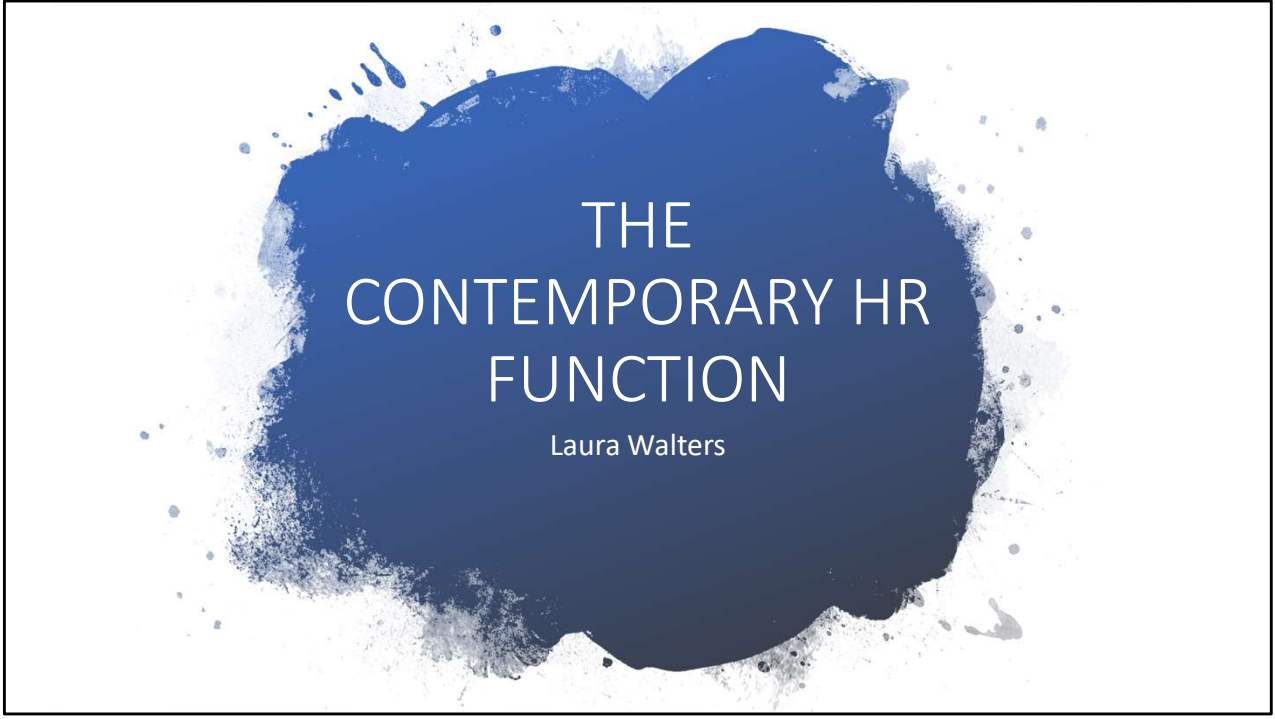




THE CONTEMPORARY HR FUNCTION

Laura Walters

OBJECTIVES

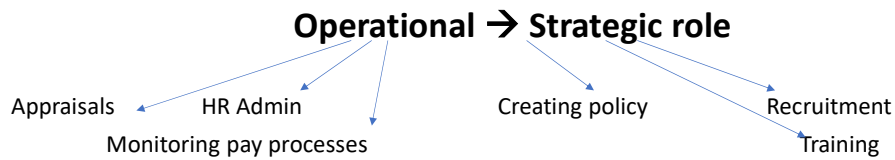
To understand the following:

- HR's role in organisations and how it has evolved over time
- A number of HR models used by organisations
- The importance of ethics in HR
- How to evaluate HR's contribution

CIPD

After listening to this presentation, you should be able to understand the following. Firstly the role HR plays within an organisation and how this has evolved over the past couple of decades, whereby HR aim to take a more strategic role. Secondly, the various models of which organisations can adopt. Thirdly, the importance of ethics in HR management, and finally, the importance of, and how one can evaluate the HR contribution.

THE EVOLUTION OF THE HR FUNCTION



- Staff are not simply a cog in the wheel but an asset to an organisation
- HR aim to utilise staff and boost their capabilities to enable the organisation to do the same

Organisational design has a vital link to the role of the HR practitioner. The design of the organisation should coincide with its goals and HR should fit in with that (CIPD, 2015). The aim for HR is to create an environment where an organisation can grow and be successfully, whilst nurturing its team to ensure staff satisfaction and maximise efficiency. This is done through evidence-based practice, mutual respect and effective communication (CIPDa,2020). Traditionally, HR took on a more 'hands-on', practical approach. The tasks of which HR undertook included, ensuring pay was processed correctly and on time, recruitment, training, appraisals etc. In the late twentieth century, greater emphasis was placed onto the HR function

and employees' value to the organisation. Consequently, HR took particular interest in recruitment and training (Wilkinson and Taylor, 2016, p.23). Now, the strategic approach is considered best practice, with Ulrich paving the way. This involves engaging in continuous development and looking to improve and implement best practice, for example looking at retaining staff through learning and development schemes. Most recently, HR managers are no longer considered just experts of their field, but business savvy professionals (CIPD, 2015). Wilkinson and Taylor put forward the case that HR practitioners base their work off the notion that staff are an asset, which should be utilized for an organisation to reach its objectives, rather than just been cogs in a wheel (2016, p.24). It is important to note that there is no "one size fits all" approach to this, other factors should be considered to ensure the best design is implemented to ensure the organisation achieves its goals (CIPD, 2019). The different methods of HR service delivery will be discussed later on in the presentation.



CHANGE MANAGEMENT

- Organisations should be ever changing and looking towards the future, to promote innovation and continuous development.
- Organisations can go through large changes:
E.g. Restructuring the organisation and making redundancies
E.g. Coronavirus pandemic
- How do we implement change?
Culture, Communication, Interventions...
- Which obstacles must a HR practitioner overcome?

Any organisation, whether that be in the private or public sector, big or small, is always going to experience change. As an organisation develops over time, change will inevitably occur (CIPDa,2020). Wilkinson and Taylor state that small changes are likely occurring in any organisation on a daily basis. On the other hand, larger changes probably happen every three years (2016, p.32). There are various reasons as to why changes occur. Perhaps the organisation is reacting to global markets, facing new competition, complying with new legislation (we are likely to experience this in the near future due to Brexit), or technological advances (Wilkinson and Taylor, 2016, pp.31-2). Most definitely, many organisations

will have had to change their priorities, adapt policy and make changes during the coronavirus pandemic. The number of employees working from home for example, is likely to have increased dramatically. Regardless of why the change has occurred, HR plays a key role in managing people. It is not unusual for individuals to react negatively to change. Human emotions are referred to as the “uncontrollable” (Wilkinson and Taylor, 2016, p.33). For some, their immediate thoughts could lead to worries about job security and future promotion opportunities (Wilkinson and Taylor, 2016, p.33). Perhaps the organisation has individuals with a significant length of service, who have been involved in the building of old processes. These are the likely individuals who will be resistant. Some however, may be welcoming of change if it makes their jobs easier. Introducing new technology into the workplace for example.

HR have various techniques they can use to ‘lessen the blow’ of change. It is easier for HR to implement this in a strategic role. They can then have a seat at the decision-making table and ensure changes are made with people in mind. This is known as the controllable (Wilkinson and Taylor, 2016, p.32). Tools to aid the change include:

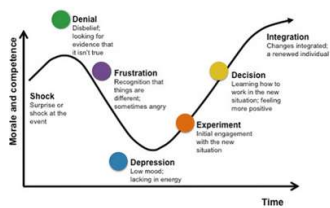
- Communication – explaining why the changes are necessary in benefitting the organisation, and answering any questions
- Creating a “change ready culture” – by hosting staff feedback channels such as focus groups

- Training and development opportunities to help with any change e.g. training on new systems which may be introduced (Wilkinson and Taylor, 2016, pp.33-5).

The diagram on screen demonstrates the typical cycle an individual goes through when significant change is implemented. An individual is likely to be frustrated or apprehensive about a change, notably if it is a significant change. This may result in the workforce appearing demoralised at first. Then, after some experimentation and trial and error, the curve eventually shifts in the other direction, leading to integration of the new policy/ practice into the workforce.

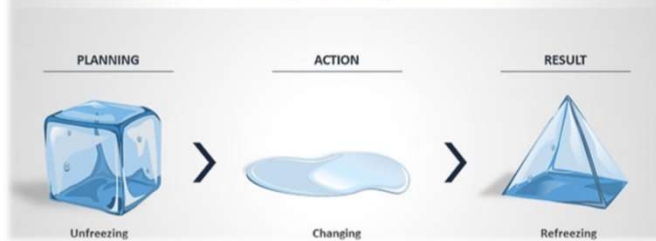
CHANGE MANAGEMENT: *EXAMPLES*

The Kübler-Ross change curve



- Create Alignment
- Maximize Communication
- Spark Motivation
- Develop Capability
- Share Knowledge

Lewin's Change Management Model





HR SERVICE DELIVERY: *ONE TEAM MODEL*

- Often referred to as “traditionalist” model.
- One team, usually a line manager and HR team working together.
- More common in private sector and/or smaller organisations.
- Will engage in admin based roles and get sucked into operational side of HR.
- Managers can often be reluctant of change.
- Little influence on how the organisation runs.

The one team model, or “traditionalist” model, is commonly viewed as the older HR model. Usually occurring in smaller organisations, primarily in the private sector, Swift argues that in adopting this model, HR fails to capitalise on the influence they could have on business strategy (2016, p.4). This model will typically include a line manager, who would tend to be a HR generalist, working with HR officers/administrators/advisors, who would partake in many operational HR practices and administrative tasks. Here, the HR function has less of an input in how the organisation is run and its strategy, whereas if you consider other models, they push HR into a more strategic role, whereby people become the primary focus of the organisation, not just one

of the cogs in a huge machine (Swift, 2016, p.4). Therefore, HR's input is vital here. By using the one team model, you fail to have this say.

A more strategic approach to HR...

1. Shared Services

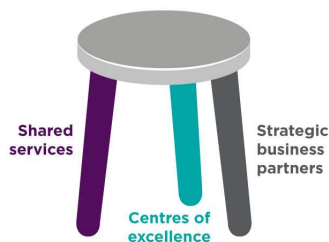
- E.g. Payroll/ admin

2. Strategic Business Partners

- HR generalists

3. Centres of Excellence

- HR specialists, e.g. recruitment



HR SERVICE DELIVERY: ULRICH'S '3 LEGGED STOOL MODEL'

Ulrich promoted a different approach to the HR delivery service in the 1990s. A method in which HR could add value to an organisation (Marchington, 2016, p.148). As the title implies, there are three elements to Ulrich's model. This model, as mentioned in the previous slide, is a much more strategic approach to HR. HR practitioners focus less on the day-to-day HR tasks and more on strategy, taking a step back and reviewing practices and the way in which HR is carried out (Swift, 2016, p.6). This means HR need to be "business savvy", as the CIPD suggests, to contribute to facilitating the organisation reaching its goals (Johns and Perkins, 2016, pp.70-1).

Technological developments have worked as a catalyst in pushing shared services. Swift describes this as 'self-service systems', whereby an employee or line manager can carry out tasks without the input from HR (2016, p.7). Booking and approving time off for example, which can all be carried out via an Intranet system with minimal input from HR. This in turn, helps HR move into that strategic role because they are less likely to get sucked into these daily, operational tasks (Swift, 2016, p.7). Consequently, line managers feel the burden of an increased workload, and though costs may be saved in the HR department, these risks being shifted onto operational line managers (Swift, 2016, p.7). In a shared service, there tends to be one hub where 'transactional services' are carried out such as the issuing of contracts. Again, this enables the organisation to become more efficient (Swift, 2016, p.7). An example of this could be finance or IT, and thus with their expertise, the quality of service is improved (Wilkinson and Taylor, 2016,p.26)

The strategic business partner 'leg', primarily involves HR helping implement strategy. HR shape and guide line managers, prepping them with the tools and knowledge to lead their teams effectively (Wilkinson and Taylor, 2016, p.27). For example, a HR advisor could analyse absence figures and point out which individuals may need further support, advising the line manager as to what would be best practice. As Ulrich and Dulebohn suggest, in order for this to happen, investment has had to occur in training and developing the HR team so that they can rise to the occasion,

and transform into these strategic business thinkers (2015).

WHERE DO LINE MANAGERS FIT IN?

HR build the policies and processes – line managers implement them!

“Line managers are the ultimate owners for HR work; they have final accountability for what is done and how well it is done” (Ulrich and Dulebohn, 2015)

LINE MANAGER RESPONSIBILITIES	HR RESPONSIBILITIES
Performance and absence management	Learning and development
Rotas and work allocation	Pay and reward schemes
On the job training	Training line managers to be able to train
Staff welfare	Employee relations
Recruitment	Recruitment
Appraisals	

As mentioned previously, HR traditionally took on a more operational approach to HR practices. For example, completing all HR admin, carrying out return to work interviews, creating the rotas and writing employee annual appraisals. Many organisations are now choosing to move away from this model, following the examples set by Ulrich and Charan (CIPD, 2015). As a result of HR professionals moving away from their previous responsibilities, line managers have had to pick up some of these tasks. Increasingly, HR now develop practices and line managers implement them (CIPD, 2020). Responsibilities of line managers now include, constructing rotas, monitoring welfare, sticking to budgets, absence management and

reviewing performance (CIPD, 2020). It is not only the day to day activities which the line managers need to take ownership of, but additionally, to implement policy and champion best practice (CIPD, 2020). As Ulrich and Dulebohn state, “Line managers are the ultimate owners for HR work; they have final accountability for what is done and how well it is done” (2015).



ETHICAL PRACTICE

- HR lead by example!
- Implemented into policy e.g. recruitment
- Equal opportunities
- CIPD set the example with their code of ethics
- Challenge:
Balance organisations' goals with the wellbeing of the workforce...
- Ethical vs non-ethical

HR must pave the way and act as role models of ethical practice to build up trust and positive working culture. This is especially true of HR practitioners in strategic roles, who should be building ethical practice into policies and procedures (Wilkinson and Taylor, 2016, p.36). Wilkinson and Taylor summarise the key aims in ethical practice as the following: promoting equal opportunities and a diverse workforce, ensuring dignity is maintained and positive mental health and work-life balance (2016, pp.37-8). HR are relatively new to the table in the sense that they are only recently being respected as business professionals (CIPD, 2015). Therefore, one of the biggest challenges for HR is

balancing an organisation's goals, especially where those goals concern maximising profits, with the wellbeing of their workforce, whom they believe are the organisations best asset (Wilkinson and Taylor, 2016, p.36).

An example of unethical practice can be taken from Boohoo. The retailer was accused of breaching health and safety standards as well as paying employees below the minimum wage (Inman, 2020), some reports claiming at least £3.50 per hour, in addition to no effective PPE during the pandemic (BBC, 2020). This demonstrates unethical practice, as the employer has a duty of care to its staff which it has clearly breached, as well as government legislation. They have further breached legislation by paying below the government set minimum wage. HR should have been leading the way in promoting health and safety in the workplace, advising on current government policy.

In contrast, the likes of John Lewis and Lush have been praised for their ethical standing. Lush promoting sustainability with a good reputation from its staff. John Lewis, an "employee-owned business" is known for listening to its employees and allowing them a say in how the company is operated (Hunt, 2020).

EVALUATING HR'S CONTRIBUTION

Measuring value:

Stats
Key Performance Indicators (KPIs)
Balanced scorecard
Happy customer?

How do HR add value
to an organisation?

One of the main functions of HR is to “add value” to an organisation, looking at both long- and short-term goals (Wilkinson and Taylor, 2016, p.30). There are several methods which can measure an organisation’s performance. Statistics are an easy way of comparing performance to previous years, for example, learning and development teams could evaluate staff turnover figures to identify if there were any trends linked to training and staff satisfaction. Or perhaps the recruitment team could compare the number of applications they received for a particular job role compared to other years. This will enable to them to determine whether the job role needs to be

altered (Wilkinson and Taylor, 2016, p. 30). Key performance indicators (KPIs) also help identify what is going well and which areas need development. In order for this to work successfully, the KPIs must be measurable but achievable (Wilkinson and Taylor, 2016, p.30).

HR can also benchmark against other competitors, comparing policy for example (Marchington, 2016, p.166). Marchington et al, suggest similar areas to Wilkinson and Taylor, whereby HR practitioners can evaluate their success. Others include levels of absence and employee satisfaction (2016, p.166). Primarily, what HR attempt to determine is the level of commitment employees have to the organisation. If an individual is committed to their work, believe in the goals of the organisation they work for, and can see continuous improvement and their ideas being actioned or addressed, their performance levels are more likely to increase (Marchington, 2016, p.166). The difficulties in measuring such indicators include individual circumstance, e.g. skill set of a new starter entering an organisation compared to another.

The important thing to remember here links back to the idea of CPD. HR in an ever increasingly strategic role, should consistently be looking to improve policies and practices to benefit the business. Perhaps they should compare to competitors as Marchington et al suggest, or carry out research internally as Wilkinson and Taylor discuss. Many successful organisations do both. It is vital that HR then act upon this information, to move forward whilst promoting

best practice, equality and diversity.

CASE STUDY 1: HR AND POSITIVE OUTCOMES

SUSSEX POLICE

- Change of leadership was necessary for the organisation to achieve its goals
- *Capabilities to be developed*
- *Change of culture and way of thinking for SLT*
- *Push staff engagement*
- *Employee voice to be heard*
- *HR lead and support the process*

One example of a change management and HR contributing to positive outcomes is Sussex Police. In 2021, its chief constable understood that there needed to be greater emphasis and priority focused on leadership to boost efficiency within the organisation (CIPD,2012). In the CIPD report, he explains how HR played a key role in this, acting as role models and leading by example as well as supporting management in implementing the process (2012). He also adds that HR was able to do this in their business partner role, a HR approach which Ulrich champions. Therefore, it could be argued that HR would not have been able to able to help in this organisational change if they had not have been in a strategic role. The report claims that HR not only give

their viewpoint of how an organisation should be designed to run most effectively, but they also ensure the message it put across in the most appropriate and effective way (CIPD, 2012). This project was a success and HR contributed to the development of its team who were thus delivering a better service to its Sussex residents. A large part of the report is quoted by the Chief Constable of Sussex Police, therefore the reader must be aware that there could be a degree of bias within it. This is only a sample of one police force also. Perhaps the project would not have been as successful in another force, with different demands, demographics and people.

CASE STUDY 2: HR AND POSITIVE OUTCOMES

KENT COUNTY COUNCIL

- Carried out a restructure to provide a better service
- Less tiers – more responsibility for front line staff
- HR have a seat at the decision making table

Another case study one could look at is the change that took place at Kent County Council where they restructured their organisation. HR played a key role in how this change was designed, similarly to the Sussex Police example. A problem in the reporting structure of the organisation was identified, reducing the number of tiers between those staff members working on the “front-line” and the strategic board sat on the top of the chain (CIPD,2020). Consequently, those front-line workers were given more trust in carrying out quality service delivery. A positive outcome for the recipients of the service, the public. This report is largely the opinion of David Cockburn, one of the directors in the council. One must remember that this was one of his projects, and so is

unlikely to highlight any failures that may have occurred. One could question whether giving more responsibility to “front-line” workers was the right thing to do. Someone analysing the effectiveness of the restructure from the outside looking in, is likely to produce a more accurate depiction of its success than someone internally.

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