“The firm is all about people as they are the assets to the firm. I have seen the power of relationships used to help inform business decisions.” SC22

Even so, it seems that sorts in this Factor may have encountered a degree of resistance from business units and feel that business leaders may be reluctant to accept challenge even when the explanation makes sense (27, 0).

“Often decisions are made ahead of meetings/consultations. One person’s opinion can rarely change the mindset of a leadership team. Leaders prefer data/facts to back up any change in their thinking.” SC17

As a consequence, sorts think carefully about the issues that they present to business leaders, for example they do not see it as their role to challenge the business to change to create growth and innovation (32, -2). One related observation was that sorts risked being told not to raise more strategic issues unless there is a clear business issue, but to stay focused on transactional responsibilities (24, -2).

“People do tend to care so will take time to understand the issue if it is something important/impactful. Where it’s a basic process and our systems are the issue, then people revert to the ‘just shut up’ model.” SC11

They may see the need to get out to have conversations to help understand what is going on with managers and other employees but may not be confident that HR and business leaders will agree on the way forward (40, +2). The implication is that sorts under this Factor may be seen primarily as HR providers rather than as people who can help the business to get the right things done.

“HR need to be out there listening to people, assisting them to make our working environment better. The attitude ‘if you don't like it [then] go’ isn't going to work anymore as the market is picking up and talent will leave like they have been.” SC24

“HR needs to understand what the people priorities are for the business and be able to address the business's people needs rather than work just to its own agenda of what it thinks the business should need. The business doesn't listen to others who don't seem to understand their challenges and priorities.” SC8

It is clear that there is a growing emphasis on data and analytics for these sorts, both in terms of managing and monitoring performance and in terms of sharing important messages with business leaders (11, +2). CaseCo is an organisation that places a premium on analytical competencies and interpretation of business information. The problem for HR is that the HR systems available cannot always be relied upon to produce accurate and timely information.

“The people we support like data. It helps them to make decisions and with the increase in focus on technology in our world we in HR are expected to have everything at the touch of a button.” SC21

5.6 Missing statements

Sorts were invited to suggest other statements that they might have expected to see, and to indicate the ranking that they would assign to such statements. The intention was to see whether there was a body of opinion supporting a view that was not represented by the item

statements selected for the Q study. Six sorts suggested possible statements and rankings, as follows:

- I feel my role in HC is valued by the business. +4 SC16
- I feel my role is valued by those in my immediate reporting line (within the HR team) -2 SC13
- Do you back yourself as an HR Business Partner or do you look for excuses not to do the job? *No rating* SC13
- There is no way to make a single decision in the firm and to ensure that we stick to it. +4 SC10
- Working at CaseCo is helping me achieve my long term career aspirations. -3 SC4
- Do you enjoy your role? +4 SC7
- There is far less emphasis on developing professional HR people than there is in developing our client facing staff. +4 SC7
- The roles here do not offer stretching opportunities for those wanting to be HR professionals. There is too much focus on process and administration. +4 SC26

Having consulted with members of the research Sounding Board, the view is that the suggested additional statements, while valid, are either already addressed by existing statements or fail to carry the same weight and general relevance as the item statements already included for the Q study.

5.7 CaseCo Q sort key themes and messages

There are five item statements capturing the major differences between the two Factors from the CaseCo Q study. These item statements, and the different rankings between the two Factors, are presented in Table 5.5 following.

Table 5.5 Key distinguishing item statements - CaseCo			
Item no.	Item	CC1	CC2
3	I have a lot of autonomy in my role. I get a lot of space to do things.	+2	-2
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.	-2	+3

22	It takes a lot of time to change things here. There is always someone else that you have to speak to.	0	+4
27	Business leaders accept challenge as long as your explanation makes sense.	+4	0
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.	+2	-2

Factor CC1 sorts who believe that they have a 'lot of autonomy' will find it easier 'to be creative or strategic', while Factor CC2 sorts believe that they lack autonomy and struggle with the weight of HR policy and process. The HR policy and practice referred to is common for all of the business units in CaseCo. It is therefore proposed that the most significant differentiator in relation to these two viewpoints is the extent to which HR practitioners are allowed and encouraged to think and act creatively and strategically, accepting that existing CaseCo HR policy and process may be a better fit for some business units than for others.

The significantly different views as to the readiness of business leaders to accept challenge point to different experience of dealing with business leaders. It is clear that there are business leaders who are open to, and accepting of, challenge while others are at best neutral or possibly resistant to any challenge, however sensible that challenge may be.

Factor CC1 sorts feel able to challenge business leaders and other stakeholders about what is happening in the business that may constrain or encourage 'growth and innovation'. This feeling is supported by the perception that the business leaders they deal with are ready to listen to challenge. The comparative reluctance of Factor CC2 sorts to offer any similar challenge is no doubt influenced by their experience of business leaders not being open to challenge.

The significant differences identified between the two Factors point to differences in the organisational context within which sorts are operating, in particular the readiness of business leaders to encourage their HR support teams to be creative, strategic, and challenging.

5.8 Comparison of CaseCo experience with ‘best practice’ guidance

Findings from the Q study fieldwork research in CaseCo provide broad support for a number of the best-practice themes and messages collated from the literature review, but there are areas where the real-life experience challenges or modifies that best-practice guidance. Key themes and messages are presented in the form of the Propositions developed in Chapter Two, in the review of literature guidance.

CaseCo example findings from this Q study are now compared with the Propositions for best-practice themes and messages. The comparison follows the structure of the original model guiding the research and analysis:

- Organisational context;
- Strategic Human Resource Management in practice;
- HR roles and responsibilities; and
- HR competencies and capacities.

Organisational context

CaseCo delivers services to clients through a number of business units. Business units are themselves significant employers, with several hundred up to more than a thousand staff. The Q study interest is in exploring the nature and extent of any differences in people management and the profile of HR in and between those business units, in order to identify any special becoming-more-strategic challenges for the HR community in a multibusiness.

Relevant Q study findings relating to the organisational context in CaseCo are compared with the best-practice guidance presented in three Propositions in Table 5.6 following.

Table 5.6 Summary comparison of CaseCo Q study findings with Propositions of best practice – Organisational context

Proposition	Study findings	Summary view
Organisations are able to achieve the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment.	<ul style="list-style-type: none"> • There is general recognition of the concept of 'one firm' and its importance for a partnership, but observations that there are 'very different ways of working' across CaseCo business units. • A view that 'consistency' in HR policy and practice should not be at the expense of business units. • Sorts in both Factors report that they bring pragmatism recognising that the rules don't always work and there will need to be exceptions. • There will be new staff who will not follow the traditional career path(s) in CaseCo. • Moderate acceptance that Centres of Expertise are there to provide 'best in class' advice, guidance, and services. 	<p>The 'one firm' message is supported by access to 'best in class' advice and guidance on HR policy and practice but:</p> <ul style="list-style-type: none"> • existing policy and practice may not address the interests of staff working in business units with ways of working that are significantly different from those in mainstream CaseCo; • there will always be a need for exceptions; and • new staff joining CaseCo may require the development of new career paths and programmes.
Business leaders look to the HR community to take a more strategic role and will support the HR community in that role.	<ul style="list-style-type: none"> • There is a clear division of opinion on this Proposition. • Sorts in Factor CC1 take the view that business leaders are supportive of HR having a more strategic role ('ready to accept challenge' and providing autonomy). • Sorts in Factor CC2 do not feel as supported, and are more likely to have been instructed to focus on 'process things'. 	<p>There is no evidence of universal support from business leaders for HR taking a more strategic role, and in some cases there is resistance to HR taking that role.</p> <p>The extent to which the more strategic role for HR is supported or resisted is clearly influenced by the individual interests of the business leader and the relationship they have with their HR team.</p>
The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation.	<ul style="list-style-type: none"> • Everyone can identify with the brand. • Protecting the brand and reputation is critical to continuing business success. • People do not believe that the organisation's strategy and people messages changes 'every five minutes'. 	<p>The employer brand is an important lever for the practice of SHRM and the more strategic role for HR.</p>

Strategic Human Resource Management in practice

The evidence from the CaseCo interview study was that very few business units were operating with an explicit business strategy. Item statements in the Q study were designed to

determine the extent to which this was the case, and to gather information on ways in which the HR community was compensating for the absence of an explicit strategy in developing people management plans and programmes for the business units supported.

The relevant Q study findings are reviewed in Table 5.7 following, in comparison with the best-practice guidance presented in two relevant Propositions.

Table 5.7 Summary comparison of CaseCo Q study findings with Propositions of best practice – SHRM in practice		
Proposition	Study findings	Summary view
HR functions are able to take a long term perspective when developing strategies and strategic interventions.	<ul style="list-style-type: none"> The impact of volatility in the market leads business units to prioritise maintaining or growing revenues and profits over people management interests. 	Volatility in the market means that HR does not have the luxury of 'the long term perspective' or spending long periods of time developing strategies and strategic interventions.
An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role.	<ul style="list-style-type: none"> Sorts (CC1 and CC2) were neutral about whether or not the business units they supported had an explicit business strategy. Follow up suggests that some business units may be operating with a high level strategy that is understood at the leadership level but not a detailed strategy that is communicated and sustained. Sorts in Factor CC1 see delivering the business as 'the critical thing'. They rank this at +4 (most agree) compared with +1 for whether the business unit has an explicit strategy. They see it as part of their role to challenge business leaders regarding the need for 'growth and innovation'. Sorts in Factor CC1 will focus on 'the key, important, things for the business' in setting their personal performance objectives. Sorts in Factor CC2 are less positive about their possible contribution to strategy. They do not see it as their role to challenge business leaders and their performance objectives will not focus as strongly on business needs. 	<p>Business units are likely to be operating without explicit and detailed business strategies.</p> <p>Sorts (particularly HR Business Partners in Factor CC1) believe that they operate at the heart of the business.</p> <p>HR Business Partners can, and do, take the strategic responsibility to address people needs and priorities. The extent to which sorts accept – and perhaps have the opportunity to accept - that responsibility appears to be influenced by the relationship that HR has with the business leaders.</p>

HR roles and responsibilities

Sorts identified areas where the way in which roles and responsibilities were organised and enacted acted as a lever for the practice of SHRM and the more strategic role for HR. They also identified positive and negative issues with regard to elements of the shared service organisation in CaseCo. These issues are reviewed in Table 5.8, following, in comparison with the best-practice guidance presented in five relevant Propositions.

Table 5.8 Summary comparison of CaseCo Q study findings with Propositions of best practice – HR roles and responsibilities		
Proposition	Study findings	Summary view
It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of organisational strategy.	<ul style="list-style-type: none"> It is essential to have partner sponsorship for people management strategy and interventions. The People Partner role is seen as critical, ensuring that the business unit retains a focus on people issues. People Partners enjoy status and influence that HR would not have. 	In a partnership there seem to be considerable advantages in having HR represented by a People Partner who will be seen as a professional equal by other partners.
Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role.	<ul style="list-style-type: none"> Sorts saw the complexity of HR policy creating problems for staff in the Service Centre. There are too many policies and they are often overly complex. Sorts in Factor CC2 emphasise the importance of Centres of Expertise networking with colleagues supporting the business units. 	<p>The shared service model works when:</p> <ul style="list-style-type: none"> the policy and practice infrastructure is sufficiently clear for staff in the Service Centre to provide advice and guidance; and all of the components (HR Business Partners, Centres of Expertise, and Service Centre) work as a team.
Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently.	<ul style="list-style-type: none"> There was extensive criticism of the systems available to support HR and people management. Sorts saw this as a considerable barrier to the practice of SHRM. Managers and staff encountering problems with HR technology and the Service Centre will revert to their local HR team with operational queries. Sorts in each Factor hold significantly different views on the people management competencies and commitment of line managers in the business units they support. Sorts in Factor CC1 	<p>Sorts place strong emphasis on the importance of having a suitable systems platform in place.</p> <p>There is a question over cause and effect here regarding the line manager contribution. Are sorts in Factor CC1 able to operate more strategically because the line managers they work with are more competent in people management or are these line managers pushed into people management roles because the HR teams for their business units are taking a more strategic position?</p>

Table 5.8 Summary comparison of CaseCo Q study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
	rate the item statement 'line managers here tend to have less experience of people management issues than their counterparts' at -4 indicating the strongest level of disagreement while sorts in Factor CC2 rank the item statement -1.	
Increasing role specialisation in HR means that the role of the HR generalist is diminished.	<ul style="list-style-type: none"> Sorts in both Factors support the HR generalist role, emphasising the case for continuing to understand 'the wide spectrum of HR' in order to be able to offer challenge and direction to the business units. Sorts in Factor CC2, where their efforts to take a more strategic role were resisted, were more likely to be concerned about deskilling. This is the Factor where sorts emphasise their HR skills rather than business delivery. Sorts in Factor CC1 do not share the concern about deskilling. Less-experienced HR staff are concerned that they are not given the opportunity to develop their HR, OD, and change management skills. 	<p>The HR generalist role is alive and well, and likely to continue to be required.</p> <p>Deskilling is clearly an issue for some HR professionals, perhaps those who feel constrained into HR process management rather than more strategic roles.</p> <p>Deskilling is much less of a concern for sorts who have been able to operate at a strategic level. These sorts tend to emphasise the business delivery support aspect of their role.</p> <p>New entrants to the HR profession may feel that their opportunity to develop a broad, and career-positive, set of HR and related skills is limited by increased role specialisation.</p>

HR competencies and capacities

There is an extensive body of research and practice literature on the competencies required by HR practitioners. The comparison of findings from the CaseCo Q study with the relevant best practice Proposition is presented in Table 5.9 following.

Table 5.9 Summary comparison of CaseCo Q study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
To fulfil the strategic role proposed for HR, practitioners need to develop and display competencies in the following key areas: business understanding; HR knowledge and experience; credibility as a trusted advisor; and consulting skills.		

Table 5.9 Summary comparison of CaseCo Q study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
Business understanding	<ul style="list-style-type: none"> • Sorts in Factor CC1 emphasise their role in business delivery and believe that business leaders accept challenge from them, even on sensitive issues such as growth and innovation which have not been seen as traditional areas of interest for HR. They recognise the need to get out into the business to find out how other people see what is happening. • Sorts in Factor CC2 give business understanding a lower profile but still believe that they need to get out into the business to understand what is happening. 	HR professionals must understand how the business works, and how people in the business see it working, if they are to be able to make a strategic contribution.
HR knowledge and experience	<ul style="list-style-type: none"> • Neither Factor places great emphasis on being 'technically savvy' in HR but there is strong support for Centres of Expertise being available to provide 'best in class' advice, guidance, and support. 	The majority of sorts in both Factors are experienced HR professionals. The suggestion is that they believe they possess a sufficient level of HR knowledge and experience and that Centres of Expertise are there to provide any further and specialist support that may be required.
Credibility as a trusted advisor	<ul style="list-style-type: none"> • Credibility can be assessed by the nature of the relationship HR holds with business leaders. • Sorts in Factor CC1 are clearly seen as trusted advisors enjoying such strong relationships that they have space to do things and can challenge business leaders and be taken seriously. • Sorts in Factor CC2 are not as confident that business leaders will accept challenge and feel that they do not enjoy the same level of autonomy and space to do things as their Factor CC1 colleagues. 	<p>Credibility and trust are clearly key to the more strategic role for HR.</p> <p>The outstanding question is whether the sorts in Factor CC2 would be seen as trusted advisors if they were dealing with different business leaders.</p>
Consulting skills	<ul style="list-style-type: none"> • Sorts in both Factors work hard on their relationships. • Sorts in Factor CC2 see a growing emphasis on data and analytics in their job. • There is broad support for using data in communication with business leaders. 	Relationship management, communication, and change management (at least) are clearly key skills for HR professionals in CaseCo.

Table 5.9 Summary comparison of CaseCo Q study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
	<ul style="list-style-type: none"> Change management is emerging as a required skill. 	

5.9 Concluding thoughts

The Q study in CaseCo provides rich data on the role, responsibilities, and scope for the more strategic contribution of HR. The particular research interest is in those areas where there are consistent views from sorts and where there are significant differences.

Sort views on barriers and levers are substantially consistent, with significant numbers of sorts agreeing that particular items represent either a barrier or a lever. Items identified as levers, for example the People Partners and support from HR colleagues, could have been anticipated following the interview study, but two of the items seen as barriers might not have been expected in an organisation recognised as a leader in human capital management. These are:

- HR systems - where there were concerns that systems were ‘clunky’ and ‘antiquated’ and that they did not link to Finance function and other systems; and
- HR processes - where the concerns were: that there were too many processes; and that policy and processes had developed over time to meet emerging and changing needs making them ‘overly complex’ and constraining the ability of business units to take the immediate action they needed to recruit, retain, and motivate essential staff.

Concerns with systems and HR processes were also reflected in the Q sort rankings.

The Q analysis confirmed two Factors, with agreement between the Factors on a number of item statements, for example liking ‘fast-paced things’ and the opportunity to get involved with the business, but significant and important differences on others. Sorts in Factor CC1,

‘engaged and appreciated HR partners’, see themselves as contributing to delivering the business, enjoy close and positive relationships with business leaders, and believe that it is easy to be ‘creative or strategic’. In many ways the role these sorts play is close to what might be envisaged for HR as a more strategic partner.

Sorts in Factor CC2, ‘HR professionals targeting a more strategic role’, have similar levels of HR and CaseCo experience to their colleagues in Factor CC1 but do not feel that they enjoy the same degree of autonomy and support from the business. Sorts in this Factor believe that they are making the effort to build relationships but find that the business leaders they work with may be reluctant to accept what HR has to say and would not encourage HR to be exploring and commenting on business issues. In the face of an element of resistance from business leaders it seems that sorts in this Factor are focusing back on more traditional HR interests.

It is clear that the sorts in both Q study Factors recognise the importance of building strong and positive relationships with the business in order to be able to make a more strategic contribution to business performance. It is equally clear that the situation in a particular business unit will influence whether or not HR is encouraged to operate at that strategic level.

The relationship between HR and business leaders is very important but the Q analysis indicates that there may be a number of other items contributing to a situation where HR is more or less welcome to operate as a strategic partner. For CaseCo, those other items may include:

- Ways of working in the business unit being supported differing significantly from those in other business units;
- The extent to which existing CaseCo HR policy and process is relevant for the business unit being supported;
- Whether line managers are acting as people managers or expecting that HR will tackle ‘difficult conversations’; and
- The need for consultation with numerous parties before taking action.

The Q analysis has highlighted a number of key items that were considered to influence the opportunity for HR to play a strategic role. These items are therefore important for the research. Equally important is the essential interplay between items. For example, business leaders may look to their HR colleagues for a strategic contribution but those HR colleagues may find themselves capacity-constrained if they need to devote time and energy to more transactional matters that should be addressed by line managers or in a Service Centre. Another example of an unhelpful mismatch of interests might see the HR practitioners promoting a more strategic approach when the business leaders are satisfied with current arrangements and where there is no expectation of business change in the foreseeable future.

CHAPTER SIX: Q ANALYSIS IN MULTIBUSINESSES

6.1 Introduction and Chapter structure

This Chapter describes the Q analysis in multibusinesses and presents findings and interpretations. A total of 20 HR professionals from 18 different organisations completed the Q study:

- Seven were in HR Director or other leadership roles;
- Four would be classed as HR Business Partners;
- Seven were from Centres of Expertise; and
- Two were from Operations.

The HR experience of participants ranged from less than one year to more than ten years, with 17 of the participants having more than 10 years' HR experience. HR experience in their current role ranged from less than one year to 5 to 10 years. The study was conducted on the internet and invited participants to:

- Consider a 12-item list of possible barriers to, and levers for, SHRM and the more strategic role for HR in their current organisations, select up to three barriers and three levers, and then comment on those selections;
- Rank 40 statements relating to SHRM in multibusinesses on a -4 to +4 scale into a fixed distribution, and comment on those they had ranked as -4 and +4, being those with which they agreed or disagreed most strongly; and
- Suggest any statement that they might have expected but which was not included in the 40 statements, with a ranking on the -4 to +4 scale to indicate whether this represented a significant omission.

Following this summary introduction this Chapter is structured to present and review:

6.2 Barriers and Levers;

- 6.3 Factor Q sort values for each statement;
- 6.4 Factor M1 Q sort interpretation;
- 6.5 Factor M2 Q sort interpretation;
- 6.6 Factor M3 Q sort interpretation;
- 6.7 Factor M4 Q sort interpretation;
- 6.8 Factor M5 Q sort interpretation;
- 6.9 Missing statements;
- 6.10 Multibusiness Q sort key themes and messages;
- 6.11 Comparing Q study experience with 'best practice' guidance; and
- 6.12 Concluding thoughts.

6.2 Barriers and Levers

Table 6.1 following presents a summary of the multibusiness study sorts' comments on barriers and levers to the practice of SHRM and to HR taking a more strategic role in their own organisations. The item descriptions on barriers and levers for this multibusiness study follow those adopted for the CaseCo study except that: 'the organisation' has been substituted for 'the partnership' as most of the businesses in this study will not be partnerships; and the item for the 'business unit people management representative' has not been included in this study as the role may not exist in the businesses being studied.

The Section develops with quotes from sorts (shown in italics) regarding each of the suggested barriers and levers. Sorts are identified by the letters SM (Sort in multibusiness study) and then a number from 1 to 20.

Table 6.1 Barriers and Levers – Multibusiness sort		
Barriers: number	Item descriptions	Levers: number
6	The organisation	6
	People strategy for the organisation	10
9	HR processes	3
1	HR colleagues	14
1	Our brand	4
1	HR Leadership	8
4	Demanding staff	2
12	Systems support	1
5	Demanding staff managers	2
1	Diversity	1
15	Volatility	1
	Winning awards	2

The Organisation

Six sorts identified the organisation as a lever for the practice of SHRM and a more strategic role for HR. The comments supporting this view referenced the type of organisation, in particular the extent and nature of engagement with business aims and performance requirements.

“There is a great deal of commitment to the organisation's values and aims.” SM8

“The business is very fast paced and used to change. As a result they are embracing of HR initiatives that can positively impact business performance.” SM19

One sort referenced the influence of the size of the organisation.

“Size of the company and therefore the exposure to the various HR areas.” SM2

In balance, an equal number of sorts considered their organisation to be a barrier to SHRM and the more strategic role for HR. The common areas of concern related to complexity and bureaucracy in the organisational structure and an outdated organisation culture supporting: a lack of accountability; duplication of effort; and resistance to change.

“The way the organisation is shaped enforces some silo working/mentality plus competition to be seen to deliver which negates efforts to make the cultural shift required to meet new demands.” SM18

“Ambiguity due to very matrixed organisation, can lead to lack of accountability sometime and duplication of initiatives.” SM20

“[The] organisation is stuck in an old mindset and a culture of the past. We are change resistant.” SM15

“Organisational structures need to be less bureaucratic and top down to enable more organic change. We are accustomed to change from the top, which feels outdated in a digital and more democratic world.” SM13

One of the sorts identifying the organisation as a barrier also commented on the need for HR in their organisation to be clearer about their role and to emphasise the importance of people management.

“HR profile in the organisation is not very sophisticated and well understood - we talk about people and have lots of good initiatives but not sure that the organisation really understands that the people elements of change need to be considered up front.” SM14

People strategy for the organisation

There was considerable support for people strategy as a lever, with 10 sorts sharing that view. The common theme was that the people strategy provided clarity on organisational direction and how HR plans to make a contribution, promoting buy-in from business leaders.

“We know that people are our greatest asset.” SM9

“It clearly articulates where we are going, how we are going to get there and how it enables the business to achieve their goals.” SM3

“It connects HR to the business priorities. It is the basis for sponsorship of HR initiatives from the business leaders.” SM10

“The organisation is aware that the success of the organisation in reaching its goals depends upon the performance and morale levels of its staff.” SM8

“Our Board is very supportive of our People/HR strategy and as a result it is seen as core to delivering excellent business performance.” SM19

One sort developed this theme into the people strategy effectively providing HR with a mandate for a more strategic role and the authority to question business leaders on initiatives that fell outside the strategy.

“Setting the priorities at the most senior level of the organisation gives the HR function license to pursue a clear set of goals and challenge 'rogue projects' in a context of squeezed budgets.” SM7

HR Processes

Views on HR processes were divided. Nine sorts saw the HR processes in their own organisations as a barrier. Reasons for identifying HR processes as a barrier included: the number and complexity of processes; and a lack of fit with what the business needs. One outcome being that managers and employees struggled to use the processes.

“Perceived as clunky and cumbersome - managers often revert to 'can you do it for me...' type approach.” SM14

“Because there are too many to encourage innovation and creativity.” SM16

“Poor historic documentation has led to confusion and a lack of slick customer service.” SM17

“Fragmented so lacking human touch. I'm not sure employees really understand what HR do here.” SM4

“The purpose behind the process has got lost.” SM13

“Some processes are complicated and meet HR needs but not necessarily the needs of the business eg data collection that doesn't really inform anything!” SM18

However, three sorts identified HR processes in their own organisations as a lever, referencing initiatives to clarify and simplify HR processes. These initiatives have enabled

managers and staff to understand and use HR processes and, in turn, have meant that HR is less involved in operational activity and more closely aligned with the business and business management.

“Over time we have refined our HR processes by simplifying our policies and procedures and engaging with managers early. The collaborative approach has meant that HR are fully embedded in the business and managers are supportive of HR processes.” SM19

“The introduction of clear and structured processes has empowered leaders to take HR responsibility in a different way.” SM15

“The skeleton structure is in place and one that provides choice for individuals on how they want to interact with the HR function (online info, online chat, telephone chat). This means there is less focus within the HR Change team and HRBP team on managing day to day queries (e.g. payroll).” SM7

HR Colleagues

There was strong support for HR colleagues as a lever, with fourteen sorts sharing that positive view. The common observation was that HR colleagues were supportive and willing to share their own knowledge and experience.

“Smart, passionate colleagues and always willing to help. High level of integrity and trust in the HR team.” SM20

“Very supportive and have given me opportunities to develop and work on new areas.” SM2

One sort made a specific comment regarding the business awareness of colleagues, making a point that suggests that their own colleagues will be identified as business professionals

with a core competence in HR rather than as HR professionals struggling to be recognised as business people.

“Smart, motivated, driven people who are committed to making a difference and who operate as business professionals whose functional expertise is in HR.” SM3

Two sorts also drew attention to the positive impact of investment in the training and development of the HR community in their organisation, equipping individuals to take a more strategic role.

“Upskilling has helped them embrace OD skills and help provide appropriate challenge to the status quo.” SM18

“The key to a successful imbedded function is HR capability. We have invested heavily in training and development for the HR team and ensuring that they spend significant time in the business to understand the key drivers. This has had a big impact on HR contribution and the trust and confidence the business has in HR's capability.” SM19

Our brand

Four sorts identified brand as a lever. The general message was that the brand facilitated recruitment but one more telling observation related to how the brand influenced ways of working, and behaviour, in the organisation.

“Our brand is all about Innovation, staff are used to trying things and not everything going right!” SM1

An organisation that is committed to innovation and that accepts that things will not always be right first time or go to plan is likely to be one that is more receptive to change.

HR Leadership

Eight sorts identified HR Leadership as a lever. Relevant messages were that HR leaders were: valued by the business for their competence and contribution; representing HR at the top of the organisation; and supportive of their colleagues.

“HR Leaders are competent business professionals who can drive meaningful change and provide the business with what it needs to drive results.” SM3

“Strong HR Lead who sits at the highest level so HR has a voice at the table. Supportive of plans.” SM4

“Open and trusting leaders who generally support the team and their objectives. Willing to coach, mentor and share experiences. Proud to work for the company and the HR team. Valued by the business leaders.” SM20

The one sort identifying HR Leadership in their organisation as a barrier drew attention to shortages in competences and capacity that impacted negatively on the ability of HR to be accepted in the more strategic role.

“Although the HR team are dedicated and hard working - they may lack the experience of working more strategically or being recognised by everyone as a strategic partner.” SM8

Demanding staff

Four sorts identified demanding staff as a barrier, referencing expectations that may be unachievable in current business circumstances and disproportionate demands on the time of HR professionals.

“Staff should demand high standards, absolutely. However, in cost aware times a 'platinum' HR service is no longer realistic - so layering those standards onto the current HR offering creates tension and friction.” SM7

“One or two people dominate the agenda, not to the greatest good and require specific processes just to manage around their inadequacies.” SM1

A related observation was that staff are focused on their day job and may not be aware of what HR does or should be doing.

“Because they are too busy doing that they don't have time to learn or check we are doing the right things”. SM16

Two sorts identified demanding staff as a lever, taking the view that this helped to set the HR agenda and standards and that demanding staff may also take their proper role in HR process.

“New members of staff coming from more professional organizations and with more demanding needs lift the bar for what is a good HR delivery.” SM15

“Push hard and get involved in the execution of processes.” SM5

Systems support

Twelve sorts identified existing HR systems as a barrier. The expectation was that HR professionals should be able to rely on systems for data and process support, and that this would facilitate their strategic activity. The experience was that systems are often out-dated, not linked to other systems, and subject to failure, leading to: inaccurate information; additional HR time being spent in manual activity; and problems in delivery and in assigning accountability.

“Poor investment in systems has led to much manual admin and workarounds.”

SM17

“Admin burden within HR and Payroll impedes our ability to drive a more strategic HR agenda and impedes HR BP roles. Management information improvements needed.”

SM20

“If the system were utilized as designed, it would provide the human capital metrics necessary to drive decision making. It isn't used as consistently as it should be; resulting in variable, incomplete data.” SM3

“Lack of data means you can't use hard facts to persuade ... Can't check progress or hold self and others to account.” SM12

“Systems are improving.... but there is an inability for the HR team to self-serve on data, retaining the need for an MI [Management Information] team and manual processes. In addition, there are times where you are debating the accuracy of the data rather than the underlying message. A frustration.” SM7

These examples of systems as a barrier come into even sharper focus when compared with the experience of the one sort who saw the support systems for their organisation as a lever, enabling HR to manage and access reliable data.

“HR data and analytics offer greater objective insight into subjects that were historically looked at subjectively eg equality.” SM13

Demanding staff managers

Seven sorts commented on demanding staff managers. Five saw them as a barrier and two as a lever. The basic argument for seeing demanding staff managers as a lever is that they can provide a channel for HR to be aware of what the business needs from HR, particularly when those managers are properly engaged in people management.

“Prompts change, lifts standards, keeps us on our game.” SM12

“Drive and get involved in the execution of processes.” SM5

The five sorts seeing demanding staff managers as a barrier raised a number of themes. One general point was that HR was required to manage expectations and should be able to keep to plans rather than having to respond to large numbers of ad hoc requests.

“It's reacting to the noise that distracts from staying on plan in delivering business value by having to resolve the noise driven by demanding staff managers.” SM3

Themes which are likely to be more significant in the context of HR as a strategic partner related to managers resisting change

“Because we are relying on what got us here will get us there....and it won't!” SM16

and managers not being prepared to take their proper role in dealing with poor performers.

“Managers don't always understand that THEY need to manage and we will advise - they think poor and challenging performance is for HR to address!” SM14

Diversity

Diversity was an item which elicited little comment from sorts, with only one seeing it as a lever and one seeing it as a barrier. The observation from the sort seeing diversity as a barrier was that the comparative lack of diversity in their organisation was commensurate with a lack of diversity in the sector.

Volatility

Fifteen sorts identified volatility as a barrier, the highest number for any item. Comments from sorts suggest two related themes. First, there is reference to volatility creating a short-term focus. This represents a particular challenge for HR where initiatives will take time, often measured in years rather than months, to develop and embed.

“Business results are short-term orientated; HR strategy and change needs a long-term view and sustained commitment over time.” SM13

“HR initiatives often require a longer time horizon than the business and its leaders are able to sustain.” SM10

“Constant “emergencies” can lead to short term focus.” SM17

“The changing business models, structures, etc. make it difficult to get traction in delivering HR services.” SM3

The second, and related, theme is that operating in a state of almost continual change will drain the emotions and energy of managers, staff, and the HR community, with people fire-fighting on today's problems rather than taking the longer-term view required for strategic planning and delivery.

“The business is constantly going through change. Whilst this can be a good thing, continuous change is exhausting for all employees and the HR team and means that employees can get tired of the constant requirement to move, change processes, move teams etc. This can undermine HR contribution as we are often seen as the bearer of bad news.” SM19

“Creates a total environment of instability and constantly changing focus, where the needed long term focus is not present.” SM15

“Nothing has a chance to embed. One change has barely finished before the next is announced - creates fatigue for the employees (and the HR team). Limits the success of what you deliver.” SM7

“It can disengage people from wanting to engage in change programmes as they feel like they are constantly fire-fighting.” SM18

Winning awards

Two sorts identified winning awards as a lever. They saw external recognition of HR performance and practice as an indicator that HR was doing good things, even when this view is not shared by all the managers.

“Helps raise the profile of HR and the fact that despite some managers’ views, HR is doing good work that is seen to be leading edge in the market.” SM14

6.3 Factor Q sort values for each statement

Analysis of the completed Q sorts confirmed five Factors: Factor M1 with three sorts, Factor M2 with three sorts, Factor M3 with three sorts, Factor M4 with four sorts, and Factor M5 with three sorts. One sort was flagged as non-significant, not loading significantly, at or above 0.41 (in this case 0.45), on any of the five confirmed Factors and three sorts were confounded, ranking at a significant level in two or more Factors.

The Q sort values for each item across the five Factors are shown in Table 6.2 following.

Table 6.2 Factor Q sort values for each item: Multibusinesses						
	Items	Factor M1	Factor M2	Factor M3	Factor M4	Factor M5
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.	-1	+2	-4	-1	0
2	Working here is about favours, helping people and then expecting them to help you.	-3	-3	+1	-2	-4
3	I have a lot of autonomy in my role. I get a lot of space to do things.	+2	+1	+4	+2	+1

Table 6.2 Factor Q sort values for each item: Multibusinesses

	Items	Factor M1	Factor M2	Factor M3	Factor M4	Factor M5
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.	-1	-1	+2	+1	0
5	Sometimes I think that we just skim the surface of people issues.	0	0	+1	-1	1
6	I am the face and voice of Human Resources for the Business Unit(s) I work with.	+2	+1	+3	-2	-2
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy.	-1	+2	-2	-3	-1
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves.	-1	+2	-2	-3	+1
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.	-2	+4	+1	-1	0
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.	+4	+3	-2	+3	+1
11	There is a growing emphasis on data and analytics in my job.	+1	-2	-4	+4	-2
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.	-1	-2	+2	-4	-2
13	The critical thing here is helping to deliver the business.	0	+3	0	+2	+1
14	This is not an organisation that likes a big book of policies.	+1	+2	-1	0	-1
15	I work hard on my relationships and that gives me an edge in the work that I do.	+3	+1	-3	+2	+4
16	You need to be technically savvy. You need to know your HR management or be able to network your way around.	+1	0	-3	+1	+1
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower.	+1	-1	-2	0	+3
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.	+1	-3	+1	0	+4
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills.	0	0	-3	+1	0
20	People think that the organisation's strategy and people message changes every five minutes.	-3	-1	0	0	-1

Table 6.2 Factor Q sort values for each item: Multibusinesses

	Items	Factor M1	Factor M2	Factor M3	Factor M4	Factor M5
21	I have learned not to show emotion.	-3	0	+2	0	-4
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.	-2	+2	-2	-2	0
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'.	+2	0	+2	+2	-1
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."	-4	-4	+2	-2	-2
25	I quite like fast-paced things and the opportunity to really get involved with the business.	+3	0	-1	+1	+2
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths.	0	0	+3	0	0
27	Business leaders accept challenge as long as your explanation makes sense.	+2	+1	-1	+3	+2
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here.	-1	-1	+3	+2	-1
29	I feel that I almost have to reinvent myself every time I go to different Business Units.	-4	-2	0	-2	-3
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services.	0	+1	-1	+1	+2
31	You need to be business-focused but you cannot be too judgemental.	+1	+1	0	0	+1
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.	-2	+2	0	+4	+2
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach.	-2	-1	0	+1	0
34	I rely on sponsorship from the Business Unit(s) for my personal career progression.	+2	-2	0	-1	-3
35	I do have concerns about deskilling, losing some of my HR skills.	-2	-4	+1	-3	0
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials.	+3	0	-2	0	+3
37	There is no longer any role for the 'HR generalist'.	-1	-3	-1	-4	-3
38	Sometimes I think that we over-engineer and overcomplicate things.	0	+3	+1	-1	+2

Table 6.2 Factor Q sort values for each item: Multibusinesses						
	Items	Factor M1	Factor M2	Factor M3	Factor M4	Factor M5
39	We still have a long way to go to become one team in HR.	0	-2	0	-3	-1
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.	+4	+4	-1	+3	+3

There are differences in rankings across all the Factors but the similarities in item rankings for Factors M1, M2, M4, and M5 mean that the differences in Q sort interpretation for those Factors are more nuanced, relating to the nature of the organisation at least as much as to the role that the sorts are playing.

6.4 Factor M1 Q sort interpretation

Table 6.3 below presents a crib sheet comparing the item ranking for Factor M1 with rankings for other Factors. This provides the base for an interpretation describing the viewpoint of this Factor.

Table 6.3 Factor interpretation crib sheet for Multibusiness Factor M1	
Statements ranked at +4	
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.
Statements ranked higher in Factor M1 Array than in other Factor Arrays	
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. +1
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. +2
25	I quite like fast-paced things and the opportunity to really get involved with the business. +3
31	You need to be business-focused but you cannot be too judgemental. +1
34	I rely on sponsorship from the Business Unit(s) for my personal career progression. +2
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials. +3
37	There is no longer any role for the 'HR generalist'. -1
39	We still have a long way to go to become one team in HR. 0
Statements ranked lower in Factor M1 Array than in other Factor Arrays	
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on. -1
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations. -2
13	The critical thing here is helping to deliver the business. 0

Table 6.3 Factor interpretation crib sheet for Multibusiness Factor M1	
20	People think that the organisation's strategy and people message changes every five minutes. -3
22	It takes a lot of time to change things here. There is always someone else that you have to speak to. -2
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths. 0
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here. -1
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need. -2
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach. -2
Statements ranked at -4	
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."
29	I feel that I almost have to reinvent myself every time I go to different Business Units.

Factor M1 has an Eigenvalue of 2.2 and explains 11% of the study variance. Three sorts are significantly associated with this Factor. Sorts are professionals in HR Leadership and HR Business Partner roles, all of whom have at least 5 years' experience in HR. They have rated their own HR strategic competence highly, at and above 0.6, and believe that they are able, and encouraged, to act strategically in their employing organisations.

Factor M1: Strategic partners in a supportive business environment

Sorts in this Factor work hard to build relationships (15, +3) and believe that getting out into the organisation helps them to understand what the organisation really needs. This enables them to be able to tailor their contribution to best effect (40, +4). They like fast-paced things and the opportunity to be involved with the business (25, +3).

"The only way you can demonstrate an understanding of the people issues in a business is to understand the pressures and priorities in that business and show that you understand. The way to get to the top table in your business area is to show that you have a good grasp of the overall business." SM14

Sorts are confident in their own competencies in HR (36, +3) and their ability to be themselves in those meetings rather than changing their style to suit their audience (29, -4).

"I try always to be myself. It's vital for me to be authentic with my clients. I'm not interested in changing myself to fit my boss' or a client's view of what I should be like. If I want to reinvent myself, I'll do it outside work, not in work." SM10

"I have found that showing your personality and what you are passionate about is a good way of influencing thinking and demonstrating you do understand the business. However, that emotion does have to be correctly channelled to get to influence - hot head outbreaks clearly don't help!" SM14

That confidence extends to their view that they don't need to extend favours to get people onside and make things happen (2, -3) and that business leaders will listen to them as long as their arguments are sensible (27, +2).

"You need to get the approach right and not just throw policy and strategy at business leaders. By logically explaining people considerations in the context of the business approach/strategy, business leaders will take notice." SM14

They do not see it as part of their role to challenge the organisation to improve performance through growth and innovation (32, -2) but their experience has been that business leaders are happy for them to raise strategic issues related to people management (24, -4).

"We want to hear people's opinions and to have a voice. Sharing your opinions, arguing and debating topics is part of our DNA. This is what we called engaged collaboration and leads to better outcomes that everyone commits to." SM20

They focus on business unit needs in developing their own performance objectives (23, +2).

"We try and focus and simplify our goals and then execute on these really, really well. Focusing on doing a few things well builds credibility and impact with our business units. Also this aligns the HR team around a few common goals." SM20

They believe that the organisation is one where it is possible to make changes reasonably quickly and without excessive and unhelpful consultation (22, -2). An advantage here is that, free of the dead hand of policy and process, sorts believe that they are able to be creative and strategic (12, -1).

They believe that they are given a degree of freedom and space to work (3, +2) and that one of their strengths is in being able to bring pragmatism to the treatment of necessary exceptions (10, +4).

“I have 30+ years’ HR experience in blue chip organisations, so that is one of the biggest factors in my ability to influence.” SM10

They work in organisations where there is only limited difference between business units in terms of people management (1, -1) and this extends into how they view HR policy and process. They observe that they are not overburdened with policies and process (14, +1) and that those policies, and associated processes, are neither over-engineered nor overly-complicated (38, 0).

They are likely to be seen as the face of HR (6, +2) but do not see themselves spending a disproportionate amount of time on routine HR matters that should be dealt with by individuals or their managers (8, -1). Line managers appear to be experienced in people management activity (9, -2).

They work in organisations that maintain a consistent message regarding strategic intent and people management (20, -3).

“The People approach here is evolving but not changing on a regular basis - we have some robust approaches to people development and management and can articulate

which things are changing year on year, for example with reference to the wider market trends or changes in legislation.” SM14

Sorts rely on business unit sponsorship for career progression (34, +2) and are less concerned about any arguments for being one team in HR (39, 0).

“I spend as much time with the business as with HR colleagues. The feedback about me from the business carries more weight than the feedback from HR colleagues.” SM10

6.5 Factor M2 Q sort interpretation

Table 6.4 below presents a crib sheet comparing the item ranking for Factor M2 with rankings for other Factors. This provides the base for an interpretation describing the viewpoint of this Factor.

Table 6.4 Factor interpretation crib sheet for Multibusiness Factor M2	
Statements ranked at +4	
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.
Statements ranked higher in Factor M2 Array than in other Factor Arrays	
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation. +2
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves. +2
13	The critical thing here is helping to deliver the business. +3
14	This is not an organisation that likes a big book of policies. +2
22	It takes a lot of time to change things here. There is always someone else that you have to speak to. +2
31	You need to be business-focused but you cannot be too judgemental. +1
38	Sometimes I think that we over-engineer and overcomplicate things. +3
Statements ranked lower in Factor M2 Array than in other Factor Arrays	
3	I have a lot of autonomy in my role. I get a lot of space to do things. +1
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on. -1
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic. -3
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths. 0
28	A half-decent HR person can do good work without understanding the business before they join

Table 6.4 Factor interpretation crib sheet for Multibusiness Factor M2

	this organisation. But you have to learn quickly once you are here. -1
Statements ranked at -4	
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."
35	I do have concerns about deskilling, losing some of my HR skills.

Factor M2 has an Eigenvalue of 2.29 and explains 11% of the study variance. Three sorts are significantly associated with this Factor. Sorts are professionals in HR Leadership and Centre of Expertise specialist roles, all of whom have at least 10 years' experience in HR. They have rated their own HR strategic competence highly and believe that they are able, and encouraged, to act strategically in their employing organisations.

Factor M2: Business partners with more to offer

Sorts in this Factor are focused on the business (31, +1), in particular they believe that they have an important role to play in helping to deliver the business (13, +3). That role extends to raising issues with business leaders, with those business leaders responding positively to their comments and proposals (24, -4).

"My clients want my business input." SM12

Sorts believe that getting out into the organisation helps them to understand what the organisation really needs and enables them to be able to tailor their contribution to best effect (40, +4). They also believe that business leaders will listen to them as long as their arguments make sense (27, +1).

"How else can we tune our input in correctly. Seek first to understand before being understood. Listening is at the heart of being influential." SM12

They see it as part of their role to challenge the organisation to improve performance through growth and innovation (32, +2). A concern here is that change takes time to plan and implement as there are always more people to be consulted (22, +2).

“We have a big issue in handling change and as a tech[nology] company we are all about change. It is therefore a constant battle to get people to work outside the box.” SM15

Sorts observe that line managers in the organisation are less experienced and competent in people management than counterparts in other organisations (9, +4).

“We do not have a leadership culture and there has been no systematic leadership processes to force them into systematically acting as leaders.” SM15

One consequence of this is that sorts find themselves undertaking more routine work on HR and people management, covering for those line managers and their staff (8, +2).

Sorts do not emphasise their own competencies in HR (36, 0) and take the view that it can be unwise and unhelpful to try to transfer learning from one organisation to another, even simply to act as an informed critic on HRM or OD matters (18, -3).

“I think it is dangerous to become complacent and what worked in one organization I have learned, does not necessarily work somewhere else.” SM15

There appears to be a relatively light touch on HR and people management policy and practice. These are not organisations that look for a big book of policies (14, +2) although sorts are concerned that there may be a tendency to over-engineer and overcomplicate things (38, +3), for example with complex rather than simple processes and with policies that are difficult for non-specialists to understand and act on

They have no concerns whatever about losing any of their HR skills (35, -4), and are supportive of a continuing role for the HR generalist (37, -3).

“I think there is more satisfaction to be had from having a varied role.” SM9

Sorts do not believe that they enjoy a great deal of autonomy in their role (3, -1).

They work in organisations which may promote the concept of being one business but where there are very different ways of working across the organisation (1, +2). However, new people coming into the organisation are likely to follow existing career paths and programmes (26, 0) so there is no new argument for changing HR policy and practice.

Despite their personal focus on the business and business leaders, sorts do not rely on business unit sponsorship for career progression (34, -2), which may contribute to their readiness to comment on perceived weaknesses in management competence around people management and in the time taken to plan and manage change. But, in balance, there is no evidence of any particular affinity with HR colleagues looking to bring the HR community closer together (39, -2), which may, to some extent, explain their concerns regarding the extent and complexity of HR policy and process.

6.6 Factor M3 Q sort interpretation

Table 6.5 below presents a crib sheet comparing the item ranking for Factor M3 with rankings for other Factors. This provides the base for an interpretation describing the viewpoint of this Factor. As mentioned earlier, this is the one Factor that has Factor rankings that distinguish it from the other multibusiness Factors.

Table 6.5 Factor interpretation crib sheet for Factor M3	
Statements ranked at +4	
3	I have a lot of autonomy in my role. I get a lot of space to do things. +2
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy. +1

Table 6.5 Factor interpretation crib sheet for Factor M3	
Statements ranked higher in Factor CC1 Array than in other Factor Arrays	
2	Working here is about favours, helping people and then expecting them to help you. +1
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on. +2
5	Sometimes I think that we just skim the surface of people issues. +1
6	I am the face and voice of Human Resources for the Business Unit(s) I work with. +3
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process. +2
20	People think that the organisation's strategy and people message changes every five minutes. 0
21	I have learned not to show emotion. +2
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. +2
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things." +2
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths. +3
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here. +3
29	I feel that I almost have to reinvent myself every time I go to different Business Units. 0
35	I do have concerns about deskilling, losing some of my HR skills. +1
37	There is no longer any role for the 'HR generalist'. -1
39	We still have a long way to go to become one team in HR. 0
Statements ranked lower in Factor M3 Array than in other Factor Arrays	
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions. -2
13	The critical thing here is helping to deliver the business. 0
14	This is not an organisation that likes a big book of policies. -1
15	I work hard on my relationships and that gives me an edge in the work that I do. -3
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. -3
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower. -2
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills. -3
22	It takes a lot of time to change things here. There is always someone else that you have to speak to. -2
25	I quite like fast-paced things and the opportunity to really get involved with the business. -1
27	Business leaders accept challenge as long as your explanation makes sense. -1
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services. -1
31	You need to be business-focused but you cannot be too judgemental. 0
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials. -2
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds. -1
Statements ranked at -4	
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.
11	There is a growing emphasis on data and analytics in my job.

Factor M3 has an Eigenvalue of 1.68 and explains 8% of the study variance. Three sorts are significantly associated with this factor. The sorts are professionals in Operations Leadership and Centre of Expertise specialist roles, all of whom have more than 10 years' experience in HR.

Factor M3 is a 'bipolar' factor. Two 'opposed' viewpoints are being expressed by the sorts who load on this Factor, each viewpoint having a Factor exemplifying Q sorts that are the 'mirror-image' of the other. What the positive version of the factor (Factor M3+) sees as vital to its position, for example 'The Business Unit(s) I work with has (have) a clear and detailed business strategy (7, +4), the negative version of the factor (Factor M3-) rejects (7, -4), and vice versa. It is therefore necessary to present two narrative accounts for Factor M3, Factor M3+ and Factor M3-.

Factor M3+: HR professionals supporting but not engaging with the business

These HR professionals are working in organisations where there is an explicit business strategy (7, +4), and where that appears to be sufficiently fixed rather than subject to frequent change (20, 0).

Although they operate in organisations with a One Company approach with consistent ways of working across the organisation (1, -4), sorts recognise that new joiners may not share the skills and competencies of existing staff and may expect to follow different career paths (26, +3).

Sorts operate with a high degree of autonomy (3, +4), acting as the face and voice of HR in the areas for which they are responsible (6, +3). However, they believe that the existing framework of HR policy is overly extensive (14, -1). This constrains their ability to be creative and to act strategically (12, +2), and to be more pragmatic regarding the treatment of exceptional cases (10, -2).

Related concerns are: that there is a lack of clarity over where the organisation needs to be fixed or more flexible on people management matters (4, +2); and that people management issues are not always tackled with the right level of attention to detail (5, +1).

Although line managers in the organisation are not particularly experienced in people management (9, +1) sorts have not been required to step in too often on more transactional matters (8, -2).

Sorts are not especially business-focused (31, 0). They do not see it as their role to help to deliver the business (13, 0) and are not looking for engagement with the business (25, -1). They do not work at establishing relationships in the business (16, -3) and believe that they can deliver in their role without getting out into the organisation to determine needs and opportunities (40, -1).

They do not believe that their job requires them to have strong HR knowledge (16, -3) and that their credibility does not depend on having strong HR and OD experience (36, -2). However, they do have a degree of concern about losing the HR skills that they possess (35, +1).

Sorts think that it would be easy to find HR people to fill any new or vacant posts (19, -3). In their view a reasonably knowledgeable and experienced HR person would be able to learn all they need to know about the organisation in a fairly short time (28, +3).

They think that they work in an organisation where change can happen without the need for excessive consultation and agreement (22, -2).

Sorts are reasonably confident that they can be themselves in meetings with business leaders (29, 0) although they believe that business leaders may not always be prepared to accept a challenge (27, -1). They may have been told to avoid strategic matters and stick to their policy and process responsibilities (24, +2). They have learnt not to show emotion in meetings (21, +2).

Unusually, given the experience of sorts in other Factors, these sorts have seen no evidence at all of an increasing emphasis on data and analytics in their work (11, -4).

Factor M3-: HR specialists seeking greater engagement with the business

These HR professionals are working in organisations where any strategic intent for the business is subject to volatility in the market and frequent change of direction (7, -4).

“‘Strategy’ seems to change quite frequently due to changes in the external environment. (This makes it) difficult for individual business units to keep up with the pace of change.” SM8

Sorts recognise significant differences in ways of working across the organisation (1, +4), but believe that the workforce, and new entrants, share common skills and competencies and will follow existing career paths (26, -3).

“[The] profile of [the] group is very homogeneous.” SM5

Sorts operate with little or no autonomy (3, -4) and, from Centres of Expertise, will not be seen as the local face of HR (6, -3). They believe that the existing framework of HR policy offers a light touch (14, +1). This offers them the opportunity to be creative and to act strategically (12, -2), and to be pragmatic in dealing with cases falling outside the policy norm (10, +2).

Sorts are reasonably confident that the organisation offers clear guidance on when policy and process should be interpreted as fixed and when a more flexible view is possible (4, -2); and also that people management issues are generally addressed with the right level of attention to detail (5, -1).

Sorts believe that line managers in the organisation lack experience in people management (9, -1) and sorts find that they have been required to step in on more transactional matters (8, +2).

“Some managers like to ‘hand over’ difficult people issues or try and ignore them as they get in the way of day to day business although this approach can lead to longer term issues.” SM8

Sorts are reasonably business-focused (31, 0). Although they are not directly engaged in helping to deliver the business (13, 0) they are looking for engagement with the business (25, +1). They work hard at establishing relationships in the business (15, +3) and believe that they could not deliver in their role without getting out into the organisation to determine needs and opportunities (40, +1).

“Without it, I can't get my job done.” SM5

They believe that their job requires them to have strong HR knowledge (16, +3) and that the credibility they have in their role depends on them having strong HR and OD experience (36, +2). They feel that Centres of Expertise have an important role to play in providing detail on policy and process in support of HR colleagues (30, +1).

“HR operational staff have enough to deal with on a day to day basis and cannot be expected to develop deep expertise - particularly due to lack of exposure to other organisations or best practice.” SM8

Sorts think that it would be difficult to find and recruit good candidates to fill any new or vacant HR posts (19, +3) and that it takes time even for a reasonably knowledgeable and experienced HR person to learn all they need to know about the organisation (28, -3).

Sorts are sufficiently confident that they can be themselves in meetings with business leaders (29, 0) to the point of showing genuine emotion (21, -2). They believe that business leaders are usually prepared to accept a well-argued challenge (27, +1) even where the challenge is about strategic rather than more operational issues (24, +2). However, they also think that the requirement for consultation and agreement can make it difficult to implement change quickly (22, +2).

There is evidence of an increasing emphasis on data and analytics in their work (11, +4).

6.7 Factor M4 Q sort interpretation

Table 6.6. below presents a crib sheet comparing the item ranking for Factor M4 with rankings for other Factors. This provides the base for an interpretation describing the viewpoint of this Factor.

Table 6.6 Factor interpretation crib sheet for Multibusiness Factor M4	
Statements ranked at +4	
11	There is a growing emphasis on data and analytics in my job.
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.
Statements ranked higher in Factor M4 Array than in other Factor Arrays	
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. +1
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills. +1
20	People think that the organisation's strategy and people message changes every five minutes. 0
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. +2
27	Business leaders accept challenge as long as your explanation makes sense. +3
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach. +1
Statements ranked lower in Factor M4 Array than in other Factor Arrays	
5	Sometimes I think that we just skim the surface of people issues. -1
6	I am the face and voice of Human Resources for the Business Unit(s) I work with. -2
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves. -3
22	It takes a lot of time to change things here. There is always someone else that you have to speak to. -2
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths. 0
31	You need to be business-focused but you cannot be too judgemental. 0
38	Sometimes I think that we over-engineer and overcomplicate things. -1
39	We still have a long way to go to become one team in HR. -3
Statements ranked at -4	

Table 6.6 Factor interpretation crib sheet for Multibusiness Factor M4

12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.
37	There is no longer any role for the 'HR generalist'.

Factor M4 has an Eigenvalue of 1.76 and explains 9% of the study variance. Four sorts are significantly associated with this Factor. Sorts are professionals in HR Leadership, HR Business Partner, Centre of Expertise, and Operations roles. Experience levels in HR vary from less than one year to more than 10 years' experience. In general they have rated their own HR strategic competence highly and believe that they are able, and encouraged, to act strategically in their employing organisations.

Factor M4: HR professionals in a professional environment

Sorts in this Factor exhibit a high degree of satisfaction with SHRM as it operates in their own organisation. They believe that SHRM and more strategic people issues are addressed in sufficient detail (5, -1).

"We don't shy away from dealing with people issues." SM2

They also believe that the organisation is sufficiently clear on those issues where it needs to be tight and those where some flexibility may be justified (4, -1). They tend to disagree with the proposition that HR tends to over-engineer and over-complicate things (38, -1). This positive view of HR policy and practice and the possible impact on their role extends into sorts observing that it is not difficult for them to be creative or strategic (12, -4).

"We have steadily reduced policy and process through management development and better technology. This has freed up HR time to invest in strategic and value add projects." SM19

They stress the impact and importance of the growing emphasis on data and analytics in their job (11, +4).

“Insight from data is expected as a pre-requisite for most proposals.” SM13

“Management information is key to informing the HR and business strategy. We need to measure outcomes regularly to assess if the strategy is working and if not, take action as quickly as possible. Technology has been key to developing more agile strategies.” SM19

They see the need for HR practitioners to be technically savvy or to be able to access personal networks to find solutions to HR and people management problems (16, +1) and believe that it is difficult to attract and retain HR people with the right mix of analytical skills and relationships skills (19, +1). This situation may be linked to concerns about the lack of a consistent professional approach in HR, generated by the wide disparity between how members of the HR community operate (33, +1). Despite these concerns they believe that they are close to having one team in HR (39, -3).

“My approach from Day 1 in the business has been to integrate the HR function and ensure that they understand each other’s roles and how collectively they impact the business. This has built a strong capable function that understands that collaborative working is key to our success.” SM19

Sorts believe that they have a role to play in helping to deliver the business (13, +2), keeping priorities in mind and emphasising new possibilities.

“We are focused on the end result, service and quality of the work we do.” SM2

“My job is to help the organisation uncover new and different ways of doing things; that change is possible.” SM13

Getting out into the organisation helps sorts to understand what the organisation really needs and enables them to be able to tailor their contribution to best effect (40, +3). They

are confident that business leaders will listen to them as long as their arguments make sense (27, +3).

“As an organisation, we are very dynamic and therefore innovation and growth is part of everything we do.” SM2

They do not see any major barriers to planning and implementing change, at least as far as consultation is concerned (22, -2).

In conclusion, sorts in this Factor are strongly supportive of a continuing role for the HR generalist (37, -4).

“HR generalists offer broad perspective and insight around the full employee experience & people engagement overall.” SM13

6.8 Factor M5 Q sort interpretation

Table 6.7 below presents a crib sheet comparing the item ranking for Factor M5 with rankings for other Factors. This provides the base for an interpretation describing the viewpoint of this Factor.

Table 6.7 Factor interpretation crib sheet for Multibusiness Factor M5	
Statements ranked at +4	
15	I work hard on my relationships and that gives me an edge in the work that I do.
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.
Statements ranked higher in Factor M5 Array than in other Factor Arrays	
5	Sometimes I think that we just skim the surface of people issues. +1
16	You need to be technically savvy. You need to know your HR management or be able to network your way around. +1
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower. +3
30	Centres of Expertise and external specialists are there to provide ‘best in class’ advice, guidance, and services. +2
31	You need to be business-focused but you cannot be too judgemental. +1

Table 6.7 Factor interpretation crib sheet for Multibusiness Factor M5	
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials. +3
Statements ranked lower in Factor M5 Array than in other Factor Arrays	
3	I have a lot of autonomy in my role. I get a lot of space to do things. +1
6	I am the face and voice of Human Resources for the Business Unit(s) I work with. -2
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy. -2
14	This is not an organisation that likes a big book of policies. -1
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'. -1
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths. 0
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here. -1
34	I rely on sponsorship from the Business Unit(s) for my personal career progression. -3
Statements ranked at -4	
2	Working here is about favours, helping people and then expecting them to help you.
21	I have learned not to show emotion.

Factor M5 has an Eigenvalue of 2.07 and explains 10% of the study variance. Three sorts are significantly associated with this Factor. Sorts are professionals in HR Leadership and Centre of Expertise specialist roles, all of whom have at least 10 years' experience in HR. They have rated their own HR strategic competence highly and believe that they are able, and encouraged, to act strategically in their employing organisations.

Factor M5: Centrist HR professionals

Sorts in this Factor place considerable emphasis on professional competence and experience. They believe that it is their own HR and related experience that gives them credibility within the organisation (36, +3). They know how things work in other organisations and this gives them the opportunity to stand back and provide objective criticism and advice (18, +4).

"I'm aware of what happens in other organisations and bring this experience to my role. It demonstrates that there is more than one way to do things and we need to keep looking at how we do things to make sure they support the business strategy."

SM4

They recognise the importance of having HR knowledge and experience, or having access to a network of contacts who can fill any gaps in that knowledge (16, +1). They are concerned that the organisation may be guilty of skimming the surface on HR and people management issues rather than attending to them in appropriate detail (5, +1).

Sorts recognise that getting out into the organisation helps them to understand what the organisation really needs and enables them to be able to tailor their contribution to best effect (40, +3). They work hard at building relationships and believe that the strength of those relationships is important to their work (15, +4).

“Relationships matter. I spend the majority of my day working on people related issues therefore I should work on building and sustaining solid relationships. I believe this personal approach matters to people and so this gives me the edge.” SM4

“(My) network is vital to getting things done - you need to know who owns specific processes or policies or decisions and build a positive relationship to affect change.” SM7

There is a strong sense that sorts do not see themselves as the junior partners in their relationships with business leaders and other colleagues. They are clear that there is no need to do, or expect, favours to get things done (2, -4) and they are ready to show emotion to get their points across (21, -4).

“It comes to being human and realising that we are dealing with humans. I believe I keep my emotions in check but this is not the same as not showing emotions.” SM4

“I believe that I show emotion - in an appropriate way in order to operate in an authentic way.” SM18

They are also ready to challenge business leaders on the case for possible changes, and they expect that their voice will be heard (32, +2).

“Because I want to help the business grow - some people are more comfortable working within the same processes or patterns of behaviour and my job is to help them break through and unleash their potential.” SM7

There is a strong influence around Centres of Expertise and ways of working in the study responses from sorts. They observe that the role for Centres of Expertise is to provide best in class advice, guidance, and services (30, +2) recognising that they need to network with business units and HR colleagues to avoid being perceived as an ivory tower (17, +3).

“If they don't provide this sort of ‘best in class’ challenge and good practice then they are a waste of time!” SM7

They do not see themselves as the face and voice of HR in the business units (6, -1). In setting their personal performance objectives they will consider their own area of expertise rather than the interests of particular business units (23, -1). There is further evidence of sorts feeling a stronger link to HR than to business units in their observation that they do not need to rely on the business units for sponsorship for their personal career progression (34, -3).

“The progression within HR is HR controlled - divorced from the business. Business feedback does play a vital role - but is not the determining factor.” SM7

The organisations that sorts are working in do not have a clear and detailed business strategy (7, -2).

“The business vision and strategy is not clearly articulated across the organisation.” SM18

The absence of clear direction from business units may help to justify the emphasis they place on HR and their personal competencies and experience. Sorts remain strongly

supportive of the case for continuing with the role of HR generalist (37, -3), seeing it as an important step that may support the transition to a more strategic role for HR.

“I believe it is what is important. It seems many people in HR spend more time justifying what they do, coming up with fancy titles or banging on about the need to be at the table making strategic decisions. I believe you earn your place at the table and you do this by getting the basics right. For me the basics are all the things HR Generalists do. When you get the operations right, strategy will be the logical next step. You can do both and I don't agree with HR separating them out.” SM4

6.9 Missing statements

Participants were invited to suggest other statements that they might have expected to see, and to indicate the ranking that they would assign to such statements. The intention was to see whether there was a body of opinion supporting a view that would not be covered by the statements selected for the Q study.

Eight sorts suggested possible statements, as follows:

- The company's culture and values influence behaviour and the HR agenda/focus. +2 SM1
- Does HR have boardroom presence in your organisation? -3 moving towards -2 SM16
- HR functions are in danger of becoming so fragmented that they will lose sight of how they add value to the business. +4 SM4
- HR needs to offer insight into external trends (eg social trends, competitor activities, demographics) to inform business direction & strategy. +2 SM13
- I see HR evolving to be a really strategic business partner with the business. -2 SM14
- HR has no place at the top table. -2. SM7
- A common understanding of what HR is there to provide +1 SM8
- It is important to own and drive the HR agenda for your clients rather enabling them to do this. -2 SM20

Having consulted with members of the research Sounding Board, the view is that the suggested additional statements are either already addressed by existing items or, although valid, do not carry the same weight and general relevance as statements already included for the Q study.

6.10 Multibusiness Q sort key themes and messages

The analysis of multibusiness Q sorts has identified five Factors, confirming that there are differences in different organisations in terms of the practice of SHRM and support for HR taking a more strategic role. Each Factor interpretation represents a particular viewpoint. There is only one consensus item in this study: item 31 – ‘You need to be business-focused but you cannot be too judgemental’ – with rankings across the Factors of +1 and 0.

Only one Factor (M3) contains items that distinguish it from all other Factors. Those items are:

Item	Statement	Comment
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy	A ranking of +4 when the highest other ranking is 0
15	I work hard on my relationships and that gives me an edge in the work that I do	A ranking of -3 when the next lowest ranking is +1
24	What I experience here is people saying “I don’t want to hear about that issue. Just shut up and handle the process things”	A ranking of +2 when the highest other ranking is -2
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people’s worlds	A ranking of -1 when the next lowest ranking is +3

Sorts in Factor M3 are from Centres of Expertise and Operations and this may explain why there is less evidence in this Factor of an interest in building relationships and sensing what is going on in the organisation while sorts in other Factors are more likely to include HR

Business Leaders and HR Business Partners who will be more closely aligned with, and possibly embedded in, the business units.

It could be inferred that the experience of sorts in Factor M3 being more likely to be told just to handle the process things' (Item 24) could be an outcome of this comparative distance from what is happening in business units. An alternative view would be that in some businesses their role may be interpreted as being limited to providing advice on 'best in class' policy rather than engaging with the business.

6.11 Comparing multibusiness Q study experience with 'best practice' guidance

Findings from the Q study across multibusinesses have confirmed and extended themes and messages from research and practice guidance. In some cases the findings are consistent with broad best-practice messages collated from the literature review, but there are a number of areas where the real-life experience questions or challenges that best-practice guidance. Multibusiness Q study findings as themes and messages are presented below, under the headings of the original themes identified as the focus for research and analysis and presented in the form of the Propositions developed in Chapter Two earlier, in the review of literature guidance.

- Organisational context;
- Strategic Human Resource Management in practice;
- HR roles and responsibilities; and
- HR competencies and capacities.

Organisational context

All of the organisations represented in this Q study are multibusinesses and would be seen as knowledge businesses but they do vary in terms of size, organisational complexity, and industry sector. It is therefore to be expected that there will be differences in the viewpoints presented by the Q sorts relating to the different experiences encountered.

The experience of the influence of organisational context in multibusinesses is assessed against the best-practice guidance presented in three Propositions in Table 6.8 following.

Table 6.8 Summary comparison of multibusiness Q study findings with Propositions of best practice – Organisational context		
Proposition	Study findings	Summary view
Organisations are able to achieve the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment.	<ul style="list-style-type: none"> • There were significantly different views across the Factors regarding the extent to which ways of working may differ across the organisations. • Sorts in four of the Factors (M1, M2, M4 and M5) recognised that rules and policies will not work 'in every case' and that there would always be exceptions. • There was a significant spread of opinion as to whether their organisation liked 'a big book of policies' and whether policy and procedures were over-engineered and overcomplicated. • There were also differing views on a related item (Item 4), concerned with whether the organisation is clear on the things that it needs to be tight on and the things that it needs to be loose on. If an organisation had achieved an 'optimum fit' there would be clarity on points of this kind, but rankings vary from +2, indicating that the organisation is not clear on this point to -1, indicating that it is sufficiently clear. • Sorts in Factor M3 were concerned that their organisation was not clear on the things that needed a clear and consistent solution and those where a lighter touch was more appropriate. 	It is possible that there is potential for an optimum fit in each organisation and that the study findings only reveal the differences across a range of businesses. However, the strength of the emphasis on the fact that there would always need to be exceptions points to possible disagreement with that view.
Business leaders look to the HR community to take a more strategic role and will support the HR community in that role.	<ul style="list-style-type: none"> • There are two particular items in the Q study that provide evidence on the extent to which business leaders support the more strategic role for HR. • Item 27, 'Business leaders accept challenge as long as 	There is a broad range of experience related to HR taking a more strategic role varying from business leaders who encourage an engaged and strategic HR function to those who appear to favour HR continuing in a more transactional role.

Table 6.8 Summary comparison of multibusiness Q study findings with Propositions of best practice – Organisational context

Proposition	Study findings	Summary view
	<p>your explanation makes sense', provides an opportunity for sorts to comment on the environment in which they are operating, in particular as to whether or not they can expect business leaders to respond constructively to observations and challenge from HR. Rankings from sorts in each Factor were significantly different, ranging from +3 indicating that business leaders are always open and accepting of HR input to -1 suggesting that HR input is not always welcome and appreciated.</p> <ul style="list-style-type: none"> Item 24, 'What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things', also generated different ranking from Factors, ranging from -4 from sorts in Factors M1 and M2, indicating that business leaders saw their HR team sharing a focus on business needs and opportunities, to +2 from sorts in Factor M3, suggesting that there are still business leaders who expect HR to focus on transactional rather than more strategic issues. 	<p>The most common view is that sorts are working in environments where it is possible to be creative and strategic and where business leaders are open to a strategic contribution from HR. But there are exceptions.</p>
<p>The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation.</p>	<ul style="list-style-type: none"> The general message was that the brand facilitated recruitment but one sort, at least, observed that the brand also influenced ways of working, and behaviour, in the organisation. 	<p>The employer brand is seen as facilitating recruitment and influencing ways of working, and behaviour, in the organisation.</p>

Strategic Human Resource Management in practice

Sorts were very positive about the contribution of People Strategy as a lever, providing clarity on organisational direction and how HR plans to make a contribution, and promoting buy-in from business leaders. Relevant findings from the multibusiness Q study are reviewed

in Table 6.9, following, in comparison with the best-practice guidance presented in two relevant Propositions.

Table 6.9 Summary comparison of multibusiness Q study findings with Propositions of best practice – SHRM in practice		
Proposition	Study findings	Summary view
HR functions are able to take a long term perspective when developing strategies and strategic interventions.	<ul style="list-style-type: none"> Fifteen sorts identified volatility as a barrier, with the risks that it created a short term focus and that continual change would drain emotions and energy across the workforce. There appears to be potential for a conflict with the views expressed in the Barriers and Levers section of the study and the responses to Item 20, 'People think that the organisation's strategy and people message changes every five minutes'. Rankings for the item ranged from -3 for Factor M1 indicating that the history in those organisations was that plans and intent were substantially unchanged, through to Factors M3 and M4 with a ranking of 0, suggesting that the general pattern was one of little change. 	<p>Volatility argues against HR having the luxury of taking a long term view when developing strategies and strategic interventions.</p> <p>A Sounding Board observation was that many private sector organisations are now working to quarterly and annual rather than more traditional three- or five-year plans and programmes.</p>
An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role.	<ul style="list-style-type: none"> Most of the businesses are operating without an explicit business strategy. It is clear that the majority of sorts are endeavouring to play a more strategic role but, in the absence of an explicit business strategy, there must be questions about which strategies the HR practitioners are planning to support. In the absence of an explicit business strategy, the practical solution, adopted by sorts in four of the five Factors, is to develop personal performance objectives that focus on what the business will need in the coming year. (Item 24). As indicated by the ten sorts identifying 'People strategy in the organisation' as a strategic lever, there is an argument for HR to develop its own strategies in 	<p>Having an explicit business strategy, with the intention that the strategy will be fixed for a period of time, supports the longer-term planning proposed as best-practice for HR.</p> <p>But HR still needs to support those business units that operate without a formal business strategy. In the absence of an explicit business strategy, HR professionals will develop, and secure agreement for, people strategies and strategic initiatives and interventions.</p>

Table 6.9 Summary comparison of multibusiness Q study findings with Propositions of best practice – SHRM in practice

Proposition	Study findings	Summary view
	consultation with the businesses, and to secure agreement to the strategies from business leaders.	

HR roles and responsibilities

Issues relating to HR roles and responsibilities relate to the status and organisation of the HR function and the broader community of actors engaged in HR and people management. Relevant findings from the multibusiness Q study are reviewed in Table 6.10, following, in comparison with the best-practice guidance presented in four Propositions.

Table 6.10 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of organisational strategy.	<ul style="list-style-type: none"> A number of sorts in this study, particularly (from Factors M1 and M2), are positioned to work directly alongside business leaders, whether or not they are designated as Directors, or equivalent. That engagement with business leaders is on HR and people management issues and opportunities rather than broader business strategy. The implied message is that those sorts are working in organisations where business leaders: (a) understand the critical importance of human capital issues to business performance; and (b) value the contribution of the HR professionals as specialist and trusted advisors rather than as fellow Directors. Sorts in other Factors report an apparent reluctance within the business leadership community to encourage a 	HR will only be able to play a more strategic role, even if that role is limited to human capital, where the business leaders recognise that human capital issues are strategically important for the business and where those leaders look to HR to provide them with advice and guidance to facilitate decision taking on human capital.

Table 6.10 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
	more strategic contribution from HR.	
Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role.	<ul style="list-style-type: none"> Many of the businesses represented in this study operate with a shared service HR organisation model but others are too small to justify the full adoption of this model and will continue with external providers as 'experts'. The scale of disagreement between Factors regarding the need for Centres of Expertise to network with colleagues (scores from +3 to -2) suggests that different organisations face very different situations. 	The situation is different for different organisations. Organisational size and HR policy complexity are key considerations.
Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently.	<ul style="list-style-type: none"> HR support systems in place are often out-dated and subject to failure, rendering them not adequate to meet growing and changing needs and expectations. This results in criticisms of the HR function relating to speed of response and the accuracy and quality and accuracy of information made available. The fact that one sort identified the HR systems in their organisation as a lever, enabling HR and line managers to manage and access reliable data to support people management decisions, points to the potential advantages if everything works. However, the majority of sorts observed that HR policies were so complex and confusing that employers and managers were still likely to revert to their local HR person for support. Those organisations that have been able to simplify and streamline policies were able to point to this empowering managers to take responsibility for people management. Adopting a service centre approach with appropriate technology encouraged managers and employees to use those services, freeing up the time 	<p>The Proposition is well-founded but there are a number of things that need attention before the benefits can be realised. The comments in this Q study suggest that attention needs to be given to simplifying and streamlining HR policy and practice and that self-service will only work if systems are properly developed and implemented, and the right level of technology is in place.</p> <p>Adoption of a shared service organisation model for HR cannot guarantee that line managers will play a full role in people management. Without additional interventions the shared service organisation cannot compensate for any deficiencies in the experience of line managers or their commitment to take tough people management decisions.</p>

Table 6.10 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
	<p>that HR Business Partners would otherwise have spent on transactional matters.</p> <ul style="list-style-type: none"> While some line managers are perceived to take their people management responsibilities seriously, and to be competent in that role, others are still likely to look to hand over difficult cases to HR. As a consequence of the line manager experience, or lack of experience, in people management HR professionals may find themselves drawn into more of the transactional work that best-practice guidance would suggest should fall to line managers. 	
Increasing role specialisation in HR means that the role of the HR generalist is diminished.	<ul style="list-style-type: none"> There is universal support (ratings of -3 and -4) for continuing with the role of HR generalist. The role is seen as important in bringing together, and perhaps evaluating, the broad, and increasingly complex and specialised, policy and process framework for HR. There is also recognition of the need for breadth of understanding and experience in one-to-one interactions with employees and managers. There is no evidence from the Q study that there are significant concerns about increasing specialisation resulting in any loss of professional skills. Sorts in only one Factor (M3) identified any level of concern about the prospect of deskilling (Item 35), and that was at the +1 level, although this appears significant in comparison with rankings of -3 for Factor M4 and -4 for Factor M2. Factor M3 sorts ranked lower than the other Factors on Item 36 relating to personal credibility perhaps indicating a lack of confidence in the sorts' existing personal skill set 	This strong support for the continuing role of 'HR Generalist' presents a challenge to 'best-practice' thinking and guidance.

Table 6.10 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR roles and responsibilities

Proposition	Study findings	Summary view
	which they fear may be at risk in the face of increasing specialisation.	

HR competencies and capacities

Reviewing comments across the five Factors suggests that the nature of competencies and capacities that are relevant for each Factor will differ in level but that there are common themes. The comparison of the relevant Proposition with findings from the multibusiness Q study is presented in Table 6.11 following.

Table 6.11 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
To fulfil the strategic role proposed for HR, practitioners need to develop and display competencies in the following key areas: business understanding; HR knowledge and experience; credibility as a trusted advisor; and consulting skills.		
Business understanding	<ul style="list-style-type: none"> The majority of sorts have good awareness of the business and engage with business leaders on a regular basis. They get out into the organisation to understand what is happening and want to be involved with the business. Sorts in factor M1 will rely on support from business leaders for career progression. Sorts in Factor M3 see business understanding taking a lower profile. They are not especially business focused and do not see it as their role to deliver the business. 	<p>The majority view supports the contention that HR professionals must be able to demonstrate that they have a sufficient understanding of the business unit operations and ways of working.</p> <p>Sorts in Centres of Expertise may have a lesser focus on the business, with a greater emphasis on HR specialist knowledge and experience.</p>
HR knowledge and experience	<ul style="list-style-type: none"> Most sorts are confident in their own competencies in HR and change management and that they can bring 	The demand for high levels of competence and capacity in HR knowledge and experience differs with sorts and across organisations.

Table 6.11 Summary comparison of multibusiness Q study findings with Propositions of best practice – HR competencies and capabilities

Proposition	Study findings	Summary view
	<p>pragmatism to the treatment of exceptions. They see the need to be technically savvy on HR or have access to a network.</p> <ul style="list-style-type: none"> • Sorts in Factor M5 have the strongest profile in this area. They stress the importance of professional competence and experience. They bring pragmatism based on knowledge of other organisations. Their performance objectives are HR rather than business focused and career progression will be in HR with no, or limited, contribution from the business units. • Some sorts choose not to emphasise their own competencies in HR and prefer to take a light touch on HR policy and practice. • There is universal support for the role of HR generalist. 	<p>There is a broad range of views from sorts. This suggests a continuum from roles where HR competencies are emphasised and where there may be an argument for greater coordination of HR activity, and career progression in HR, through to roles where there is a preference to take a light touch on HR policy and practice but where the ability to manage exceptions will be seen as a strength.</p>
Credibility as a trusted advisor	<ul style="list-style-type: none"> • Most sorts report that business leaders listen to them. • Business leaders may or may not be ready for sorts to challenge them on business matters. • Most sorts report that they feel they can be themselves in meetings with business leaders, but there are different views on whether or not they are prepared to show emotion. 	<p>The groundwork is done if sorts are able to have honest and open discussions with business leaders. The critical point is whether those discussions can include business matters rather than being constrained to more traditional human capital interests.</p>
Consulting skills	<ul style="list-style-type: none"> • Many sorts feel that they can be creative and strategic although some (Factor M3) feel that they struggle with the weight of policy and process. • Most sorts report that they work hard to build relationships in the business. • Change management is an important skill for HR. • There is growing emphasis on the importance of data and analytics, not least as an aid to communication with business leaders. 	<p>There is evidence of broad support for a range of consulting skills including: relationship and stakeholder management; change management; analysis and data management; and communication.</p>

6.12 Concluding thoughts

The multibusiness Q study presents a wide range of viewpoints on the practice of SHRM and a more strategic role for HR. Given that this Q study captures experience from 18 different organisations it was expected that there would be different viewpoints to explore.

Barriers and levers

Sorts' views on the barriers and levers show broadly consistent views on certain items, for example: on the importance of people strategy for the organisation; in appreciation of the contribution of HR colleagues and HR leadership; on problems and major weaknesses with HR systems and technology; and regarding concerns around the adverse impact of volatility. However, there are also complementary or competing opinions that help to develop and confirm themes and messages.

For example, one sort saw HR leadership as a barrier, observing that the HR leader in their own organisation may not have sufficient experience of working at a strategic level to be recognised as a strategic partner. This sort observation is therefore complementary to the general view that HR leaders represent a powerful lever for SHRM and a more strategic role for HR but this will only apply if they themselves have the competencies and capacity to be credible to other business leaders as a strategic partner.

There was a clear difference of experience and opinion as to whether other items represented levers or barriers. Five sorts saw 'demanding people managers' as a barrier but two sorts saw them as a lever, providing insights on what HR should be doing. Nine sorts saw HR processes as a barrier, raising concerns about complexity and fitness for purpose, but three sorts, from organisations that have revised their policy and processes, saw HR processes as a lever.

In some cases, the additional information provided by sorts in support of their decisions on barriers and levers helps to clarify and shape messages, in particular regarding the relationship between key themes. For example, the emerging message regarding HR processes is not that they inevitably act as a barrier but rather that HR processes may act as a barrier unless they are tailored to meet organisational needs. Unless HR policy and processes are relevant to the needs of a particular business unit they may be seen as unwieldy and inappropriate by business leaders and other non-HR users. HR will be seen as being responsible for the policy and processes and consequently for any shortcomings in the fit with what the business unit needs. This is likely to impact on the relationship with business leaders and their readiness to look to HR for a strategic contribution.

Q study Factors

The multibusiness Q study confirmed five Factors, each with a different viewpoint on the SHRM and HR role experience in their own organisations.

Factor M1: Strategic partners in a supportive business environment

Sorts in this Factor are focused on the business and operate at a strategic level. They are confident in their own abilities and that they understand what the organisation needs. They enjoy close and positive relationships with business leaders, to a point where they can raise strategic issues. They look to business leaders rather than HR for sponsorship for career progression.

There are a number of organisational and infrastructural themes that support sorts in this strategic role:

- Sorts work in organisations where ways of working are broadly consistent across different business units;

- HR processes are no constraint on sorts' ability to be creative, and to manage exceptions; and
- Line managers act as people managers.

Factor M2: Business partners with more to offer

Sorts in this Factor display many of the behaviours of a strategic partner. They are focused on the business and are able to raise issues with business leaders. However, there is evidence of issues that may constrain their ability to play a full strategic partner role, for example:

- They feel that they lack autonomy;
- It takes time to plan and implement change; and
- Line managers are not experienced in people management with the result that sorts find themselves undertaking transactional activity that should fall to those line managers.

Factor M3: HR professionals supporting but not engaging with the business

Sorts in this Factor observe that the organisations they support have an explicit business strategy and that the strategy tends to be fixed rather than subject to constant change. Sorts in this Factor are not especially business-focused and do not see it as their role to engage with the business. They believe that business leaders expect them to keep to HR policy and process matters rather than raise more strategic issues.

Factor M4: HR professionals in a professional environment

Sorts in this Factor may be operating at a strategic level, and certainly believe that they have a role to play in helping to deliver the business. They appear to be very confident that the HR roles and infrastructure in place are adequate to meet business needs but are looking for a

more consistent approach from the HR community in their organisations, leading to a stronger sense of 'one team' for HR. Sorts appear to emphasise their position as competent HR professionals who are able to work with business leaders rather than as business people with a background in HR.

Factor M5: Centrist HR professionals

Sorts in this Factor place considerable emphasis on their professional competence and experience. They work hard on their relationships within the business and are confident that business leaders will listen when they raise issues. The organisations they work with do not have clear and detailed business strategies and sorts' career progression is governed by HR rather than the business units they support. As a consequence, there is an evident leaning to HR rather than the business when setting their personal performance objectives.

Factor overview

The Q analysis for multibusinesses helps to confirm an emerging model of the building blocks that need to be in place for SHRM and a more strategic role for HR. Elements of that emerging model will include:

- Business orientation – understanding how the business works and what, if any, changes may need to be accommodated;
- Business focus – sharing accountability for delivering the business;
- Credibility with business leaders;
- HR infrastructure – including the policy and process framework and the contribution of line managers as people managers; and
- Strategic intent and opportunity – whether established in a business strategy or captured in HR plans and performance objectives.

CHAPTER SEVEN: CONSOLIDATED STUDY FINDINGS

7.1 Introduction

This Chapter brings together and compares findings from the three studies, and concludes with a consideration of emerging key themes and messages relating to the practice of SHRM and the more strategic role for HR.

The studies differ in nature and coverage. The multibusiness Q analysis offers viewpoints from across a number of different organisations, the CaseCo Q analysis presents viewpoints from HR practitioners working in different business units and from different HR specialisms within CaseCo, and the semi-structured interview programme in CaseCo provides rich narrative opinion on broad HR and people management themes. While it would be reasonable to expect a degree of difference, or even conflict, within and across the studies, there are a number of points where there is strong agreement. The research interest is in identifying and evaluating those points of agreement and difference in order to determine the lessons to share for relevant theory and practice.

Section 7.2 reviews findings from the three studies in comparison with the best practice Propositions. Section 7.3 presents consolidated findings from the two Q studies. Section 7.4 sets out emerging themes and messages.

7.2 Comparison of findings with best practice Propositions

The analysis and comparison is conducted against the ten Propositions identified as being relevant for the research review.

Organisations are able to identify the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment

The need to find the right balance between 'fit' and flexibility with regard to HR policy and practice (Lengnick-Hall and Lengnick-Hall, 1988) is a challenge for any organisation. The core requirement is to provide HR policy and practice which addresses the needs and interests of the workforce, eliminating, or at least reducing, the need for exceptional treatment of individuals and teams. At a practical level it has to be accepted that there will always be a case for some exceptions in a complex multibusiness but that these should be comparatively few in number and capable of being dealt with within broad policy parameters without risking setting unhelpful precedent.

The evidence from the CaseCo interview study and the two Q studies is that it is becoming increasingly difficult to identify such an optimum fit regarding HR policy and practice, at least in a complex multibusiness. The view from CaseCo interviewees was that HR policy and practice at CaseCo had been established to meet the needs of the core business communities, with staff who may join as graduates or apprentices and progress through to the most senior positions. That HR policy and practice was not always appropriate for mature entrants joining CaseCo from senior management positions in other 'blue-chip' organisations or for staff joining new business units who would not have the traditional qualifications and competency profiles that CaseCo HR policy and practice had been designed and developed to support. CaseCo HR professionals observed that the exceptions that they faced absorbed a disproportionate amount of their resources.

Item 1 in the Q study asked if there were 'very different ways of working across the organisation'. Both CaseCo Factors ranked this positively, with +1 from CC1 and +3 from CC2. These rankings support the evidence from the interview programme.

The evidence from the multibusiness Q study is much more varied, with rankings on Item 1 ranging from Factor M3 at -4 indicating that ways of working were consistent across the organisation to Factor M2 with a ranking of +2 confirming that there were differences in the organisations represented by sorts in that Factor. A suggestion that these differences are

explained by the nature of the organisations represented is supported by the responses to Item 14, 'this is not an organisation that likes a big book of policies'. Sorts in Factor M3 ranked this at -1, indicating a view that the organisations they represent have a comprehensive policy framework. Sorts in Factor M2 ranked the Item at +2 indicating the view that HR policy is much more flexible in the organisations they represent.

Sorts in both CaseCo Factors ranked Item 14 negatively, -1 for CC1 and -4 for CC2, indicating a view that there is no shortage of policies and practice guidance and that there are different opinions as to whether this represents an advantage or a problem for HR. This is entirely consistent with the majority view from the CaseCo interview programme that there were HR policies and practice covering most eventualities but that what was available was not always a good fit for the situations they faced in particular business units.

The Q studies invited sorts to comment on whether they saw HR processes as a lever or a barrier in the practice of SHRM and a more strategic role for HR. There was near-universal support for the HR processes in place being seen as a barrier. Comments supporting this position included: that there were too many policies and processes; that processes were too complex for non-specialists to follow; and that the policies in place were not always appropriate for the particular circumstance needing to be addressed.

The summary message is that the drive for fairness and equity in HR and people management across a multibusiness can lead to increasingly complex policies that may be difficult for non-HR managers and staff to understand and interpret and which may still fail to meet business needs. An emerging question is whether it is still viable to operate with a multibusiness employment model or whether there would be advantages in moving to more of a group structure which could provide the essential scope to address exceptions without compromising existing policy and practice or setting unhelpful precedents for the whole organisation.

Business leaders look to the HR community to take a more strategic role and will support the HR community in that role

A good deal of the more normative theory and guidance on SHRM and the more strategic role for HR (Ulrich and Brockbank, 2009; Guest, 1987) develops from the presumption that business leaders wish to see their HR team adopt a more strategic role. In balance there are a number of researchers who have questioned whether this is the case in every organisation (Kaufman, 2012).

Fieldwork in the current research identifies a similar continuum of opinion on the extent to which business leaders are looking to HR for a more strategic contribution. A number of CaseCo interviewees were very positive about the support and encouragement they received, in particular from the People Partners in each service line and business unit. However, other interviewees were equally positive about the lack of interest, and sometimes resistance, they encountered from the business leaders they supported.

This continuum of opinion was also represented in the Q studies. The most positive viewpoints were expressed by sorts in Factors:

- CC1 - Engaged and appreciated HR partners;
- M1 - Strategic partners in a supportive business environment;
- M2 - Business partners with more to offer;
- M3 - HR professionals in a professional environment; and
- M5 – Centrist HR professionals.

Sorts from these Factors were also most positive about the need for them to get out into the organisation to sense what is happening and to try to understand how people in the business see what is happening. An example observation from the Q study emphasised the importance of HR being able to explain HR and people management matters in the context of the business approach and strategy. One short but powerful observation from a sort in the multibusiness Q study was 'my clients want my business input'.

The less positive view, presented by a number of CaseCo interviewees and by sorts in Factor CC2 (HR professionals targeting a more strategic role), and Factor M3 (HR professionals supporting but not engaging with the business) is that business leaders may not always see the need to consider any change to the people management models that have been working for them, and may resist attempts by HR to question current plans and strategy or to raise business rather than traditional HR and people management matters.

There appear to be at least three factors in play. First, there is the interest that business leaders have in HR and people management issues in their businesses. Some business leaders recognise that HR has a strategic contribution to make and are open to spending time on HR and people management matters. Others may be focused on securing and delivering the business and may be reluctant to consider proposals and challenge from HR, even to the point of resistance.

Second, it is clearly a responsibility of the relevant HR professionals, in particular in HR Leadership and HR Business Partner roles, to establish their own credibility with the business leaders, for example through demonstrating their understanding of key business issues and in the way that they present and support their arguments.

Third, there may be a situational consideration. Businesses that are struggling to deliver on their objectives may allocate a lower priority to people management while businesses that are doing well may not wish to do anything to change what seems to be working well. Interviewees pointed to the need to identify the right time to make more strategic proposals, and noted that this could mean waiting for a change in legislation, or the market, or in the supply of staff to the business concerned.

The research has thrown up a wide range of business leader views regarding a strategic role for the HR community, ranging from total support with HR taking a more strategic role through to resistance to HR being involved in anything but more transactional HR process matters. The key message for the HR community has to be that they cannot assume that all business leaders will be supportive of a more strategic role for HR. That more strategic role has to be earned, and building positive and trusted relationships with business leaders and other opinion leaders is an essential step in securing that role.

The fact that there is considerable evidence of far from universal support from business leaders for HR taking on a more strategic role represents a challenge to the extent to which assertions made by a number of established researchers should be regarded as generalisable.

The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation

The employer brand was seen as having a positive influence on the HR role and activities in all three studies. A strong and positive brand acted as an aid to recruitment and retention of key staff and also influenced behaviour and ways of working in the business. Business leaders recognised the contribution that brand makes to their business opportunities and saw HR taking steps to protect and enhance the employer aspects of the corporate brand.

An example quote from one sort in the multibusiness study referenced the fact that the brand was all about innovation with an acceptance that things were always changing and that not everything would go to plan. The way that HR will be expected to operate in such an innovative and agile environment will be very different from HR operations in a more hierarchical, bureaucratic, organisation. But the HR role in both organisations could be equally strategic.

Consideration of the strategic role for HR should take account of the prevailing employer brand, and any modification or responsive-adjustments that may be required to meet changing business circumstances.

HR functions are able to take a long term perspective when developing strategies and strategic interventions

The case for the 'long term' in strategic HR thinking and planning has been well established by a number of researchers (Guest, 1987; Strauss, 2011). The implication of 'long term' is that HR practitioners, with business leaders, should be able to plan and deliver policy and interventions which support current and envisaged business needs and which will remain relevant and sustainable for a reasonable period of time.

The experience of CaseCo interviewees, confirmed by Sounding Board representatives, is that it takes time to plan, design, and deliver, people management strategies and strategic interventions. The time required will depend on a number of factors, including: the nature and complexity of the strategy intervention; the design and delivery resources available; and the interest and commitment of business leaders to prioritise, or simply support, the HR proposals. It would not be unusual to plan for a complex initiative, for example a new performance management policy and process, to take several months to design, a year to pilot and refine, and a further year to roll out to all the business units in a medium- to large-size multibusiness.

The problem is that needs and opportunities change increasingly quickly. Volatility was identified as a barrier to the more strategic role for HR in CaseCo interviews and in both Q studies. There were a number of reasons advanced for seeing volatility as a barrier to long term strategy for HR. These included: business leaders responding to a shift in demand for services by enforcing a focus on clients and markets, with people management themes and issues taking a back seat; and a tendency for businesses to react with knee jerk rather than thought-through, more strategic, responses to emerging difficulties or opportunities.

One message emerging from the CaseCo interviews was that HR needs to be able to move more quickly to develop and deliver policies and processes. One option proposed was that HR should stop trying to deliver the superior policy and practice that would be admired by HR professionals from other organisations and should focus on what would work in a business or business unit. This view from the interviews is supported by the fairly neutral views from Factors in both Q studies in response to Item 30, 'Centres of Expertise and

external specialists are there to provide best-in-class advice, guidance, and services'. The Factor rankings on this Item varied from +2 to -1 suggesting that delivering workable solutions should take priority over the search for 'best-in-class'.

While it remains the case that many organisations, in particular many public sector organisations, still feel sufficiently confident about the 'long term' to be able to agree and publish People and HR strategies with a three- or five-year timeline, there is evidence from the current research to suggest that this long term perspective may be the exception. Appendix G presents summary findings from the review of published People and HR strategies. Those findings appear to support the view that public sector organisations are often likely to be working to a three or even five-year programme – the 'long term' perspective – but that the timelines for private sector organisations are much shorter.

Knowledge-based businesses may be particularly susceptible to market volatility but changes in the digitised and networked business environment may see organisations moving more quickly, with significant and speedy changes in plans, strategies and ways of working in order to remain competitive. This presents a particular challenge for HR as strategic interventions have traditionally taken a considerable time to plan and deliver, and before the envisaged benefits are secured. HR must learn to accept practicality over perfection, and deliver solutions to people management issues and opportunities within the timelines available to the businesses served.

An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role

CaseCo operates with a high-level corporate business strategy and with performance objectives set for business units. Business leaders and their teams are then charged with determining how best to achieve those performance objectives.

One CaseCo interviewee confirmed that the business unit she supported had an explicit business strategy. The business unit strategy provided the information necessary to draft a people/HR strategy for the business unit that was then agreed with the business leaders.

This is substantially the strategic process that researchers (Schuler, 1992; Schuler and Jackson, 1987) have recommended, but only one CaseCo interviewee was able to point to such a business strategy.

Other interviewees observed that the business units they supported were clear about the business objectives they were tasked to achieve, but that the business unit approach to achieving those objectives was often to follow a 'business as usual' model with the resources and ways of working that were already in place, and to respond in real time when change was forced on them, for example to address a shift in market interests or opportunities.

Events such as the entry of a new partner or the acquisition of a new business would have a significant effect on the workload for HR but such events could be opportunistic. Even where there were plans to grow or transform a business in this way, there could be no guarantees of appointing any new partner joiners or of making the planned acquisitions.

The CaseCo Q study responses confirmed the interviewee experience. Both Factors, CC1 and CC2, were fairly neutral in their response to Item 7 asking if the business unit(s) they supported had 'a clear and detailed business strategy'. The ranking from Factor CC1 was +1, and the ranking from Factor CC2 was -1.

As might be expected there was more of a spread of opinion in the multibusiness Q study although the general picture is similar to that for CaseCo. The ranking from Factor M3 was +4 indicating that there were clear and explicit business strategies in place. The rankings from the other Factors moved from neutral, with Factor M1 on a ranking at 0 and Factors M2 and M4 with a ranking of -1, to more negative, with a ranking of -2 from Factor M5.

The CaseCo interviewees had indicated that there were concerns that staff felt that business unit strategy and the approach to people management, whether or not specified and detailed, changed frequently and without warning. This potential concern was followed up in Item 20 of the Q studies, 'people think that the organisation's strategy and people message changes every five minutes'. The CaseCo Q study responses to the Item statement were

negative, with a ranking of -2 from Factor CC1 and a ranking of -1 from Factor CC2. This suggests that there were no major concerns, although the potential for concern is not dismissed at those levels. The multibusiness Q study responses are only slightly more varied. The ranking from Factor M1 is -3, suggesting that the experience has been that the business tends not to deviate from plans. The rankings from the other multibusiness Factors, at 0 or -1, are closer to those from the CaseCo Q study.

Very few of the organisations in the multibusiness Q study had adopted an explicit business strategy. The majority of organisations appear to be operating only with a statement of high level aspirations leaving business units with broad growth, profitability, or other performance targets to be achieved. This situation may arise for a number of reasons. One possibility is that the market situation is constantly changing and the business feels the need for greater flexibility to be able to capitalise on strengths or address potential weaknesses. A second possibility is that there are already established ways of working, a clear understanding of the status quo, and no significant threats or new opportunities on the horizon.

In place of an explicit business strategy it is likely that there will be business or business unit objectives and that the strategic intent will be inferred rather than explicit. There was clear support from both Q studies and in the CaseCo interviews for the contribution of a people strategy to effective people management, demonstrating the commitment to staff and also providing a focus for HR. People strategy was seen as a lever for SHRM and the more strategic role for HR.

HR cannot rely on there being an explicit business strategy as the foundation for the development of a people and HR strategy. But it is clear that businesses and business units will follow some form of strategy or strategic direction, even where this is only at the level of business-as-usual with the aim of achieving identified business objectives. This may be referred to as a plan and is likely to specify and commit to the objectives to be achieved without detailing the strategy that the business will employ and follow to ensure that those objectives will be achieved.

CaseCo interviewees met business leaders regularly and attended business unit leadership meetings. They were therefore able to learn about developments and plans, although

sometimes that sharing of information took place too late for HR to make a meaningful contribution. Interviewees had developed different, not always strategic, approaches to identify and address people management needs and priorities. A number of HR Business Partners had prepared, and consulted on, HR strategies that were then agreed by business leaders. Other HR Business Partners had included strategic considerations in their personal performance objectives and agreed these with the relevant business leaders. These are not perfect solutions but they can go some way to meeting HR's more strategic responsibility.

The responses from the Q studies are particularly interesting. Item 23: 'When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year' is perhaps the most relevant. There were two, distinctly different, types of response.

The more positive response, with rankings of +2, came from Factors CC1, M1, M3, and M4, suggesting that sorts in those Factors were able to bring forward strategic plans for HR through business leader reviews of their personal performance objectives. Factors CC2, M2, and M5 ranked this at 0 or -1, suggesting that there were difficulties or sensitivities to be addressed. Those difficulties or sensitivities may be linked to their perception of how difficult it is to make change in the businesses and business units they support (Item 22) as sorts in Factors CC2, M2, and M5 think that it always takes time to make change in the business as 'there is always someone else you have to speak to'.

Having access to an explicit business strategy, and/or being in an organisation where business intentions and plans are clear and consistently interpreted, creates an ideal environment for the HR community to align with that strategy and to take on a more strategic role. But many businesses are operating without detailed plans and strategies. The HR community retains a responsibility to act in the best interests of the business and the people in the business. HR will need to build on existing relationships with business leaders and key stakeholders to ensure that HR policy and practice, including key initiatives and interventions, are properly aligned with business leader plans and preferences.

It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of the organisational strategy

The clear message from the CaseCo interviews and Q study is that HR is most effective when supporting a People Partner, a partner with leadership responsibility for people management in the business unit. The rationale is that partners in general will see the People Partner as at least an equal and will be more likely to be influenced on strategic matters by the People Partner than they would be by a representative from HR.

None of the sorts from the multibusiness Q study were on the Board of the businesses they supported but a number were members of Management Teams, having regular contact with CEOs and other business leaders, being consulted on business plans and planned developments, and being asked to contribute on HR and people management matters.

An observation from members of the research Sounding Board was that HR professionals who did sit on Boards or Management Teams were most commonly expected to contribute on the full range of business decisions rather than focus only on HR and people management topics, with the risk that they became distanced from what was happening on the ground in HR. One common outcome from this arrangement was that the Board member needed to consult HR professionals on points of detail in much the same way that CaseCo People Partners turned to their HR support teams for advice and guidance.

The range of views from HR Business Partners and HR Leaders suggests that this is a situational issue where there can be no single right way for HR to expect to be involved. It is clear that HR has a role in strategy implementation but the extent to which HR professionals are able to shape, or otherwise influence, that strategy will depend on a number of variables. Those variables will include: the readiness of the leadership team to engage with an HR specialist rather than business leader equals; whether the business recognises that it has an opportunity or a problem with HR and broader people management issues; and the credibility of the local HR representative.

Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role

The shared service organisation model for HR has been adopted by many knowledge-based multibusinesses. CaseCo has been operating with a shared service HR model for more than 10 years.

The research found broad support for organising HR with HR Business Partners, Centres of Excellence/Expertise, and Service Centres. In particular, a number of respondents in HR Business Partner and Operations roles were very positive about the support they received from Centres of Expertise. However, there was evidence of tensions between and across those communities. For example, there was a concern noted in the interview study that Centres of Excellence should not develop policy and practice proposals without sufficient engagement with those HR Business Partners who should be best placed to comment on the particular needs of the businesses and business units they supported. This concern, addressed in Item 17 of the Q study, 'Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower', was positively supported by sorts in two Factors, CC2 with a ranking of +2 and M5 with a ranking of +3. Sorts in the majority of other Factors were more neutral, with rankings between +1 and -1.

An interesting observation is that sorts in Factor M3, the Factor with a majority of sorts from Centres of Expertise, ranked Item 17 at -2, suggesting that they did not share the concerns raised about the need for networking with their HR colleagues before recommending a course of action.

The summary message about the shared service model is that there is broad support for multibusinesses of sufficient size adopting a shared service organisation model for HR. The concerns that arise can be traced back to communications and the interrelationships between the key organisational elements. Ulrich (2015) has accepted that communication and relationship issues can arise in shared service organisations. Ulrich recommends that

organisations should stop thinking about the boxes on an organisation chart and should pay more attention to the need to improve relationships.

The related theme under this Proposition has particular implications for the HR Business Partner role. The shared service model, in particular, positions HR as a strategic actor to be aligned with the business, and all of the HR Leaders and many of the HR Business Partners who were interviewed or who participated in the Q study confirmed that they played at least elements of a more strategic role.

To review the appropriateness of this Proposition, and the theory from which it is drawn, it is important to consider certain of the levers and barriers identified in the Q study. Key factors that were seen as levers enabling the more strategic role included: business leader sponsorship and representation; the broad people strategy in place; and HR Leadership itself.

It is essential that the organisation recognises and values the strategic importance of human capital and that there are business leaders who are ready to sponsor and support HR in playing the strategic role. The role for HR Leaders is to help to create and support an environment where the wider HR community can operate as a strategic partner, accepting that while some business leaders will welcome the opportunity for HR to assist the business to address particular needs or opportunities, there will be other business leaders who are content to progress with the status quo and who may resist any attempt from HR to elevate to a more strategic role.

The Q study also identified a number of barriers that would constrain the opportunity for HR to play a more strategic role. There was broad recognition that overcomplicated or inflexible HR policy and practice was a major barrier, not least as it meant that HR practitioners were often required to play a more transactional role in interpreting policy and practice which should have been sufficiently relevant and clear to encourage and support line manager and staff self-service.

HR systems were identified as a particular barrier. Evidence presented identified a number of problems. There was a well-supported view that there was insufficient investment in HR systems. This led to HR practitioners filling information gaps with spreadsheets and other more transactional systems, and spending time in collating information that could have been used, more valuably and more strategically, in analysis and planning. A related concern was that systems were insufficiently joined-up, leaving HR practitioners without comprehensive and reliably accurate data from which to develop recommendations that could be presented to business leaders as a business case for action.

There are a number of Q study Items relating to HR delivery in a strategic role. Many of the Items could be seen as 'demand side' Items, for example Item 22, 'It takes a lot of time to change things here: there is always someone else that you have to speak to' which have already been considered in relation to other Propositions but there are other Items which are relevant to this Proposition concerning adoption of the business partnering role.

The Factor rankings regarding those Items indicate a broad spread of opinion about the role and what helps or constrains HR in taking on that role. For example:

- Item 13: 'the critical thing here is helping to deliver the business' attracts a range of rankings from +4 from Factor CC1 to 0 from Factors M1 and M3;
- Item 40: 'to deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds' attracts a wide range of rankings from +4 from Factors M1 and M2 to -1 from Factor M3; and
- Item 36: 'I get my credibility from having relevant practical HR experience and strong organisational development credentials' attracts rankings from +3 from Factors M1 and M5 to -2 from Factor M3.

There is no doubt that adoption of a business partnering model can enable the HR community to play a more strategic role. It is, however, important to recognise that adoption of the model requires more than a change in designations and role profiles. It is critical that

the organisational environment is supportive of the change in role, and also that HR actions are underpinned by an appropriate infrastructure covering HR policy and systems. Unless the circumstances are supportive, HR may be constrained in regard to the proposed more strategic role.

Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently

Relevant research points to the many and varied benefits of HR service centres and the adoption of appropriate portal and similar self-service technology. There are many arguments in favour of employees and managers being able to provide and access personal information and relevant policy and practice guidance. Self-service should improve the accuracy of data held, and by encouraging employees and their managers to address people management issues, should reduce the transactional workload of the HR community, freeing-up HR Business Partners and other HR professionals to operate at the more strategic level. The business case for service centres has been seen to be so clear and so strong that Ulrich (Ulrich and Growchowski, 2012) and other researchers and practitioners have identified service centres and the application of HR technology as areas that are safe and indeed beneficial for an organisation to consider outsourcing.

The current studies have identified a number of practical problems that respondents have experienced with HR technology and service centres. First of these is that in a complex multibusiness there will be different communities of users, with different experience of the technology and systems in place. Users who joined an organisation as graduates or apprentices will become familiar with the way the technology and systems work and, if sufficiently motivated, will be able to find the information they need without too much time or trouble. Mature hires joining at a more senior level may not have the time or inclination to use the technology and will find it easier to go direct to their local HR Business Partner for support.

It is also clear that self-service is an attractive option for users only if they are able to find what they need quickly, and if the guidance is clear and understandable. Sorts in both Q

studies identified existing HR policy and practice guidance as a barrier as the policies often tended to be overcomplicated and the guidance was not clear. One sort commented on the HR policies being so complex that queries that should have been addressed in the Service Centre were directed to the local HR Business Partner or Centre of Expertise for clarification and resolution.

There is strong evidence from the Q studies that HR technology and systems in place fall short of what is required to encourage staff and manager self-service, presenting a barrier to SHRM and the more strategic role for HR. Example comments from across the studies point to problems that systems are slow and prone to failure, and that the information produced is often unreliable.

These in-practice difficulties with what is otherwise a sound organisational model can lead to criticism of the HR community when managers and employees cannot easily and confidently access the information they need. One adverse consequence is that HR Business Partners and staff in Centres of Expertise may need to be unhelpfully engaged in more transactional, and less strategic, activity.

One unexpected message from the current studies challenges the long-standing assumption that line managers will take a lead role in people management with regard to their own teams. Adoption of shared service models should provide managers with access to appropriate policy guidance and personal information on team members, ensuring that they are able to deliver their people management responsibilities consistently and effectively.

The observable reality from the current research challenges both the assumption that line managers will play a proper role in people management, and that they will be assisted in that role by the shared service organisation model. One concern is that difficulties with HR policy and systems, addressed in more detail under other Propositions, will mean that line managers cannot always rely on access to the guidance and information that they would need for efficient and effective people management. There is a second consideration, supported in particular by evidence from the CaseCo interview study, that some business units appear to be prepared to prioritise line manager engagement in winning and delivering business over their role in people management.

The Q studies indicate the widest possible range of views on the experience of line managers on people management issues (Item 9). The range extends from +4 from Factor M2 indicating strong agreement with the statement 'line managers here tend to have less experience of people management than their counterparts in other organisations' to -4 from Factor CC1 indicating strong disagreement with the statement. Accepting that the bar for line managers managing their people may or may not be particularly high, the suggestion from this research is that there are considerable variations and that it is unwise to assume that all line managers are equipped, motivated, and sufficiently-well supported to play a proper role in people management. Cooper (2016) has suggested that organisations should provide more training for line managers but the key driver is whether an organisation is serious about line managers, rather than HR or other communities, sharing or taking that role. If organisations are genuinely committed to line managers being people managers that should be reflected in their recruitment, career progression, and performance management, with an acceptance that people management is at least as critical as winning and delivering other aspects of the business.

In summary, while shared services and employee and manager self-service have been shown to work well in some organisations and for other functions, in particular in Finance, there is no universal and absolute guarantee that the model will deliver all of the claimed benefits. Organisations considering a move to an HR shared service model would be well advised to consider the nature of their user communities and the relative simplicity and clarity of HR policy and practice guidance.

Increasing role specialisation in HR means that the role of the HR generalist is diminished

There is a substantial body of practice guidance that suggests that HR roles in a shared service organisation model are for specialists and that the generalist role should be phased out. The case for reviewing this Proposition in the research, in particular for including a specific Item statement in the Q studies, was prompted by comments from one of the CaseCo interviewees. His view was that he was, by knowledge and experience, an HR generalist but that the work demands he was facing were increasingly specialised. As a

consequence, he believed that his generalist 'personnel management' contribution was less valued than it had been.

It is clear that there are different, but strongly-held, views on the Proposition and these are perhaps best captured in findings from the Q studies. In the CaseCo Q study, both Factors, CC1 and CC2, expressed strong disagreement with the Proposition reflected in Item 37 which suggested that 'There is no longer any role for the 'HR generalist'. Sorts in Factor CC1 ranked this at -3 and sorts in Factor CC2 gave a ranking at -4. In the multibusiness Q study, there was equally strong disagreement for the Proposition from Factors M2 and M5, both ranking this Item at -3, and from Factor M4, with a ranking of -4.

Factors M1 and M3 both ranked Item 37 at -1, indicating support for the continuing role of the HR generalist but: at a lower level than other Factors; and possibly for different reasons. Sorts in Factor M1 occupy HR Leadership and HR Business Partner roles and it is reasonable to see them as strategic partners to the businesses they support. Their focus is on the strategic needs of the business and how best to meet those needs. Sorts in Factor M3 occupy senior-level roles in Operations and Centre of Expertise, and their viewpoint is therefore that of a specialist.

The different arguments for continuance of the role can be considered in three clusters. First, there is a view that SHRM, at least in multibusinesses, is such a complex activity that practitioners need to be able to understand how various specialist activity might fit together, or to identify possible gaps or conflicts between specialist plans and proposals.

There is a second cluster of views suggesting that business leaders and line managers look to their HR support to be able to interpret the more specialist and technical messages, and to be able to explain how specialist activity will impact the business or business unit.

Finally, there is an argument that over-specialism may lead to less interesting and fulfilling jobs for HR practitioners. One of the concerns here is that if their role is not interesting HR practitioners may not feel fully motivated and committed to that role.

The summary message is that the HR generalist role is alive and well, and the research evidence suggests that it has value for organisations and for HR practitioners. However, the role for the 'HR generalist' today should be significantly different from the HR administration and general purposes role that shared service models were expected to modify and replace. The argument is for rounded professionals who can properly understand and represent the broad range of HR activity and determine how actions and interventions may impact on businesses.

Related to issues of specialisation and any diminished role for the HR generalist is a concern about losing professional skills. This issue was raised in the CaseCo interview study and received positive rankings in each of the Q studies, from Factor CC2 and Factor M3 both with a ranking of +1 on Item 35, 'I do have concerns about deskilling, losing some of my HR skills', while the ranking from Factor M5 was neutral at 0. Other Factors in the Q studies showed no such concerns, with rankings from -2 to -4.

Analysis of the Q sort evidence suggests that there is a link between the concerns that sorts may have about losing professional skills and the role that business leaders expect them to play. Sorts with concerns about losing professional skills are in the Factors most likely: not to be confident that business leaders will accept challenge (Item 27); and to believe that business leaders would expect them to focus on process things rather than what the business needs (Item 24, 'What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things"'.)

Comments made in the interviews and in explanation of rankings in the Q study suggest that the concerns that exist fall into two camps. First, there is a concern from a few very-experienced HR professionals that they are not being given the opportunity to display their full range of skills in HR, OD, and change management. Second, there is a concern from HR professionals who are in the process of developing their competencies that the role they occupy does not allow them to gain exposure to OD skills, change management or related skills while they focus on 'transactional problem fixing'. Again these concerns are raised by individuals, interviewees and sorts, who do not have positive and strategic relationships with business leaders.

The general view appears to be that any risk of HR losing professional skills will be situational, perhaps limited to those situations where there is an expectation mismatch. This would arise where an HR practitioner with strong skills across HR and in organisation development and change is deployed to a business unit where they have little opportunity to use the full range of those skills.

To fulfil a more strategic role the HR function must develop and demonstrate competencies in: business understanding; HR knowledge and experience; credibility as a trusted advisor; and a broad range of skills that can be considered under the broad heading of consulting skills

A number of researchers and practitioner organisations have proposed competency frameworks for the HR community. Those frameworks have tended to change over the years as circumstances, and the comparative competence levels of HR practitioners, have changed. The current research has looked at 'clusters' of competencies as themes drawn from existing research and practitioner guidance.

Business understanding

Existing research points to the importance of HR professionals having a good understanding of the business or business unit(s) they are supporting. This argument is well supported but still leaves some room for interpretation as to exactly what is meant when researchers and others emphasise the importance of business understanding. At one extreme is the argument that HR professionals would be required to be familiar with the type of business or business unit before they take up a new appointment.

The current research confirms the recognition that businesses have different people needs and that HR professionals should be sufficiently business-aware to be able to understand the particular challenges facing, and opportunities open to, a business. In this sense 'business-aware' implies that the HR professionals should have a good understanding of

business principles and practice and be able to secure an understanding of the ways of working and broader business needs of the business or business unit they are supporting. There is evidence from the Q studies (for example in relation to Items 28, 31, and 40) of the perceived importance for HR in learning about the business and understanding how people in the business see what is happening.

HR knowledge and experience

The HR knowledge and experience required for each of the three main shared service elements will differ. One of the key issues is whether the knowledge and experience is already in the HR community or whether there is a shortfall to be addressed.

Centres of Expertise require people with a deep understanding and experience of a specialist area, for example for Expatriate Management or for Employee Relations. Organisations have a long history of employing specialists, either directly as HR staff or through consultancies or other external agencies. This is not a new area, and is one where knowledge and experience are both present and likely to be valued by other members of the HR community.

HR service centres will be resourced with Operations staff. They are not expected to be the experts in any topic but rather to be able to access existing policy and practice in order to provide managers and staff with accurate and clear advice and guidance. The extent to which Operations staff will need to have HR knowledge and experience will depend on the environment in which they are working, and may vary from not being allowed to share anything that is not already scripted to working on projects with, or for, other HR professionals.

HR Business Partners may be seen as the embedded 'face' of HR for the business or business units they support (Item 6). As such, and in particular as the right hand person for business leaders, they may be expected to be knowledgeable and experienced regarding everything to do with HR and people management. There is broad research agreement that

the competencies of the HR Business Partners are likely to be the most problematic in any shared service organisation.

Evidence from the current research confirms the expectation that HR Business Partners will have a broad, and sufficiently deep, understanding of the full range of HR and people management. A number of very experienced interviewees were confident that their own knowledge and experience was such that they would be able to meet that expectation (Item 36). The alternative strategy, adopted by many of the HR professionals interviewed and from the Q studies, was to be able to access a personal network of colleagues (Item 16). The Q study identified HR colleagues as one of the most recognised levers for SHRM and a more strategic role for HR.

Credibility as a trusted advisor

The research confirmed that the HR professionals interviewed or contributing to the Q studies saw building strong and positive relationships with business leaders and other key stakeholders as critical to their ability to operate strategically. The need was to secure the trust of the key people, in particular of the business leaders who would act as sponsors for HR and broader people management activity (Item 15). Without that trust HR would never be seen as a strategic partner (Items 24 and 27).

HR professionals have adopted a number of different strategies to secure that trust. More experienced HR professionals might simply play to the strength of their own knowledge and experience, promoting confidence by showing confidence (Items 10 and 36). Other HR professionals recognised that the way to gain trust was by being seen to be committed to working in the business or business unit, even where this meant working on transactional rather than strategic matters (Item 8).

The summary message is that there is no single best way to gain credibility. The challenge for HR is to determine which approach will work best with the leaders and key stakeholders in any business or business unit.

Consulting skills

The current research supports the argument that HR professionals should be able to deploy broad competencies covering more effective ways of working. Example competencies would be in: stakeholder analysis; project management; communication; risk analysis and management; and change planning and management. There was some evidence from the Q analysis of the positive value of development programmes for HR Business Partners that targeted personal improvement in these competency areas. It seems possible that HR not possessing, or not being especially proficient in, such competencies opens the door for the appointment of line managers and consultants into HR roles.

Overview

There is a wide choice of competency models for HR. The current research has looked at clusters drawn from a range of those competency models, and the broad message is that there is general support for the themes contained in those existing frameworks.

The possible point of novelty regarding existing research and guidance is in how the HR professionals demonstrate a competency. For example, the research identified different views from interviewees and Q study sorts regarding whether an HR Business Partner must have broad and deep HR knowledge and experience or whether they can supplement their own knowledge and experience with ready access to a network of colleagues who collectively can address any challenge; and regarding the extent of knowledge about a particular business that an HR Business Partner needs before they are appointed.

7.3 Consolidated findings from the Q studies

There were separate Q studies for CaseCo and for multibusinesses. However, subject to minor changes of wording to reflect CaseCo terminology, for example 'firm' instead of

'organisation', the Item statements are the same for both studies. It is therefore possible to create a consolidated Q analysis in order to explore where experience is similar or differs, and what messages and themes appear.

Analysis of the consolidated Q sorts confirmed two Factors: Factor CO1 with 31 sorts and Factor CO2 with five sorts. Twelve sorts were flagged as non-significant, not loading significantly, at or above 0.41, on either of the two confirmed Factors. Table 7.1 below presents the 40 item statements that each participant was invited to read and rank on the -4 to +4 scale. The numbers shown in the columns under the sub-headings Factor CO1 and Factor CO2 are the rankings for each item statement for each Factor.

Table 7.1 Factor Q sort values for each item: Consolidated Q studies			
Item	Statement	Factor CO1	Factor CO2
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.	+2	+2
2	Working here is about favours, helping people and then expecting them to help you.	-3	0
3	I have a lot of autonomy in my role. I get a lot of space to do things.	+2	-2
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.	-1	0
5	Sometimes I think that we just skim the surface of people issues.	0	+3
6	I am the face and voice of Human Resources for the Business Unit(s) I work with.	+1	-1
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy.	0	-1
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves.	-1	+2
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.	-1	-1
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.	+4	0
11	There is a growing emphasis on data and analytics in my job.	+1	+2
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.	-2	+4
13	The critical thing here is helping to deliver the business.	+3	-1
14	This is not an organisation that likes a big book of policies.	-1	-3

Table 7.1 Factor Q sort values for each item: Consolidated Q studies			
Item	Statement	Factor CO1	Factor CO2
15	I work hard on my relationships and that gives me an edge in the work that I do.	+3	0
16	You need to be technically savvy. You need to know your HR management or be able to network your way around.	+1	+1
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower.	+1	+2
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.	0	-2
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills.	-1	0
20	People think that the organisation's strategy and people message changes every five minutes.	-3	-2
21	I have learned not to show emotion.	-2	-2
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.	0	+4
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'.	+1	-4
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."	-4	+1
25	I quite like fast-paced things and the opportunity to really get involved with the business.	+2	+1
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths.	0	0
27	Business leaders accept challenge as long as your explanation makes sense.	+3	-3
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here.	0	+1
29	I feel that I almost have to reinvent myself every time I go to different Business Units.	-3	-1
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services.	0	+1
31	You need to be business-focused but you cannot be too judgemental.	+1	0
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.	+2	-4
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach.	-2	+1
34	I rely on sponsorship from the Business Unit(s) for my personal career progression.	-2	-2

Table 7.1 Factor Q sort values for each item: Consolidated Q studies			
Item	Statement	Factor CO1	Factor CO2
35	I do have concerns about deskilling, losing some of my HR skills.	-2	+3
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials.	0	+1
37	There is no longer any role for the 'HR generalist'.	-4	-3
38	Sometimes I think that we over-engineer and overcomplicate things.	+2	+3
39	We still have a long way to go to become one team in HR.	-1	+2
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.	+4	0

Factor CO1 has an Eigenvalue of 13.7 and explains 29% of the variance. Factor CO2 has an Eigenvalue of 3.9 and explains 8% of the variance.

It is not the intention to present these consolidated Factors at the same level of detail as applied for the CaseCo and multibusiness Q studies but rather to identify common themes and the nature and direction of different views. Themes adopted for this further analysis are:

- Organisational context;
- Engagement with business leaders;
- HR policy and practice; and
- Personal competencies and capacities.

Item statement numbers and Factor rankings for the Items are shown in brackets.

Organisational context

Sorts in both Factors recognise that there are different ways of working in business units in their organisation (Item 1: CO1, +2; CO2, +2). There is no certainty that their organisation will have a clear and detailed business strategy (Item 7: CO1, 0; CO2, -1), but there is a view

that strategy and people messages are not subject to frequent change (Item 20: CO1, -3; CO2, -2).

Sorts in Factor CO1 recognise the importance of contributing to delivery of the business (13, +3) but sorts in Factor CO2 see this as a lower priority (13, -1). On a similar theme, Sorts in Factor CO2 do not include business issues in their personal performance objectives, but it is likely that sorts in Factor CO1 will (Item: 23: CO1, +1; CO2, -4).

Sorts in both Factors share a view that the line managers they work with have some experience of people management (9, -1) but this may have different implications for each Factor. Sorts in Factor CO1 are much less likely to feel that they spend too much time dealing with routine matters that should be managed by other people than sorts in Factor CO2 (Item 8: CO1, -1; CO2, +2).

Engagement with business leaders

Sorts in Factor CO1 recognise the importance of building relationships (15, +3) and of getting out into the business to find out what is going on (40, +4). They see it as part of their role to be prepared to challenge business leaders (32, +2) and believe that business leaders will listen to, and accept, that challenge (27, +3) even when it relates to business issues (24, -4).

In direct contrast, sorts in Factor CO2 are less focused on building relationships (15, 0) and do not see it as a priority to get out into the business (40, 0). They may see that the way to get things done is through favours (2, 0) something that is definitely not supported by sorts in Factor CO1 (2, -3).

Sorts in Factor CO2 do not think that they are there to challenge business leaders (32, -4). Their experience is that business leaders are unlikely to listen to any challenge, however sensible, (27, -3) even to the point of resistance (24, +1).

HR policy and practice

There is reasonable agreement between the two Factors regarding whether the organisation is clear on things needing to be loose or tight (Item 4: CO1, -1; CO2, 0) and that there is a tendency to over-engineer or overcomplicate HR policy and process (Item 38: CO1, +2; CO2, +3). But there are significant differences of opinion on other Items.

Sorts in Factor CO2 appear to place more emphasis on HR policy and practice. They believe that their organisation may tend to skim the surface on these matters (5, +3) but that the policy framework is excessive (14, -3) to a point where the weight of policy and process prevents them from being creative and strategic (12, +4).

Sorts in Factor CO1 are more relaxed about the impact of HR policy and practice. They are also less concerned about the possibility that they are simply skimming the surface on policy and practice (5, 0) and feel less oppressed by the weight of policy (10, -2), observing that there may be a 'big book of policies' (14, -1) but not one that stops them being creative and strategic (12, -2).

Despite their apparent concern with the weight of HR policy and practice, sorts in Factor CO2 are much more likely to promote the need for a consistent approach in HR (Item 39: CO1, -1; CO2, +2) and the need for HR to operate as 'one team' (Item 33: CO1, -2; CO2, +1). In contrast, sorts in Factor CO1 place strong emphasis on their pragmatism, and readiness to deal with exceptions (10, +4) while sorts in Factor CO2 are fairly neutral on this point (10, 0).

Personal competencies and capacities

Sorts in both Factors recognise the importance of basic HR knowledge and experience (Item 16: CO1, +1; CO2, +1) and of having credible skills in OD, but sorts in Factor CO2 show a

considerable degree of concern about losing their HR and related skills compared with sorts in Factor CO1 who see no cause for concern (Item 35: CO1, -2; CO2, +3).

The importance of building and sustaining key relationships has been mentioned earlier in the context of engagement with business leaders, with sorts in Factor CO1 stressing the importance of relationship management and sorts in Factor CO2 being less interested.

Change is clearly an issue. Sorts in Factor CO2 emphasise the problems of making change (22, +4) while sorts in Factor CO1 are cautious but significantly more positive (22, 0).

Sorts in both Factors see an increase in the relative importance of data and analytics in their job (Item 11: CO1, +1; CO2, +2).

Review

There has been a consistent message through the Q studies that there are HR communities (Factors) that are engaged with key stakeholders in business issues and believe that they have been given the autonomy and space to make things happen, including supporting exceptions to existing HR policy and practice where these are in the best interests of the business unit they work with. There is also evidence of HR communities that are not so clearly engaged with the business, perhaps because they do not enjoy such close and positive relationships with business leaders or because they feel responsible for more transactional HR activity. This second community appear to be more likely to promote the case for the HR function to operate as one team and to support having greater consistency across their organisation in the approach to HR policy and process.

7.4 Emerging key themes and messages

The four research pillars (Organisational context; SHRM in practice; HR roles and responsibilities; and HR competencies and capacities) have provided structure to guide and

support the fieldwork and analysis of findings. The research fieldwork across the three studies has delivered a rich and varied collection of experience and views on how SHRM is practised in different business units and different organisations, and on ways in which adoption of the more strategic role for HR is supported or constrained. The research challenge is how best to bring consistent themes and messages together and to explore where and why differences exist. The themes and messages emerging from the research and analysis suggest a theoretical model with a similar, four block, structure. The proposed model structure reflects those factors and relationships that appear to be most influential in determining whether HR is able to play the strategic role.

First, there is the clear influence of the organisation, in particular: whether the employee community is homogenous or operating with very different ways of working; and regarding the business leader awareness and interest in HR and people management issues and opportunities. Second, there is the opportunity for HR to take a more strategic role. This may be demonstrated: through formal HR and People strategies aligned with the strategic intent of the organisation, possibly represented in a business strategy but more likely being deduced from business plans and operations; or in planned or reactive strategic initiatives or interventions required to protect, sustain, or grow the business.

The third cluster embraces the strategic HR community, in terms of: roles and responsibilities; competencies; and ways of working. The fourth and final cluster relates to the infrastructure for people management in the business and will include: HR policy and process; systems and technology; staff and line manager responsibilities and actions; Service Centres; and Centres of Expertise.

Taken together these four clusters represent the building blocks for a more strategic role for HR (Figure 7.1).



Figure 7.1: Building blocks for a more strategic role for HR

The building blocks model is developed further in the following Chapter drawing out final conclusions from the research, but there is one consideration that should be registered here. Each item in each cluster in the model building blocks has the potential for a positive or negative impact on whether HR is able to play a strategic role. But each of the items and the cluster in each of the building blocks may also influence the potential contribution from the other building blocks. Each building block is strongly related to the others and no block can stand alone. For example, regardless of the time and other resource invested in developing the personal competencies and capacity of HR practitioners, they will not be able to operate consistently at a strategic level if they are not fully supported by the business or if they risked being diverted from strategic matters by failings in the human capital management infrastructure.

This recognition of the importance of the relationships between the building blocks is a feature of the proposed model that reflects the complex reality experienced by HR practitioners and represents a dynamic development from one-dimensional and more static research models.

CHAPTER EIGHT: CONCLUSIONS

8.1 Introduction

The research and practice guidance on the whole area of SHRM and a more strategic role for the HR function brings together both normative, more prescriptive, guidance on what should be happening and empirical evidence of what is happening and the challenges and opportunities faced by HR practitioners in different organisations. The research intention was to explore the extent to which best-practice, generally normative, guidance from researchers and other professionals, is relevant for a multibusiness with a number of business units at different levels of maturity and operating in different, although often related, markets. The findings from the fieldwork research in CaseCo and then across a number of multibusinesses have identified a number of common themes and suggested areas for review and further analysis in relation to both theory and practice.

Contribution – overview

The research makes contributions to relevant theory, the practice of strategic HR, and research methods. These contributions are introduced in summary here and developed in the following Sections.

There are two contributions to academic theory. The first of these offers a theoretical framework for a more strategic role for HR in complex organisations. The proposed framework draws on organisational theory, in particular resource-based theory, dynamic capabilities theory, and social exchange theory. Findings from the interview and Q studies have confirmed the relevance of all three theories to the complex, and sometimes contradictory, needs and interests of human capital in a multibusiness, with different theories having a particular relevance at different levels of the organisation and for different business units.

The second academic contribution is derived from the four-box building blocks model describing the contextual conditions to be satisfied for HR to play a strategic role in a complex, multibusiness, organisation. The four-box model is developed from the situational reality experienced by HR professionals in multibusinesses and describes both the contextual conditions that need to be in place for HR to play a strategic role, and the key relationships between the boxes in the model. The model embraces learning from the theoretical framework, and reflects the need for strategic HR activity to reflect and address business and employee needs and to respond, positively and appropriately, to any changing needs and opportunities in the overall business context or at the level of the business unit or the individual.

There are two elements to the practice contribution. The first contribution is made in evaluating the multibusiness relevance of ten Propositions abstracted from best-practice research and practice guidance on SHRM and the role for HR. The second contribution is in proposing the adoption of the four-box building blocks model as the base for the development of a diagnostic tool to assist organisations and HR professionals to identify and plan the steps they may need to take to establish HR in a more strategic role.

The research methods contribution relates to the adoption of Q methodology for two of the research studies, in order to capture and reflect the real-life experience of key HR actors, understanding how they view their role, and the challenges and opportunities they face in operating at a strategic level. This appears to be the first time that Q methodology has been used for a study of SHRM and the role of HR (Sulphey, 2014) and the rich and detailed evidence arising from the Q studies, and the unsolicited positive messages from participants in those studies, suggest that this is a valid method to use for further studies into SHRM and related matters.

Section structure

This Chapter includes the following Sections:

- 8.2 Macro theory review;
- 8.3 Implications for relevant SHRM theory;

- 8.4 Contribution to practice based models of SHRM;
- 8.5 An emerging model for a more strategic role for HR;
- 8.6 Research limitations;
- 8.7 Future research; and
- 8.8 Conclusion.

8.2 Macro theory review

The research has drawn on three theoretical perspectives: resource based theory; dynamic capabilities theory; and social exchange theory. These macro theory perspectives were selected as, separately and collectively, they provide important insights to guide and inform the research into SHRM and the more strategic role for HR in multibusinesses. Taken together the theoretical perspectives enable the essential multi-level analysis and support the identification and review of emerging messages and themes.

This Section reviews the initial perspective on the applicability and utility of the macro theoretical perspective adopted, and then explores learning from the fieldwork on how that theoretical approach is enacted in practice.

The opening proposition

At the beginning of the current research the view was that resource based theory was likely to provide the strongest and most relevant themes and messages. This view was encouraged by a wealth of research literature (Barney, 1991; Wernerfelt, 1984) and was reflected in a well-rehearsed organisational emphasis on the importance of human capital as the key asset in an organisation (Hitt et al, 2001; Snell and Dean, 1992; Huselid and Becker, 2011) with SHRM strategies and interventions built to support and strengthen that position (Becker and Huselid, 1998; Twomey and Harris, 2000).

Dynamic capabilities theory (Teece et al, 1997; Eisenhardt and Martin, 2000) would then add to the resource based view, capturing the organisational need to respond to changing business situations and with particular relevance for new or developing business units. Organisations must be able to respond speedily and smoothly to changing business needs and opportunities (Newbert, 2007; Leiblein, 2011). For knowledge-based businesses this means being able to realign the human capital resource, effecting change and development, to secure the required response. CaseCo services a broad community of client organisations and, by implication, business opportunities for CaseCo are influenced directly and significantly by those clients, and their plans and actions. This need to respond to potentially changing, even volatile, external influences (Wilhelm et al, 2015; Eisenhardt and Martin, 2000) represents a significant shift away from a research based view which, at least in its purest form, would see the organisation as having more control over business practice opportunities and operations.

The principal case for including social exchange theory as the third element of the theoretical framework was that it recognises the individual element in what are people-dependent businesses (Jiang et al, 2013). Even in organisations that have adopted a broad range of best-practice, high-commitment, work and HR practices the extent to which employees are motivated to perform and/or remain with the organisation depends, inter alia, on whether those employees believe that they will increase their rewards, recognition, enjoyment at work, and general employability in exchange for their performance or loyalty to the organisation (Kim and Choi, 2014; Olsen et al, 2016).

In terms of projected influence and relevance the initial view of the theoretical framework could be presented as a pyramid (see Figure 8.1 below) with resource based theory as the base, dynamic capabilities theory providing the next significant layer, and with social exchange theory topping out the model.

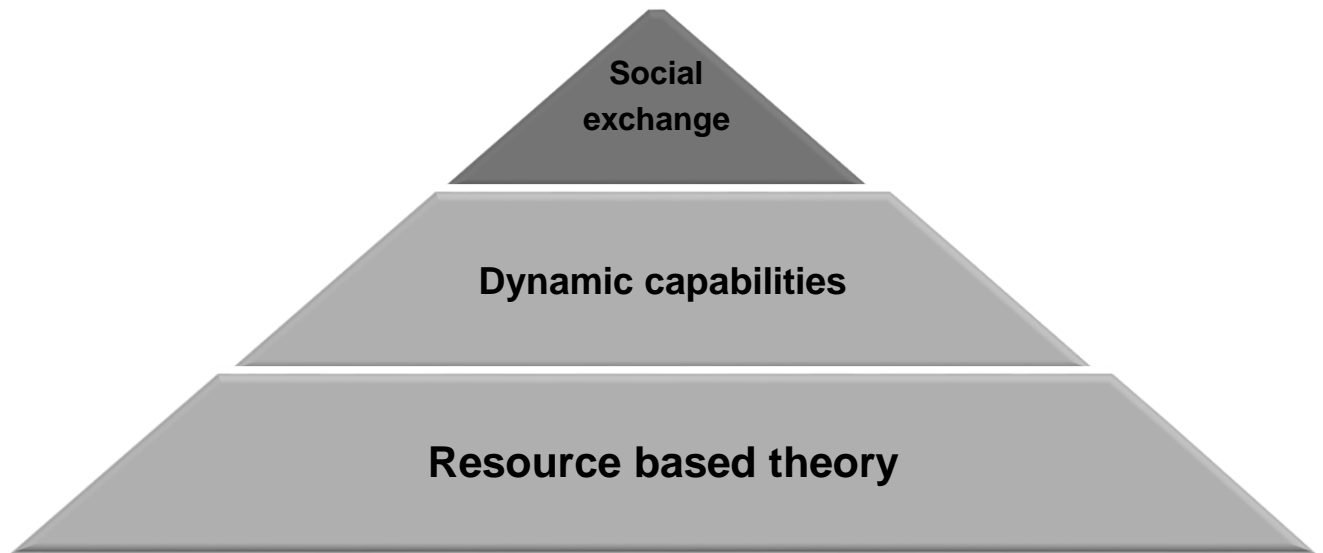


Figure 8.1: Initial, pyramid, view of the theoretical framework guiding the research

The rationale behind the pyramid view of the theoretical framework was largely level-based. Resource-based theory operates at the macro-level, being most relevant in relation to the total organisation, then with relevance to more stable business units at the meso-level, and at the micro-level influencing corporate behaviour. Dynamic capabilities theory appeared to be most relevant at the meso-level, in particular where new business units were being established or where business units were adapting to significant change. Dynamic capabilities theory was also relevant at the macro-level, reflecting how the total organisation adapted to change in the business environment, and at the micro-level for example in recognising the need for exceptional treatment of teams and individuals. Social exchange theory brings an actor-centred component into broader theories and was considered to be most relevant at the micro-, team and individual, level. However, it was clear that social exchange theory was also relevant at the meso-level where business units are promoting employee engagement, and at the macro-organisational level in relation to employee engagement and alignment with corporate values.

The emerging learning

The research fieldwork in CaseCo, supported by messages from the broader multibusiness Q analysis, has supported the theoretical framework adopted but has challenged the pyramid view.

In support of the resource based element of the integrated theory there is no doubt that human capital is seen as a major asset in all of the organisations employing contributors to the research. This is evidenced not only in high level statements and messages about the brand as an employer but also in the reality of the HR policy, processes, and systems in place, and the way in which those policies and processes are enacted. The resource based element is seen to be relevant across the organisations covered by the research and to have a particular resonance where businesses, or business units, already hold a strong position in their market and are operating with a substantially business-as-usual approach rather than one where they feel the need to embark on significant change to: maintain their performance and position; capture new opportunities; or respond to competitor threats.

Dynamic capabilities is most easily seen to be relevant where businesses and/or business units are new or developing, and where change at some level and pace is a constant. Organisations must be flexible and responsive to changes in the business environment and, in turn, leaders and employees must be able to adjust to meet the new needs and opportunities. The human capital changes evidenced in the fieldwork include: recruiting employees with skills and knowledge that are new to the organisation; developing individual competencies to enable career progression; and releasing employees with skill sets that are no longer in demand. However, all businesses and business units will face a need for a degree of change, even if this is something for the future, and dynamic capabilities is clearly a theory that is relevant to the development of plans and strategies to address lower level or envisaged change.

The relevance of social exchange has perhaps been the most important theory-related learning from the research. Interviewees and respondents to the Q analysis have referenced

the importance of a myriad of social relationships, and of the quid-pro-quo nature of many of these relationships. There are many examples of this social exchange.

HR Business Partners, embedded with business units, look to establish strong and positive relationships with key players in leadership teams. They develop those relationships to gain insights into business planning and broader considerations and look for support and sponsorship for people management proposals. In turn, they commit to promoting an environment where HR is aligned with business needs and to deliver on promises.

Within business teams there will be instances where leaders offer appointments to candidates on the understanding that candidates taking up those appointments and meeting their agreed objectives will receive favourable consideration when promotions and other career development opportunities are being considered. Candidates joining the business unit will expect those leaders to deliver on promises.

Within the HR community there will be an exchange of knowledge and experience. Access to HR colleagues is seen as one of the most important levers for implementing SHRM and for HR taking a more strategic role. There is an identified readiness to share across shared service organisations and between HR teams in different business units.

The emerging view of the integrated theory becomes less of a pyramid and more of one where each of the three theories has an equal relevance, as represented in Figure 8.2 below.

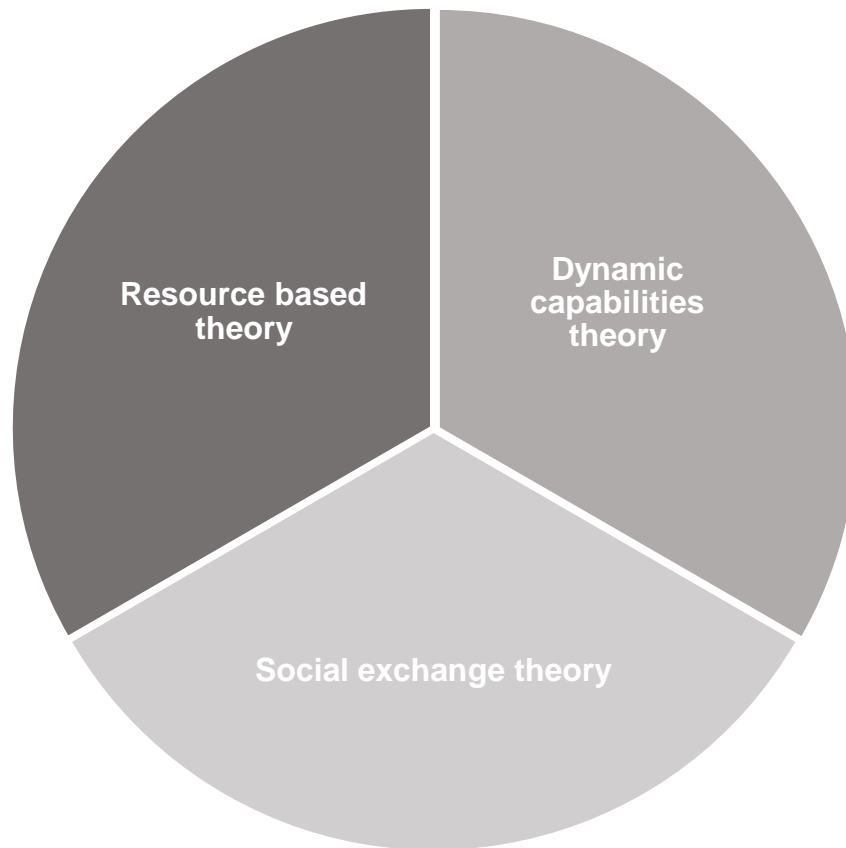


Figure 8.2: Emerging view of the theoretical framework

The current research emphasises the relevance of a three theory theoretical framework to the more strategic role for HR. The contributions in supporting or challenging best-practice Propositions and in presenting a contextual building blocks model for a more strategic role for HR, both described later in this Section, are considered to be relevant for a range of multibusiness organisations. However, those contributions may have most impact where the strategic opportunity is greatest, and this is likely to be in new businesses or those facing or engaging in business change. Those businesses, and by implication their human capital, will need to be able to adapt flexibly and responsively to the challenges of an increasingly volatile business environment (Eisenhardt and Martin, 2000).

The more strategic role for HR should embrace both planning and implementation. The planning aspect of the role will include contributing to the development of business plans and

strategy, for example in identifying the costs, risks, and benefits associated with particular initiatives in order to influence organisational strategy. The implementation role will be reflected in HR plans and strategies which are entirely supportive of organisational interests while protecting the employment interests of individuals and groups. The test is less one of 'does this represent leading-edge HR practice' and rather 'is this HR activity supporting the organisation strategy and does it add value to the organisation and our employees'.

In supporting this 'dynamic capabilities' consideration it is important to note that the other theories in the framework remain important: a more mature business may face an unexpected challenge from a competitor or the market; and a challenge to organisational values or the departure of a key leader and team may threaten to disrupt the social equilibrium within the business

8.3 Implications for relevant SHRM theory

One of the complicating factors in this research has been the fact that while there are a number of well-established research-based models and theories relating to SHRM and the strategic role for HR, many of those models and theories have been challenged or modified in other research. This leads to a point where Watson (2008, p.108) questions whether there is any literature on the theory of HRM. One challenge to much of the existing theory is that it tends to be one-dimensional, and static, failing to take sufficient account of differences that will be experienced in the complex, and sometimes fast-changing, context in which the HR function in a multibusiness is acting.

The current research reviews and then moves to address this failing in much of the existing theory. The first step has been to identify a number of Propositions, drawn from the literature to reflect good- or best-practice, and to review the extent to which findings from the current research align with, modify, or challenge the theory captured in those Propositions.

This Section presents a summary analysis (see Table 8.1 below) of the extent to which the Propositions are supported or not when reviewed in the light of findings from the three research studies.

Table 8.1 Support or challenge to Propositions

Proposition	Summary comments
Organisations are able to identify the optimum fit for HR policy and practice, addressing organisational people needs while promoting fairness and equal treatment.	Not supported: Multibusinesses are likely to employ groups of staff with very different competencies and career aspirations and expectations. Staff employed to service new needs or opportunities may add to this variety and complexity. Exceptions are increasingly the norm and the concept of a single 'optimum fit' is an aspiration rather than an achievable reality for many organisations.
Business leaders look to the HR community to take a more strategic role and will support the HR community in that role.	Mixed support: The relationship between business leaders and HR is a critical factor in determining whether HR plays a more strategic role. The research evidence points to a range of business leader expectations of HR from being strong supporters of a more strategic role for HR through to being neutral and even resistant.
The organisation's commitment to employees, represented in the employer brand, will influence the HR role and activities, and the perception of HR in the organisation.	Supported: Different organisations will have different needs, and the employer brand is seen as a key element in recruitment and retention, and broader HR activity.
HR functions are able to take a long term perspective when developing strategies and strategic interventions.	Not supported: Volatility is increasing in many markets. Research findings question whether the advocated long term perspective is still valid for HR and point to the need for HR to be able to move more quickly with practical rather than 'best in class' solutions.
An explicit business strategy is a prerequisite for HR taking on the proposed more strategic role.	Not supported: Many of the businesses and business units in the studies were operating without an explicit business strategy. There are other opportunities for HR to take on a more strategic role. Interviewees and Q study sorts confirmed a number of approaches adopted to promote a strategic approach to people management needs and priorities.
It is not necessary for HR to have a seat on the Board to play a proper role in the successful implementation of organisational strategy.	Supported: HR can work through business leaders and other stakeholders operating at Board or Management Team level. Guest and Bryson (2009) also found no evidence to suggest that HR on the Board was a guarantee of successful HR practice and performance.
Shared service HR is the optimum organisation model for adoption by a multibusiness, enabling the HR community to play the proposed more strategic role.	Supported in theory: The shared service model was seen as appropriate and one that made best use of HR resources but there were often practical problems that mitigated against success. The extent to which HR is able to operate strategically depends on other factors, in particular: the support from business leaders; the strategic intent of the business; and the effectiveness of the broader HR and people management infrastructure.

Table 8.1 Support or challenge to Propositions	
Proposition	Summary comments
Adoption of HR technology and HR service centres will (a) promote employee and manager self-service; and (b) manage all transactional HR activity consistently and efficiently.	Mixed support: HR technology and HR service centres are seen as important, theoretical, elements in promoting self-service and the management of transactional HR activity. Identified, practical, barriers to success included: overly complex policies; technology shortcomings and failings; and uncoordinated ways of working across the HR community. There is also a broader concern that line managers are not always equipped or sufficiently motivated to play a full role in managing the people who work with them.
Increasing role specialisation in HR means that the role of the HR generalist is diminished.	Not supported: There was broad support for continuing with the HR generalist role, not least as one for HR Business Partners seeking to bring together, and advise business leaders on, different HR strategic initiatives and interventions, policy, and process. An emerging area of concern appears to be that newer entrants to HR may feel that they not be given the opportunity to acquire a full range of HR, OD, and change management competencies.
To fulfil a more strategic role the HR function must develop and demonstrate competencies in: business understanding; HR knowledge and experience; credibility as a trusted advisor; and a broad range of skills which can be considered under the broad heading of consulting skills.	Supported: Findings from the research support the suggested competency areas. Credibility as a trusted advisor appears to be particularly important for HR Leaders and HR Business Partners but all the areas are seen to be relevant.

There appears to be broad support for a good deal of existing theory related to SHRM and the more strategic role for HR, but there is also evidence of Propositions which are not supported. There are also a number of areas where concerns are raised about Propositions that are supported in theory but not in practice. What is clear is that even the best of best-practice SHRM research and practice guidance messages will need to be reviewed by HR Leaders to determine if they are appropriate for their organisation at any particular point in time.

In some cases the need for review will be generated by a question of interpretation. For example, it is well-established good practice in HR to look for consistency and fairness in policies and practice, but the complexity within and across the multibusiness workforce may argue against an overly-rigid interpretation of 'optimum fit' for HR policy and practice. In other cases the review may be informed by failings in the HR infrastructure, for example, if self-service technology fails to encourage and support its use by staff and managers. If the service centre is not sufficiently resourced to pick up additional transactional workload, it is

inevitable that HR teams in business units will need to continue spend time on transactional rather than strategic matters.

8.4 Contribution to practice based models of SHRM

There is a substantial body of theory and supporting professional and practice aimed at supporting HR and equipping HR professionals to deliver SHRM and to play a more strategic role in their organisations. For example:

- The CIPD (CIPD 2016) and a number of management training organisations offer training for HR professionals in the HR Business Partner role – there is no doubt that this training offers some benefits but it appears to be limited to developing competencies and capabilities rather than exploring the bigger picture of when and how HR can operate in a more strategic role;
- Technology providers can offer platforms to support and enhance important processes and the overall collection and analysis of relevant data – technology can make an important contribution in freeing up time on routine activity and in providing better data for decision making but its potential contribution will be governed by the broader contextual factors within which HR operates, if the HR community are unable to operate strategically they may continue to play an administrative role;
- Management consultancies will offer organisation design and change management support to transform the HR function to a shared service model – the shared service model is seen as an appropriate model for the HR function in larger organisations, however, a single best-practice shared service model may fail to meet the needs of business units with employment and business challenges which differ from those in the core businesses; and
- HR outsourcers will support HR transformation projects with an emphasis on the operation of service centres – the current study has shown that the performance of service centres is constrained by the extent to which processes and policy can be standardised; complex policies and exceptions will still need to be referred back to the core HR teams for determination and communication.

As indicated above, the major weakness with this body of theory and professional practice guidance is that it tends to advocate specific, often individual, solutions rather than the more comprehensive, contextual, model and messages generated in the current research.

The current research suggests that it may be a helpful exercise to look at the issue through the other end of the telescope and consider: the extent to which the organisation is ready for HR to play the more strategic role; whether business leaders and line managers are ready to support HR and will play their own role; and if the policy and systems infrastructure is consistent with a shift from a transactional to a more strategic role. Two of the key themes emerging from the current research are that:

- Every organisation is different, and that difference extends to business units and sub-business units within the same organisation, and will change over time; and
- Barriers to the more strategic role for HR are unlikely to be addressed by a single solution but rather by a number of complementary activities.

The practical way forward is to consider the challenge to HR as one that is holistic and situation-dependent rather than one that is capable of being resolved by channelling resources into one activity or even a single stream of activity. The elements suggested for the more holistic model, and regarding the essential conditions for HR to take a more strategic role, are presented in the following model (Figure 8.3) and described in more detail in the following paragraphs. The further detail includes references to relevant, supporting, research and practice guidance.



Figure 8.3: Building blocks for a more strategic role for HR – as it should work

Business leader engagement and support

A consistent message from the interview and Q studies in the current research is that HR can only operate at a strategic level when business leaders recognise the importance of HR and people management and see their HR team as trusted advisors on sensitive and complex matters. Findings from this research, reflecting the reality of HR in a range of organisations, provide a challenge, albeit a nuanced challenge, to assumptions from existing research.

There are a number of relevant strands in existing research. First, there is the clear, and well-researched, message that investment in, and improvements to, HR systems can make a positive contribution to organisational performance (Becker and Huselid, 2006; Fu et al, 2015). This existing research carries an implicit assumption that business leaders will be prepared to support the necessary investment in improving HR systems rather than using the funds and other resources on other initiatives. And it is this assumption that is challenged by findings from the current research.

Findings from the current research point to a number of possible outcomes. While a business or business unit that is performing well will have funds available to be used to invest in improving HR and broader people management, business leaders may be reluctant to change a model that seems to be working well and may resist any attempt at a more strategic role for HR. Businesses or business units which are underperforming may be focused on short term business improvement rather than HR and more strategic people management, and therefore may be equally reluctant to support HR in a more strategic role.

A second message from existing research places the emphasis on HR professionals to be credible and trusted advisors (Caldwell, 2003; Ulrich and Brockbank, 2008), rather than examining whether business leaders are prepared to support HR professionals in taking the trusted advisor role forward to a more strategic level. Findings from the current research identify a continuum of opinion on the part of business leaders. There is evidence of a number of business leaders recognising the potential contribution of their HR advisors and consulting them on a full range of business matters. This positive view would be supported by the research findings from Hird et al (2010) and Wright (2008) but, at the other extreme of the continuum, there were business leaders who have no interest in HR taking on anything but a transactional, process, role, and who actively resist the prospect of HR in a more strategic role.

HR has a role to play in ensuring that business leaders are aware of the opportunities and challenges faced in human capital management in the areas they control. HR is also responsible for acting as a 'trusted advisor' and for demonstrating that the HR function has the competencies and resources to advise, guide, and support the business leaders and other key stakeholders in addressing those opportunities and challenges. The challenge is that these are HR-side activities which cannot guarantee that business leaders will support a more strategic role for HR.

Strategic opportunity

Truss and Gratton (1994, p 666) observed that there should be 'an explicit linkage' between HR policy and practice and overall strategic aims for the organisation and the organisational

environment. It is reasonable to assume that one necessary condition for a more strategic role for HR, and for efficient and effective human capital management for an organisation, is that there should be clarity about the strategic aims of that organisation.

The research evidence is that many of the businesses and business units covered by the fieldwork are operating without an explicit, and detailed, business plan and strategy. In part this may be as a response to an increasingly volatile business environment with an awareness of the need for flexibility and agility rather than consistency and rigidity, and the reality that comparatively few organisations outside the public sector will operate with the three- to five-year business plans that had been common practice and which were seen as key to the development of people and HR strategies.

Peccei et al (2013, p 39) observe that organisations are not stable entities and that change or other 'turbulence' in organisations will have major implications for employees and will influence the role and activities for HR. The research findings of Wright et al (2001) align with findings from the current research that organisations that are performing well may be willing and able to invest in HR and people management initiatives but may be tempted to cut back when things are not going so well.

The concern that businesses may be operating without explicit and detailed strategies is one that would be recognised by other researchers. Beer and Eisenstat (2004) note that many organisations are operating with unclear strategies and potentially conflicting priorities and call for honest and engaging conversations with senior management communities in order to address strategic shortcomings.

The more strategic role for HR may be linked to a business plan or to a statement of clear strategic intent and direction but the current research also identifies that the strategic role for HR may be required and enacted in response to an opportunistic or otherwise unplanned event, such as an acquisition or development of a new business, with significant implications for people management. HR has to learn to be ready to move as quickly as the business to take advantage of new opportunities or to protect the business against new challenges. This may mean sacrificing ideals of 'best-practice HR initiatives' for more practical solutions that can be developed and delivered with limited resources in shorter timescales. HR also has to

be well-positioned to be aware of possible strategic change or development, and this plays back to the need to be closely aligned with business leaders and other key stakeholders.

Human capital management infrastructure

The contribution of the human capital infrastructure cannot be overstated. Key elements of the infrastructure will include: a policy framework which meets the needs of the business but which is sufficiently clear and understandable to make staff and manager self-service practicable; line managers playing their full role as people managers; centres of expertise providing advice and guidance that is most relevant for the businesses supported; and service centres that are able to process most if not all of the transactional HR workload.

One of the concerns raised in the current research relates to the complexity of HR policy frameworks that have been developed to meet the needs of staff groups with quite different interests and needs. There are issues of: complexity, determining which policy or policy interpretation is right for a particular individual and circumstance; and resourcing, with HR professionals needing to spend time on transactional rather than strategic matters in order to manage exceptions. Lepack and Snell (2007) confirm the particular challenges facing organisations that have 'sub-groups' of employees who may receive different treatment, for example: depending on how groups add value and the extent of the value they add; and regarding how 'HR systems' are developed to meet the needs of groups of employees with specific skillsets.

The current research confirmed the need for line managers to play their full role in people management and raised concerns that some line managers were not playing this role. This concern that managers are not acting as people managers is supported by existing research (Hope Hailey et al, 2005; McGovern et al, 1997). The current research also identified a number of reasons why line managers may be unable or unwilling to act as people managers. Guest and Bos-Nehles (2013, p 91) suggest that there are five main factors explaining why line managers are not able or willing to 'complete their HR responsibilities'. Table 8.2 below compares findings from the current research with the five factors identified by Guest and Bos-Nehles.

Table 8.2 Line managers as people managers: comparison of findings and proposals

Current research	Guest and Bos-Nehles	Comment
There are industries and sectors where people management skills are essential for line managers to progress but many of the knowledge-management businesses in the research appear to value business and technical skills and performance over people management.	Line managers do not have the desire to perform HR responsibilities.	People management is seen as a difficult and demanding task, and one that may not be recognised and valued by senior managers who themselves may be uncomfortable with their own people management responsibilities.
Performance management objectives may prioritise business delivery over people management.	Line managers do not have the capacity to spend time on business and people management.	Line managers will give priority to those responsibilities that are most likely to impact their potential rewards and career progression.
Line managers in knowledge-management industries are promoted on the basis of business and technical competencies.	Line managers lack competence.	A number of HR professionals commented that they were providing training on people management to line managers.
Line managers may look to HR to deal with complex or sensitive people management issues.	Line managers need more support from HR managers.	There is a question about the extent to which HR should support line managers. Interviewees were happy to provide support but were concerned that line managers should not attempt to devolve their responsibilities to HR.
HR policy and process, developed over time to meet the needs of different communities of employees, may be overly complex and difficult for non-specialists to understand and interpret.	Policies and procedures must be clear.	This is a good example of the inter-relationship between different elements of the HR infrastructure. Failings regarding the clarity of HR policy and process impact negatively on the potential people management contribution of line managers, and of the staff they supervise.

Unless all, or at least most, of these elements are in place and functioning effectively there is a risk that HR will continue to spend a disproportionate amount of time and resource on operational and transactional rather than strategic matters. There is also a risk that business leaders will find themselves spending time on these matters, for example in dealing with problems escalated from line managers. This will impact on the organisation's strategic capability and may detract from the efforts of HR to be seen as a strategic partner.

Strategic HR competencies and capacities

HR strategic partners will need to display a broad range of HR, OD, and change management competencies. In particular, they will need to be seen as trusted advisors, able to contribute to the analysis and implementation of business strategy and to advise on the implications and opportunities for human capital management.

The suggested areas for competencies and capacities are similar to those proposed by a number of other researchers. Sparrow and Otaye-Ebede (2014, p 2893) propose that the 'generic guidance' can be 'categorized into three broad areas'. These are: HR knowledge and technical abilities, which includes business skills; organisation/interpersonal skills, including change and consultancy skills; and personal competencies, including resilience and problem solving. Table 8.3 below presents a comparison of research findings and proposals with the guidance from Sparrow and Otaye-Ebede and other researchers.

Table 8.3 Competencies and capacities: comparison of findings and proposals		
Current research	Sparrow and Otaye-Ebede	Comment
Business understanding	HR knowledge and technical abilities, <i>including business skills</i>	Participants in the current research placed considerable emphasis on the importance of their having business understanding and skills, not least in order to be credible to business leaders and other stakeholders. This emphasis is supported in other research (Deloitte, 2008; Ulrich and Brockbank, 2009).
HR knowledge and experience		HR knowledge and experience is a near-standard element in professional and research-based competency frameworks for HR (CIPD; Boston Consulting Group, 2011; Ulrich et al, 2015).
Credibility as a trusted advisor	Personal competencies	The personal competencies suggested by Sparrow and Otaye-Ebede are substantially those proposed for the 'trusted advisor' in the current research. There are also strong similarities with the 'credible activist' proposed by Ulrich and Brockbank (2009).

Table 8.3 Competencies and capacities: comparison of findings and proposals		
Current research	Sparrow and Otake-Ebede	Comment
Consulting skills	Organisation/interpersonal skills	The 'consulting skills' from the current research are substantially the same as the 'organisation and interpersonal skills' suggested by Sparrow and Otake-Ebede. Consulting skills are also reflected in other research (Deloitte, 2008; Boston Consulting Group, 2011; Ulrich and Brockbank, 2009).

The level to which HR professionals need to be competent in any of the suggested areas will depend on business requirements. For example, an organisation planning, or already engaged in, significant change will place a particular emphasis on having HR professionals with change management and related competencies, while an organisation committed to growth through international acquisitions will require a stronger emphasis on HR knowledge and experience, in particular experience of international HR policy and practice. HR professionals in the more strategic role will need to be competent and credible in the most relevant areas, even where issues of capacity or specialisation mean that they need to access external contractors or consultants to ensure that there are sufficient, and sufficiently competent, resources to meet business needs.

8.5 An emerging model for a more strategic role for HR

The research findings suggest that there is no single path to the more strategic role and that it is critically important to understand and address the often changing interplay between the key contextual factors represented in the four box model (Figure 8.3 above). The requirement is for a holistic approach that addresses both the factors in the building blocks and the interplay between the factors each of the building blocks.

Drawing on findings from the interview and Q studies it has been possible to identify examples of the nature of the relationships between factors in the building blocks. These are summarised in Table 8.4 below.

Table 8.4 Nature of relationships in the emerging more strategic model

Building blocks	Business leader engagement and support	Strategic direction or strategic event	Strategic Partner competencies and capacity	Human capital management infrastructure
Business leader engagement and support		Strategies guide and inform business activity. Strategy remains sufficiently flexible to enable a response to opportunity or volatility	HR engages with the organisation to provide business-relevant advice and guidance. Personal support to business leaders on most sensitive matters.	Policy and process platform is relevant for the business and reduces the need for exceptions. Systems and technology enable manager and staff decision making. Centres of Expertise focus on business needs rather than 'best-in-class'.
Strategic opportunity	Business leaders set and communicate strategic direction, reflecting human capital interests. Human capital interests are reviewed in the light of strategic events or changes in strategic direction.		HR knowledge of the organisation and HR and broader requirements and opportunities facilitates speedy and appropriate advice and guidance. HR has a role to play in OD and change supporting business leaders and other managers in implementing strategy and strategic change.	Clear guidance on implications for existing policies and practice, with recommendations for essential changes. Resources available to assist Strategic Partners and line managers with the detail of HR-related change and OD activity.
Strategic Partner competencies and capacity	Business leaders engage with HR on strategic matters, accepting advice and challenge. HR seen as a credible and trusted advisor.	Opportunity for HR to be involved in strategic planning and implementation and to demonstrate strategic capabilities.		An HR infrastructure that is business-relevant and effective will: <ul style="list-style-type: none"> • Free Strategic Partners to focus on strategic needs and interests of the business; and • Reinforce the credibility of HR as a trusted advisor and deliverer of services.
Human capital management infrastructure	People management established as a priority for line managers.	Changes in strategic direction will place qualitative and quantitative pressure on the	Strategic Partners interpret business requirements enabling Centres of Expertise and Service Centres to	

Table 8.4 Nature of relationships in the emerging more strategic model				
Building blocks	Business leader engagement and support	Strategic direction or strategic event	Strategic Partner competencies and capacity	Human capital management infrastructure
	Support for self-service and use of service centre to free local HR for more strategic role.	infrastructure. A strong and flexible infrastructure must be capable of supporting change – and may be recognised for the contribution made.	determine how best to meet stated needs. Role clarity reduces the scope for confusion in advice and guidance.	

It is essential to look for a balanced relationship across the building blocks. There is at best limited value in increasing the investment in any one block unless there is a compensating enhancement of performance in other blocks. This emphasis on a holistic approach to the transition to a more strategic role for HR represents something of a challenge to much of the current advice and guidance which tends to advocate a ‘one-track’ and/or ‘one-size-fits-all’ path.

One challenge for the current research is to demonstrate that the findings and conclusions are not only academically rigorous and robust but are also likely to be seen by HR professionals as being of practical value to them. An assessment of whether these practical considerations are addressed in the current research may be made using the features of mode 2 knowledge production (McClean et al, 2002). The key features of mode 2 are:

- **knowledge produced in the context of application**, with an emphasis on problem solving and being practically useful;
- **transdisciplinarity**, involving the integration of different skills;
- **heterogeneity and organisational diversity**, respecting that the need to address complex and volatile problems may require access to a broad and changing community of researchers and practitioners;
- **social accountability and reflexivity**, emphasising the needs to respect and respond to increasing levels of communication and transparency, and sensitivity around governance and the public interest; and
- **diverse range of quality controls**, reflecting the concerns of the broad community engaged in, or impacted by, the research.

The features, and summary comments on the fit of the current research, are presented in Table 8.5 below. The evidence is that the current research satisfies the challenging requirements of mode 2 research.

Table 8.5 Current research and the five features of mode 2	
Feature	Current research
Knowledge produced in the context of application	The model and messages were developed from emerging research findings relating to the personal experience and viewpoints of over 60 HR professionals.
Transdisciplinarity	The data collection covered HR professionals at different organisational levels and in different roles, for example in Centres of Expertise and in Operations. The research was conducted against a research framework which drew on three established theories: resource-based theory; dynamic capabilities theory; and social exchange theory. The theories move from the macro level of the organisation to the micro level of the individual or team.
Heterogeneity and organisational diversity	The original case study analysis was conducted in an multibusiness selected as the case study because of the diversity of employment and business opportunities and challenges. This case study was supplemented with a Q study of individuals from a number of different, sometimes equally diversified, organisations.
Social accountability and reflexivity	The studies were conducted with HR professionals, individuals who are themselves trained and experienced in concepts of good practice. Emerging findings, and models and messages were reviewed with a sounding board of experienced HR professionals and professionals operating in other countries.
Diverse range of quality controls	Academic supervisors ensured that the research met the required standards of rigour. The sounding board specialists viewed findings and conclusions through the lens of practical experience, the extent to which they aligned with their own experience and would be relevant for practical application. HR leaders in CaseCo and managers in other organisations were consulted on emerging findings. Q study participants were invited to comment on any missing items.

8.6 Research limitations

There are two important limitations to the current research. These relate to: (a) adoption of Q methodology as a survey approach; and (b) the research focus on multibusinesses, in particular those in knowledge industries. These limitations are reviewed separately in this Section.

Q methodology

The rationale behind adopting Q methodology was to secure an in-depth view from HR practitioners on their personal experience in their current role. A research limitation from Q methodology is that findings from any Q study are not intended to be generalisable. Given that the research secured the expected rich detail on a range of individual perspectives, and that there is robust support for an argument against elements of best-practice theory, it seems to be a reasonable exchange to be sharing findings as examples and indications rather than as generalisable theory.

As mentioned earlier, it is possible that this is the first time that Q methodology has been adopted for research into SHRM and broader people management (Sulphey, 2014) rather than a more traditional questionnaire-based approach using Likert scales. Respondents have observed that the Q methodology approach really made them think and that they found it challenging but very worthwhile.

Focus on multibusinesses

The research interest was in exploring the delivery of SHRM and the more strategic role for HR in complex organisations with different people needs across and between business units. The initial focus was on CaseCo as a case study but the research base was extended by accessing other multibusinesses in the Q study.

It is accepted that the multibusinesses with significant people management differences between business units represent a comparatively small community even in medium to large organisations. It is therefore important not to interpret the learning from this research as being applicable to all organisations.

The focus on multibusinesses has confirmed that HR and people management needs and opportunities may vary not just between organisations but within organisations, and also that

those needs and opportunities may change over time in response to market, governance, or even internal considerations.

8.7 Future research

The proposal is that there are two areas for further research. The first of these is aimed at exploring the extent to which the messages emerging from the current research into multibusinesses would be relevant for a broader community of organisations. This research could be undertaken using Q methodology and could embrace a range of both private and public sector bodies.

The second area for further research is the possibility of developing a diagnostic around the model building blocks for a more strategic role for HR (Figure 8.3 above). The diagnostic could provide an element of 'due diligence' to assist organisations in the recruitment and development of an HR community to match the needs and opportunities in the business or business unit and in progressing the other building blocks to a point where strategic people management was a reality. The idea would be to identify a number of levels or stages in each of the building blocks with interventions that would move the organisation to the point where the organisation was established as a strategic employer and where HR was acting in the more strategic role. The research could be conducted with a series of 'expert' focus groups working together to develop scale descriptions for the various factors, and to determine the interventions that would enable progress in each of the building blocks.

8.8 Conclusion

The current research has followed a qualitative approach to explore the reality of HR practice in different multibusiness organisations, in particular regarding the opportunity for the HR function to take a more strategic role. The research question was "Which factors will help or constrain HR in playing the more strategic role advocated by many researchers and in practice guidance". Participants in the research agreed that there was a business need for HR to play a more strategic role. However, interviewees and Q study sorts identified difficulties in securing business leader support for the more strategic role, and pointed out

that the absence of explicit business strategy in many business units meant that they were unable to follow recognised best-practice on People and HR strategy development (Schuler, 1992) and had to fall back on other approaches to build strategic value into their work with businesses and business units.

There was also broad agreement on other factors which were seen to help or constrain HR in playing a more strategic role. Examples of enablers were: the support of HR colleagues; HR Leaders; and corporate-level HR strategy. Example barriers included: overly complex HR policy and process; line managers not acting as people managers; and systems which were not user-friendly and which failed to deliver accurate and timely management information.

The four-box building block model proposed for a more strategic role for HR (Figure 8.3 and Table 8.4) reflects the key themes identified in the research, and in particular the fact that the experience for HR professionals and other relevant actors will be different in each business, and business unit, depending on the organisational reality in each of those building blocks and the relationships between the blocks. Much of the 'normative' and 'generalisable' guidance emerging from the existing research literature would be challenged or modified by the experience of interviewees and Q study sorts. The proposed building blocks model is situational, respecting the different realities experienced in different businesses and business units, and recommends a holistic approach to address any need for improvement. The model is therefore likely to be relevant for a broad range of complex organisations.

The research followed a substantially qualitative process, accepting that there are academic arguments that there is an element of quantification in Q methodology. The research intention was always to understand and explore the viewpoints of HR professionals acting in or aspiring to the advocated more strategic role. The qualitative approach enabled the capture of a broad range of very personal perceptions and the strength and general richness of the experience and views expressed promote confidence in the relevance and reliability of the findings, model, and messages.

The 'open-ended' nature of aspects of the studies (Morgan and Smircich, 1980) left it open to research participants to raise points that concerned or interested them. While many of those points were anticipated there were some points which were unexpected. For example, the literature search had confirmed that not all organisations would be candidates for HR playing a more strategic role, but the research identified cases where there was active resistance, even hostility, to the prospect of HR playing anything other than a process role.

It was also surprising to discover that so many organisations and business units were operating without detailed business strategies, whether as a response to volatility in the marketplace or simply because it was recognised that the priority was win and deliver business today and leave planning to a more stable future.

There were also surprises associated with the way in which HR policy and process developed to meet changing needs, and to obviate the case for exceptions. There were strong and consistent messages from each of the studies that increasing policy and process complexity constrained the opportunity for guidance and support to be provided from in-house or outsourced service centres, with the result that individuals continued to look to their local HR person or team for advice and guidance.

The final surprise was that many interviewees and Q sorts identified concerns that line managers were not acting as people managers, and may look to HR to deliver some of the more sensitive people management activity. This is important as a key assumption in shared service models is that line managers will take on more, not less, of the routine people management responsibility. The evidence from this research is that this is an assumption that cannot be relied upon.

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Appendices

Appendix A:	Interview structure
Appendix B:	Q sort items
Appendix C:	Q sort items against research pillars
Appendix D:	Barriers and Levers against research pillars
Appendix E:	CaseCo Q study: supporting data
Appendix F:	Multibusiness Q study: supporting data
Appendix G:	People Strategies

Appendix A: Interview structure

Introductory point - question	Supplementaries	Prompts/notes
Introductions		<ul style="list-style-type: none"> Research objective, plan, and programme Purpose of semi-structured interviews Overview of topics and proposed style Any questions?
Confirming the Business Unit supported	<ul style="list-style-type: none"> Time in role? Time with CaseCo? Other CaseCo roles? Other relevant experience? 	<p>Anything special about the people needs of the Business Unit?</p> <p>Centralised to decentralised? Commodity, asset, or paternalistic style?</p>
How does the Business Unit determine business strategy?	<p>Do Human Capital (HC) issues and opportunities feature in the determination of business strategy or are they addressed after business strategy decisions are taken?</p> <p>What is your role in the strategy process?</p>	<p>Are you active and involved at the outset on strategy development or reactive, responding to decisions already made?</p> <p>Do you attend key meetings, brief other people, or provide information to support decision making?</p>
<p>How would you describe your reporting lines:</p> <ul style="list-style-type: none"> Within the Business Unit In relation to the Corporate Human Capital team? 	<p>Who agrees your personal objectives and monitors your performance?</p> <p>How do you see your responsibility to/for other partners and staff in the Business Unit?</p>	How would your key stakeholders (and you decide which those are) describe your responsibilities?
<p>How much of your time is spent on:</p> <ul style="list-style-type: none"> Helping to define and plan the delivery of HC strategy? Working on strategic HC topics? Answering queries and other transactional HC activity? 		
What are your priorities for the next year or so?	What resources are available to you to deliver those priorities?	<ul style="list-style-type: none"> CaseCo resources External resources
Has there ever been a time when you needed to challenge the Business Unit leaders	<ul style="list-style-type: none"> Please describe the situation? What was your role? 	

Introductory point - question	Supplementaries	Prompts/notes
about an aspect of HC strategy or policy: something they proposed, or were doing, or were failing to do?	<ul style="list-style-type: none"> How did the Business Unit leaders respond: <ul style="list-style-type: none"> To the issue? To you? What was the outcome? 	
<p>Are you consulted by the Corporate Human Capital team:</p> <ul style="list-style-type: none"> On things they are working on? On things you would like to see them working on? 	<p>Do all Business Partners enjoy the same level of contact and support or are some Business Partner voices better received than others?</p> <p>What makes the difference?</p>	
Has there ever been a time when you needed to challenge the Corporate Human Capital team about an aspect of HC strategy or policy that you want to see implemented, or where a corporate decision is not right or a priority for your Business Unit?	<ul style="list-style-type: none"> Please describe the situation? What was your role? How did the Corporate team respond: <ul style="list-style-type: none"> To the issue? To you? What was the outcome? 	
How would you describe the 'fit' of the experience, competencies, and working approach that you have and what the Business Unit seems to need?		<ul style="list-style-type: none"> Strategic thinking Strategic planning HR knowledge Change management Understanding how the Business Unit operates Track record of getting things done Availability and reliability Positive links and relations to corporate and external resources
Do you envisage any major change in people-management needs and priorities for your Business Unit?	<p>Please describe the changes you envisage? How do you see those changes impacting on your role and responsibilities?</p> <p>What new or changed competencies would this mean for the Business Partner? Are you still the right/best person to be the Business Partner for the Business Unit or would it be time for you to move to another Business Unit with a better match for your competencies?</p>	

Introductory point - question	Supplementaries	Prompts/notes
	Are there other changes you would like to see? What might stop those changes happening? What can you do to make those changes happen?	
Where is the next step in your own career progression?		<ul style="list-style-type: none"> • Within the Business Unit or to another Business Unit role? • To a role in the Corporate Human Capital team? • Into consultancy with CaseCo? • To another employer?
Close		<ul style="list-style-type: none"> • What happens now, and next • Any final thoughts or comments • Many thanks

Appendix B: Q sort items

Item	Statement
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.
2	Working here is about favours, helping people and then expecting them to help you.
3	I have a lot of autonomy in my role. I get a lot of space to do things.
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.
5	Sometimes I think that we just skim the surface of people issues.
6	I am the face and voice of Human Resources for the Business Unit(s) I work with.
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy.
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves.
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.
11	There is a growing emphasis on data and analytics in my job.
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.
13	The critical thing here is helping to deliver the business.
14	This is not an organisation that likes a big book of policies.
15	I work hard on my relationships and that gives me an edge in the work that I do.
16	You need to be technically savvy. You need to know your HR management or be able to network your way around.
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower.
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.

Item	Statement
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills.
20	People think that the organisation's strategy and people message changes every five minutes.
21	I have learned not to show emotion.
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'.
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."
25	I quite like fast-paced things and the opportunity to really get involved with the business.
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths.
27	Business leaders accept challenge as long as your explanation makes sense.
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here.
29	I feel that I almost have to reinvent myself every time I go to different Business Units.
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services.
31	You need to be business-focused but you cannot be too judgemental.
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach.
34	I rely on sponsorship from the Business Unit(s) for my personal career progression.
35	I do have concerns about deskilling, losing some of my HR skills.
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials.
37	There is no longer any role for the 'HR generalist'.
38	Sometimes I think that we over-engineer and overcomplicate things.

Item	Statement
39	We still have a long way to go to become one team in HR.
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.

Appendix C: Q sort items against research pillars

Item	Statement	Pillar
1	I understand the concept of One Company from a brand perspective but we have very different ways of working across the organisation.	Organisational context
2	Working here is about favours, helping people and then expecting them to help you.	Organisational context
3	I have a lot of autonomy in my role. I get a lot of space to do things.	HR roles and responsibilities
4	The organisation is not clear on the things that it needs to be tight on and the things that it needs to be loose on.	Strategic Human Resource Management
5	Sometimes I think that we just skim the surface of people issues.	Strategic Human Resource Management
6	I am the face and voice of Human Resources for the Business Unit(s) I work with.	HR roles and responsibilities
7	The Business Unit(s) I work with has (have) a clear and detailed business strategy.	Organisational context
8	I probably spend too much time dealing with routine matters for people who should find things out for themselves.	HR roles and responsibilities
9	Line managers here tend to have less experience of people management issues than their counterparts in other organisations.	HR roles and responsibilities
10	I like to think that I bring pragmatism, recognising that the rules and policies in a complex organisation don't work in every case and that you have to make exceptions.	HR competencies and capacity
11	There is a growing emphasis on data and analytics in my job.	HR competencies and capacity
12	It is not easy to be creative or strategic because we struggle with the weight of policy and process.	Strategic Human Resource Management
13	The critical thing here is helping to deliver the business.	Organisational context
14	This is not an organisation that likes a big book of policies.	Strategic Human Resource Management

Item	Statement	Pillar
15	I work hard on my relationships and that gives me an edge in the work that I do.	HR competencies and capacity
16	You need to be technically savvy. You need to know your HR management or be able to network your way around.	HR competencies and capacity
17	Centres of Expertise or external specialists must network with the Business Unit leaders and the HR people in those Business Units or risk being perceived as an ivory tower.	HR roles and responsibilities
18	I know how things work in other organisations so that means that I can stand back and take the role of honest appraiser or an informed critic.	HR competencies and capacity
19	It is very difficult to find HR people with the right mix of analytical skills and relationships skills.	HR competencies and capacity
20	People think that the organisation's strategy and people message changes every five minutes.	Organisational context
21	I have learned not to show emotion.	HR competencies and capacity
22	It takes a lot of time to change things here. There is always someone else that you have to speak to.	Organisational context
23	When I think about my performance objectives I focus on 'what are the key, important, things for the Business Unit(s) in the next year'.	Strategic Human Resource Management
24	What I experience here is people saying "I don't want to hear about that issue. Just shut up and handle the process things."	Strategic Human Resource Management
25	I quite like fast-paced things and the opportunity to really get involved with the business.	HR competencies and capacity
26	I see a lot more people joining my Business Unit(s) who have not followed, and who will not follow, the traditional career paths.	Strategic Human Resource Management
27	Business leaders accept challenge as long as your explanation makes sense.	Organisational context
28	A half-decent HR person can do good work without understanding the business before they join this organisation. But you have to learn quickly once you are here.	HR competencies and capacity
29	I feel that I almost have to reinvent myself every time I go to different Business Units.	HR competencies and capacity

Item	Statement	Pillar
30	Centres of Expertise and external specialists are there to provide 'best in class' advice, guidance, and services.	HR roles and responsibilities
31	You need to be business-focused but you cannot be too judgemental.	HR competencies and capacity
32	Part of my role is trying to get people to understand that always doing things the same way is not going to create the business growth and innovation that we need.	HR roles and responsibilities
33	There is such a very wide disparity between how members of the HR community operate, depending on their experience, what they have done, and the environment they are in, that there is no consistency of professional approach.	HR roles and responsibilities
34	I rely on sponsorship from the Business Unit(s) for my personal career progression.	Organisational context
35	I do have concerns about deskilling, losing some of my HR skills.	HR roles and responsibilities
36	I get my credibility from having relevant practical HR experience and strong organisational development credentials.	HR competencies and capacity
37	There is no longer any role for the 'HR generalist'.	HR roles and responsibilities
38	Sometimes I think that we over-engineer and overcomplicate things.	Strategic Human Resource Management
39	We still have a long way to go to become one team in HR.	HR roles and responsibilities
40	To deliver your HR role successfully you need to get out, sensing what is going on in the organisation and having conversations to help understand what is going on in other people's worlds.	HR roles and responsibilities

Appendix D: Barriers and Levers against research pillars

Barriers and Levers - Item	Pillar(s)
The organisation	Organisational context
People strategy for the organisation	Strategic Human Resource Management
HR processes	Strategic Human Resource Management
HR colleagues	HR Roles and responsibilities HR competencies and capacity
Our brand	Organisational context
HR Leadership	HR Roles and responsibilities HR competencies and capacity
Demanding staff	Organisational context HR competencies and capacity
Systems support	Organisational context Strategic Human Resource Management
Demanding staff managers	Organisational context HR competencies and capacity
Diversity	HR Roles and responsibilities HR competencies and capacity
Volatility	Organisational context
Winning awards	HR competencies and capacity

Appendix E: CaseCo Q study: supporting data

- **Intercorrelation matrix:** reflecting the nature and extent of the relationships between all of the Q sorts in the group.
- **Factor matrix:** presenting loadings for each sort against each Factor, with an X indicating a defining, statistically significant, sort – one loading at or above 0.41.

Notes:

Statistically significant: Significance for a 40 item Q study is calculated as $2.58(1/\sqrt{40 \text{ items}}) = 0.408$, treated as 41 when leading decimal is omitted (Watts and Stenner, 2012)

Commonality: Calculated by summing the squared Factor loadings for each Q sort. A high communality 'signals that the Q sort is typical or highly representative of the group as a whole, a low communality that it is atypical' (Watts and Stenner, 2012).

Eigenvalues (EV): Calculated by summing the squared loadings of all the Q sorts in a Factor. High EV values for a Factor – at 1 or above – are seen as good (Watts and Stenner, 2012).

% explained variance: Calculated for each Factor as $100 \times (EV \div 40)$. Variances in the region 35%-40% and above are good (Watts and Stenner, 2012). Total explained variance for CaseCo Factors is 38%.

Intercorrelation matrix for CaseCo Q sorts

Sort CC	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
1	0	2	-8	11	34	40	14	53	8	1	23	28	11	22	4	39	47	42	34	23	53	30	22	22	38	51	40	27
2	2	0	-27	16	11	5	1	-5	-2	2	5	-8	19	29	14	5	-20	5	5	17	-8	8	11	-20	11	-2	11	16
3	-8	-27	0	5	2	10	8	2	-5	-5	-17	-5	1	2	16	8	4	-2	5	-8	-5	-17	-14	-16	-34	2	-11	-5
4	11	16	5	0	11	25	44	20	14	11	29	30	7	34	28	22	28	28	22	34	7	32	5	-2	19	30	28	22
5	34	11	2	11	0	38	34	33	-17	-8	20	26	40	27	11	25	14	38	5	27	14	14	41	-29	19	28	38	38
6	40	5	10	25	38	0	54	36	-28	23	5	46	54	56	25	45	16	41	11	33	32	16	47	-7	46	23	56	56
7	14	1	8	44	34	54	0	56	-26	47	46	46	52	60	20	45	23	28	14	66	23	8	59	20	41	28	71	61
8	53	-5	2	20	33	36	56	0	-14	28	64	46	40	35	-2	36	44	40	29	34	51	22	52	40	29	53	55	53
9	8	-2	-5	14	-17	-28	-26	-14	0	-16	-2	-33	-34	-34	-5	-11	34	26	35	-27	-10	14	-35	19	-5	27	-14	-47
10	1	2	-5	11	-8	23	47	28	-16	0	23	46	41	26	-1	26	16	19	11	39	23	0	23	30	33	14	34	44
11	23	5	-17	29	20	5	46	64	-2	23	0	39	20	16	8	23	30	25	34	40	34	23	33	46	26	46	47	36
12	28	-8	-5	30	26	46	46	46	-33	46	39	0	48	40	2	30	17	22	4	36	39	2	34	-7	28	25	45	55
13	11	19	1	7	40	54	52	40	-34	41	20	48	0	64	5	34	5	30	16	40	34	11	57	5	34	14	45	68
14	22	29	2	34	27	56	50	35	-34	26	16	40	64	0	22	54	5	25	22	46	41	30	60	0	56	14	45	68
15	4	14	16	28	11	25	20	-2	-5	-1	8	2	5	22	0	11	0	-16	14	5	14	13	0	0	22	1	14	25
16	39	5	8	22	25	45	45	36	-11	26	23	30	34	54	11	0	20	36	47	45	60	11	25	14	39	45	39	52
17	47	-20	4	28	14	16	23	44	34	16	30	17	5	5	0	20	0	38	28	28	20	32	11	19	17	58	44	17
18	42	5	-2	28	38	41	28	40	26	19	25	22	30	25	-16	36	38	0	40	34	35	40	28	11	30	54	38	25
19	34	5	5	22	5	11	14	29	35	11	34	4	16	22	14	47	28	40	0	11	55	45	-5	54	5	54	23	26
20	23	17	-8	34	27	33	66	34	-27	39	40	36	40	46	5	45	28	34	11	0	26	16	45	-2	35	36	61	52
21	53	-8	-5	7	14	32	23	51	-10	23	34	39	34	41	14	60	20	35	55	26	0	41	34	41	46	44	28	50
22	30	8	-17	32	14	16	8	22	14	0	23	2	11	30	13	11	32	40	45	16	41	0	11	11	14	44	11	19
23	22	11	-14	5	41	47	59	52	-35	23	33	34	57	60	0	25	11	28	-5	45	34	11	0	8	64	14	57	46
24	11	-20	-16	-2	-29	-7	20	40	19	30	46	-7	5	0	0	14	19	11	54	-2	41	11	8	0	23	28	26	14
25	38	11	-34	19	19	46	41	29	-5	33	26	28	34	56	22	39	17	30	5	35	46	14	64	23	0	11	56	45
26	51	-2	2	30	28	23	28	53	27	14	46	25	14	14	1	45	58	54	54	36	44	44	14	28	11	0	34	14
27	40	11	-11	28	38	56	71	55	-14	34	47	45	45	45	14	39	44	38	23	61	28	11	57	26	56	34	0	58
28	27	16	-5	22	38	56	61	53	47	44	36	55	68	68	25	52	17	25	26	52	59	19	46	14	45	14	58	0

Notes:

- Leading decimals have been omitted
- Significant (41 and above)* relationships are in bold, and in dark shaded boxes

Factor matrix for CaseCo Q sorts

Sort CC	Factor CC1	Factor CC2	h ² (commonality)
1	13	57X	35
2	23	-5	5
3	-5	-4	0
4	23	29	14
5	35	23	18
6	60X	28	45
7	68X	36	59
8	34	66X	55
9	-55X	33	41
10	38	20	18
11	23	55X	36
12	51X	29	35
13	70X	17	53
14	70X	28	58
15	16	8	3
16	38	48X	38
17	-5	56X	32
18	14	57X	35
19	17	71X	54
20	56X	35	44
21	23	66X	48
22	1	50X	25
23	69X	19	52
24	-11	44X	20
25	56X	30	40
26	-8	81X	66
27	63X	46X	60
28	77X	34	71
Eigenvalues	5.39	5.35	
% explained variance	19	19	

Appendix F: Multibusiness Q study: supporting data

- **Intercorrelation matrix:** reflecting the nature and extent of the relationships between all of the Q sorts in the group.
- **Factor matrix:** presenting loadings for each sort against each Factor, with an X indicating a defining sort – in this case one loading at or above 0.45.

Notes:

Statistically significant: Significance for a 40 item Q study is calculated as $2.58(1/\sqrt{40 \text{ items}}) = 0.408$, treated as 41 when leading decimal is omitted (Watts and Stenner, 2012)

Commonality: Calculated by summing the squared Factor loadings for each Q sort. A high communality 'signals that the Q sort is typical or highly representative of the group as a whole, a low communality that it is atypical' (Watts and Stenner, 2012).

Eigenvalues (EV): Calculated by summing the squared loadings of all the Q sorts in a Factor. High EV values for a Factor – at 1 or above – are seen as good (Watts and Stenner, 2012).

% explained variance: Calculated for each Factor as $100 \times (EV \div 40)$. Variances in the region 35%-40% and above are good (Watts and Stenner, 2012). Total explained variance for Multibusiness Factors is 40%.

Intercorrelation matrix for Multibusiness Q sorts

Sort CC	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1		51	52	35	17	14	41	43	50	41	-3	59	46	55	44	31	58	31	50	58
2	51		35	18	-17	39	21	7	18	19	3	32	42	22	32	5	49	32	49	42
3	52	35		44	25	25	51	24	33	45	-11	33	39	42	21	17	56	55	47	61
4	35	18	44		14	12	42	12	23	45	-2	34	41	27	24	36	58	59	48	44
5	17	-17	25	14		-5	22	33	-5	6	-35	30	18	37	0	21	-9	20	24	24
6	14	39	25	12	-5		20	-6	9	-5	19	9	28	-14	-8	4	23	23	27	13
7	41	21	51	42	22	20		27	28	15	-14	39	60	18	36	14	55	48	31	35
8	43	7	24	12	33	-6	27		26	2	-25	26	27	38	10	35	0	32	35	25
9	50	18	33	23	-5	9	28	26		17	1	44	22	28	31	33	36	36	16	30
10	41	19	45	45	6	-5	15	2	17		5	33	26	34	0	-5	38	17	29	50
11	-3	3	-11	-2	-35	19	-14	-25	1	5		-19	7	-12	-9	-10	23	-19	-12	6
12	59	32	33	34	30	9	39	26	44	33	-19		45	45	32	18	54	39	48	35
13	46	42	39	41	18	28	60	27	22	26	7	45		39	34	14	52	42	59	33
14	55	22	42	27	37	-14	18	38	28	34	-12	45	39		42	22	33	48	54	49
15	44	32	21	24	0	-8	36	10	31	0	-9	32	34	42		28	58	39	39	29
16	31	5	17	36	21	4	14	35	33	-5	-10	18	14	22	28		28	36	24	5
17	58	49	56	58	-9	23	55	0	36	38	23	54	52	33	58	28		52	53	44
18	31	32	55	59	20	23	48	32	36	17	-19	39	42	48	39	36	52		48	37
19	50	49	47	48	24	27	31	35	16	29	-12	48	59	54	39	24	53	48		51
20	58	42	61	44	24	13	35	25	30	50	6	35	33	49	29	5	44	37	51	

Notes:

- Leading decimals have been omitted
- Significant (41 and above)* relationships are in bold, and in dark shaded boxes. Following rotation it was decided to adopt 45 and above for significance.

Factor matrix for Multibusiness Q sorts

Sort M	Factor M1	Factor M22	Factor M3	Factor M4	Factor M5	h ² (commonality)
1	47X	64X	-16	32	8	77
2	26	29	5	54X	1	45
3	50X	14	-16	27	46X	59
4	27	14	-4	11	68X	57
5	13	-8	-59X	7	7	39
6	-2	-	16	51X	13	30
7	11	28	-16	33	45X	42
8	1	26	-56X	10	7	40
9	11	56X	-2	0	19	37
10	66X	5	5	4	11	45
11	4	-2	46X	17	-5	24
12	26	47X	-27	27	19	47
13	17	25	-14	56X	33	53
14	50X	36	-44	0	11	59
15	10	50X	-5	16	19	32
16	-8	32	-29	-7	34	32
17	28	55X	29	28	55X	85
18	17	26	-26	22	63X	61
19	38	26	-34	53X	20	65
20	68X	20	-10	19	20	61
Eigenvalues	2.2	2.29	1.68	1.76	2.07	
% explained variance	11	11	8	9	10	

Appendix G: People Strategies (examples)

Organisation	Timeframe	Description	Coverage	Link to ...
IT services and support	1 year	Short list of HR priorities	Talent management Leadership development Business culture	Business Unit needs
City Council	5 years	13 page booklet	Leadership Capacity Tackling Worklessness Future Workforce Employer of Choice Workforce Capacity People Management	5 year strategic plan
Borough Council	5 years	10 page booklet	Effective leadership Learning and development Partnership working Savings and efficiencies	5 year strategic vision and plan
University	5 years	13 page booklet	Recruitment and retention Reward Organisational Development Wellbeing and engagement Performance management Employment framework	Mission and 5 year strategic objectives
Legal firm	Not specified	Short entry on corporate website/Annual Report	Collaborative culture Decentralised decisions Team performance Celebrate success Invest in support	Business Unit needs
University	5 years	40 page booklet	Talent acquisition and management Leadership and management Developing people Good health and wellbeing Global impact	University strategic plan
Services firm	Ongoing	Short entry on corporate	Technical and behavioural excellence	Business priorities

Organisation	Timeframe	Description	Coverage	Link to ...
		website and recruitment material	Develop people to succeed How we excel	
Optical services firm	Ongoing	Roadmap	Attract, retain and develop Develop people and teams Drive engagement and enjoyment Deliver business results	Business priorities
Cleaning and related services	Ongoing	Short entry on corporate material	Recruit and develop Reward Performance review Manage our people	Business objectives
NHS Centre	5 years	Detailed descriptions and plan	Recruitment and retention Reward Organisational Development Wellbeing and engagement Performance management	Strategic plan
Technology services and consulting	Ongoing	Model	Performance-based opportunities Leadership Hiring diverse and talented people Values-based culture	Business objectives

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