CAN BUS EIREANN MOVE FROM TRADITIONAL PERSONNEL TO STRATEGIC HUMAN RESOURCE MANAGEMENT.

By

Kenneth B. Robinson.

This dissertation is submitted as partial fulfilment of the

requirements for the National College of Ireland B.A. Honours in

Human Resource Management 2004/2005.

I hereby certify that this material, which I now submit for assessment of the programme of study leading to the award of Honours Degree in Human Resource Management is entirely my own work and has not been taken from the work of others, save and to the extent that such work has been cited and acknowledged within the text of my work.

Signed: _____

Date: 29th July 2005

Student Number: 01134019

ABSTRACT

The objective of this paper is to diagnose the need for, and describe the methodology for implementation of a Strategic HRM plan for Bus Éireann.

I will analyse the current HR model being practiced and I expect to find that, while having some strategic processes, the function is heavily influenced by the traditional personnel model. The paper will assess what leading academics say defines Strategic HRM and will identify the fundamental difference between Personnel and Strategic HRM. The subject matter will also be addressed from an Irish context and give an insight into the changing way in which HR is practiced, against the background of the Irish economic success story of the last fifteen years

To give credibility to this piece of research, Bus Éireann staff will be surveyed and interviewed regarding HR processes an I expect that processes will be found to be administratively led, thus frustrating any possibility of strategic focus.

Resulting from my findings a series of key action areas will be identified within my recommendations a framework for implementation of these, over time, will be suggested by the author. These recommendations, I believe, will assist Bus Éireann in making the crucial move to a more strategically led HR function and allow it to tap into its most important asset. It's people.

ACKNOWLEDGEMENTS

TABLE OF CONTENTS,

CHAPTER 1 - INTRODUCTION

This dissertation aims to diagnose the need, and describe the methodology for the introduction of a Strategic HRM plan for Bus Éireann. Essentially this involves assessing the move from a traditional personnel function to a strategic Human Resource Management system. I have chosen this as my subject against a background of the current economic, political, and competitive forces poised to challenge the organisation. There are, without doubt, many changes which will effect the company over the next three to five years and I believe that a movement to a more strategically led Human Resource function should form part of the organisation's overall plan to sustain the challenges of a myriad of external forces.

Chapter One of this dissertation is an introductory chapter. Within this, I shall present a framework of how I intend to document, analyse, and investigate how Human Resource Management is practiced in Bus Éireann.

Chapter Two contains a profile of Bus Éireann to date covering its growth since its creation under new government legislation in 1987. This chapter will also give a brief insight in to the current human resource function at Bus Éireann, together with up to date issues relating to the department; and, in particular, current forces effecting the definition of a new human resource strategy.

The third Chapter consists of my literature review. This review will cover specific academic research pertinent to Strategic Human Resource Management and will address the definition of same. I will also focus on the difference between traditional personnel management and

strategic Human Resource Management. In addition, this chapter contains an academic assessment of Strategic HRM and its development within an Irish context and also gives a brief overview of the Bus Éireann specific literature.

Chapter Four contains an outline of the methodology used in the execution of this piece of research.

Chapter Five provides an illustration of the findings, which were garnered from my internal Human Resource Survey, and some additional findings relating to my interview of relevant HR specialist staff.

Chapter Six lists my recommendations including the critical factors which I believe will allow Bus Éireann to make its Human Resource function increasingly strategy led and strategically focussed. In conclusion I provide a synopsis on how I intend, with the assistance of my colleagues at Bus Éireann, to implement my recommendations

CHAPTER 2 – COMPANY PROFILE

The purpose of this chapter is to give an insight into Bus Éireann and in particular, it's Human Resources Department.

The Company was formed under the provisions of the Companies Act 1963 & 1986 and in accordance with Section 6 of the Transport (Re Organisation of Coras Iompair Éireann) Act 1986, it commenced trading on 2nd February 1987. The operating company is a wholly owned subsidiary of the Coras Iompair Éireann (CIE) Group and its executive team report directly to the company board.

Bus Éireann currently employs 2721 people (as at April 2005) with 11 different staffing categories which are spread around nine locations. Its principle and core business involves the provision of countrywide Expressway, Stage Carriage services and City/Urban services in Cork, Galway, Limerick, and Waterford. Additionally, the Company, under contract from the Department of Education and Science, carries 140,000 schoolchildren per day including 8000 children with special needs. Services operate 364 days per year and span 20 hours per day. Various professions, trades, and skills, including office staff, maintenance and cleaning staff, static and mobile inspectors, support each bus journey.

In recent years the Government has made large amounts of capital available under the NDP (National Development Plan) as part of its overall plan for transport in Ireland. This

investment affords Bus Éireann an unprecedented opportunity to provide significant input into the 'jigsaw' that is the overall broad national transport policy.

As an operating subsidiary of Coras Iompair Éireann, Bus Éireann has retained much of the culture associated with its parent company. Traditionally, this culture was adversarial in nature, and was typified by frequent and long periods of industrial unrest. Conflict is almost always resolved through arbitration by third party institutions such as the Labour Relations Commission or the Labour Court itself. In this context industrial relations was the main focus of people management within the organisation and became centralised around head office. Moreover, given the culture of long working hours and low basic rates of pay traditionally associated with semi-state transport companies, an over reliance on overtime working became embedded in the organisation. This gave rise to a scenario, which saw colleague competing with colleague for extra hours and premium rates of pay, all of which served to nullify the need and rationale for strategic people management.

2.1 The Human Resource Function at Bus Éireann

The Human Resource Function in Bus Éireann is a centrally managed entity responsible for recruitment, appointments, grading, pay policies, medical issues, employee welfare, the administration of personnel records, industrial relations, staff development and training. The Human Resource Manager reports to the company's Chief Operating Officer, and is a member of his management group. He also attends the Top Management Committee chaired by the Managing Director. Bus Éireann is highly unionised and has a complex mix of professional, technical, operative and clerical grades. There is a significant amount of industrial relations activity, which creates heavy demands on the Human Resource Function in general, and on the Human Resources Manager in particular. At present, there are 13

employees in the central human resource department, with additional 2 personnel managers and 4 administrative staff providing Human Resource support in Limerick and Cork, which are the two largest depots outside of Dublin.

At current staff levels, the Human Resource function within Bus Éireann appears to be under-resourced when compared to similar, large organisations. However, since the department does not possess a modern HR software support system, a headcount to HR professional ratio should not be perceived as being totally reliable.

A plan to implement a computer-based HR support system in conjunction with SAP financials and payroll has been abandoned. Members of the Human Resource Function are currently reviewing a range of full-functionality HR support systems with a view to acquisition and implementation. Traditionally, the Human Resource Department within Bus Éireann has operated within the broader company strategy and *Key Result Area* framework, thereby focusing largely upon 'the old reliables of recruitment, training and employee relations' (Monks 1997:1).

It remains my view as previously cited, that Bus Éireann is currently experiencing what Grove terms as 'a strategic inflection point', that 'time in the life of a business when its fundamentals are about to change' (1996:3).

It is true to state that,

> Overall, Irish state companies are now operating in conditions which
> are hugely different to the sheltered economic climate which operated
> when they were first conceived. Now either facing competition as a
> result of EU deregulation or preparing for it, or moving down the road

to privatisation, their very status within the state sector is being questioned. This process has occurred in both the higher echelons of the civil service and government and the companies themselves.
(Hastings 2003:12).

Viewed within this context, the development of the Human Resource function has been, and, to some extent will continue to be compelled by the external forces, which are eliciting the step change required for this organisation. Figure 1 overleaf illustrates the forces compelling the definition of New HR strategy.

A. STEP CHANGE IN BUSINESS.

MANIFESTED BY:

- New Appointment of Chief Operating Officer.
- Possible Introduction of New Management Structure.
- *"Changing the way in which we manage"*
- Close Alignment of Operational, Engineering & Support Functions.
- Clarification of Management Responsibility & Accountability.

B. CHANGING THE WAY IN WHICH WE MANAGE.
MANIFESTED BY:

- Step Change in Customer Service.
- Structure Business Around Delivery.
- Focus on Customer Service by Route & Service Type.
- Reduction of Management Layers.
- Alignment of **ALL Activity** to this Business.
- Management practices not keeping pace with wider best practices and standards
- Continuing volatility in industrial relations

FORCES COMPELLING DEFINITION OF CONTEMPORARY HR STRATEGY.
Our Customers- Our Human Capital.

- To Support, Sustain & Enhance New Business Brands.
- To Enhance the Organisational Ability To Plan & To Execute with Effect.
- To Drive & Enable Change Management.
- To align with, and therefore Support the Main Thrust of The Business.
- **REPOSITION HR AS A STRATEGIC PARTNER IN BUSINESS.**

C. PROVISION OF RADICAL CHANGE FOR CUSTOMERS
MANIFESTED BY:

- Provision of Part of Transport Solution.
- Development of Brand Strength, to counter competition and change in upcoming transport legislation
- Commercial Focus. (Yield Management).
- Increased Efficiency. (Deployment of Drivers, Usage of Fleet).
- Service Levels. (Arrival of new transport authority with set service levels).
- Increased Capacity.

Figure 1: Forces Compelling the Definition of New HR Strategy.

7

To assume the role of 'Change Agent' as defined by Ulrich (1997:25), the Human Resource function within Bus Éireann must demonstrably promote a corporate learning agenda. This will entail the ongoing development of more integrated thinking about organisational structures and HR processes. It will require the application of systems thinking, the paradigm described by Senge (1990) as 'a discipline for seeing wholes, a framework for seeing interrelationships rather than things, for seeing patterns of change rather than static "snapshots" (1990:68).

CHAPTER 3 – LITERATURE REVIEW

Within this chapter I will present a literature review focussing primarily on the relevant Strategic Human Resource areas relating to Bus Éireann. I will be looking at how Strategic Human Resource Management has become the benchmark in the management of the employee relationship and recent developments/changes in these practices and the essential criteria for adoption and implementation of successful modern HR systems. I shall also detail how academics and commentators see these systems operate in modern strategic organisations. Essentially, I will be testing the current HR processes, policies and procedures within the organisation and assessing how it can move to a more strategic human resource management agenda.

Specific areas to be addressed in my literature review chapter are as follows.

- Definition of Strategic Human Resource Management.

- Differences between Strategic HRM and Personnel Management

- Strategic HRM in the Irish context

- Bus Éireann specific literature.

3.1 Definition of Strategic Human Resource Management

Prior to the birth of the term 'Human Resource Management' (HRM) and Strategic Human Resource Management (SHRM), how organisations managed their workforce was referred to as 'Personnel Management'. Hyczinski and Buchanan describe it as 'the specialist management function responsible for determining and implementing policies and procedures which determine the stages of the employment cycle, in a manner that contributes to both the

well being and the quality of working life of employee and organisational effectiveness'

(2001:660)

This 'umbrella' term had evolved to cover managers, who were responsible for areas such as recruitment & selection, training, conditions of employment and working conditions. Huczynski and Buchanan further state that the role has developed somewhat :-

> the emphasis of the personnel role thus started to switch from employee administration to organization strategy, this is reflected in the more widespread use of the title human resource management (HRM), sometimes called strategic human resource management (SHRM) to emphasise further shift in the emphasis of the contribution of the role.
>
> (2001:668)

Wright and McMahan provide a succinct definition of Strategic Human Resource Management as 'the pattern of planned human resource deployment and activities intended to enable the organisation to archive its goals' (1992:298). Crucially, in the context of this piece of research, the suitability of the Strategic Human Resource Management model for an organisation such as Bus Éireann is clearly outlined in the literature.

Significantly, Wright and McMahan assert that Strategic HRM is largely based in the resource-based view of the firm. According to the resource based perspective.

> Groups and organisations gain power over each other by controlling valued resources. Furthermore, HRM activities and processes are assumed to reflect the distribution of power within a system. For example, personnel departments acquire power over other departments to the extent that they make others dependent upon them by controlling the flow of human resources into and through the organisation.
> (Schuler & Jackson 1999:6).

10

Schuler & Jackson also note that resource dependence theory was 'developed in the context of understanding large public bureaucracies, where efficiency may not be among the most important goals' (1999:7). Before assessing Strategic Human Resource Management within an Irish context. It is essential to look at the differences between this Traditional Personnel model and Strategic Human Resource Management

3.2 Differences between SHRM and Personnel Management.

In both literature and the workplace, the development of how we manage employees, has moved from 'personnel management' to HRM and more recently to Strategic HRM. Legge (1995) suggests that it was first seen in the writings of US Academics and Managers through the 1980's (such as Tichy et al, 1982, Fombrun at al, 1984, Beer et al, 1985 and Foulkes 1986). Legge further suggests that UK managers and academics took up the term in the latter part of the 1980s. (Such as Armstrong 1987, Fowler 1987). By the early 1990s, there was no doubt that changes were abound in the way we manage people in the work place.

Bach and Sisson (2000) note that prior to the adoption of the term HRM, the way we managed the employee/employer relationship was known as 'Personnel Management' and indeed this term has remained the main player until the recent changes in the last two decades. For them, Personnel Management had become the part of the management function tasked with methods of recruitment and selection, training and development, terms and conditions of employment, remuneration, and amenities and employee services.

This piece of research aims to diagnose the need for, and describe the methodology for the introduction of a Strategic HRM plan for Bus Éireann. The realisation of this aim entails the identification of the specific purposes of this proposal, coupled with the prescription of the most suitable methodology for the delivery of same. Efforts to address the issue of what exactly constitutes Strategic Human Resource Management along with exertions to define the optimum methodology for the provision of same, have occupied both academics and human resource/ personnel directors alike throughout the last decade. This pursuit has produced a number of enabling definitions which have served to both enlighten the practitioner and to encourage practical debate.

Monks (1997) traces the development of the traditional personnel function from the 1940's to the arrival of strategic human resources management in the 1990's. Based on a study of 97 Irish organisations, Monks identifies four types of Human Resource or Personnel practices.

These are

(i)   Traditional /Administrative,

(ii)   Traditional/Industrial Relations,

(iii)   Innovative/Professional, and

(iv)   Innovative/Sophisticated.

Exponents of the 'traditional/administrative' personnel practice describe their core activities as 'housekeeping' and 'policing', whilst those who practice 'traditional industrial relations' identified 'fire-fighting', 'containment' and 'conflict resolution' as their salient

methodologies. (1997:7). It is safe, I feel, to suggest that a combination of these definitions best describes the current traditional Human Resource function within Bus Éireann.

In the 'innovative/professional' model, personnel/human resource specialists articulate a concern to 'dismantle the problematic elements of their current practices', and adopt the role of 'expert', 'change agent' or 'consultant', within their organisations. (1997:7)

Those operating within the 'innovative/sophisticated' paradigm adopt roles which can be described as 'consultant', 'business manager', 'facilitator', 'policy developer' or 'expert' (1997:7). Monks notes that the integration of human resource issues and strategic organisational plans characterizes those companies which house the 'innovative/sophisticated' paradigm. Moreover, Monks asserts that within such organisations 'recruitment, appraisal and training measures which were designed to ensure the commitment and performance of staff, were in place, along with 'widespread communication and involvement programmes'

Ferris et al asserts that 'the study of HRM, as a scientific field of inquiry, began around the time of World War 1. Citing a transition from traditional personnel management, Ferris states that HRM emerged as 'a problem driven, scientific/academic are of study. HRM scholars sought to solve practical HRM policies, like absenteeism and turnover, all with the aim of improving firm efficiency (2004:234)

Ferris et al, cite the work of Mahoney and Deckop (1986) to provide a review of HRM, which reflects the important trends in the evolution of the discipline, these are described as,

Transitions in attention from human resource planning and forecasting to a more strategic perspective of HRM, from labour relations to governance, from an emphasis

13

in culture versus the earlier emphasis on morale, from the individual job to teamwork, from a problem focus to an accountability focus and from employee training to employee development (2004:235)

Monks' previously cited four types of human resource/personnel activity resonate acutely with Ulrich's four metaphors for effective human resource work. Ulrich asserts that 'to create value and deliver results, HR professionals must begin not by focusing on the activities or work of HR but by defining the deliverables of that work' (1997:24). Table I below illustrates the role, deliverable outcome and activity associated with each of Ulrich's four metaphors.

Table I.   *Ulrich's Definition of HR Roles*

Role/Cell	Deliverable/ Outcome	Metaphor	Activity
Management of Strategic Human Resources	Executing Strategy	**Strategic Partner**	Aligning HR and business strategy: 'Organisational Diagnosis'
Management of Firm Infrastructure	Building an efficient infrastructure	**Administrative Expert**	Reengineering Organisation Processes: 'Shared Services'
Management of Employee Contribution	Increasing employee commitment & capability	**Employee Champion**	Listening & responding to Employees: 'Providing resources to employees'
Management of Transformation & Change	Creating a renewed organisation	**Change Agent**	Managing transformation and change: 'Ensuring capacity for change'

(1997:25)

Monks and Ulrich describe the type of paradigm, which the Human Resource function within Bus Éireann currently seeks to shift towards. Moreover, they describe human resource/personnel activities as roles with significant scope, breadth and variety. A certain amount of ambiguity concerning the role of the human resource professional emerges as an inevitable corollary of this analysis. Ulrich contends that,

14

HR professionals must fulfill both operational and strategic roles; they must be both police and partners; and they must take responsibility for both qualitative and quantitative goals over the short and long term. For HR professionals to add value to their increasingly complex businesses, they must perform increasingly complex and, at times, even paradoxical roles (1997:24).

For Monks 'the ambiguity attached to the personnel function leaves it, perhaps more so than any other function, in a vulnerable position within the organisation' (1997:8).

Beer also makes reference to the tension that exists between the traditional administrative role and the more strategic role for human resources. His article 'the transformation of the Human Resource Function: Resolving the tension between the Traditional Administration and a New Strategic Role' is relevant to Bus Éireann. Beer believes that people can be a source of competitive advantage but he asserts that the role of the Human Resource function is to identify and create an organizational context that attracts and retains talented individuals. Beer further suggests that HR must move from its traditional administrative role by asserting,

To make a successful transformation, the Human Resource function will have to shed its traditional administrative, compliance and service role and adopt a new strategic role concerned with developing the organization and the capabilities of its managers (1997:51).

Gunnigle and Moore argue that the overall objective of SHRM is about policy making decisions affecting the organisation and being in position to deal effectively with its environment and being seen as a crucial ingredient in both achieving and maintaining effective performance in a changing environment.

3.3 Strategic Human Resource Management and the Irish Context

Writing of Strategic HRM in Ireland, Gunnigle states that this discipline is 'the integration of human resource considerations into wider strategic planning and the development of personnel policies to support a competitive strategy. (1992:26). To develop a more thorough understanding of the contemporary context for Strategic HRM in Ireland, it is necessary, I feel, to discuss the unprecedented nature of growth which the Irish economy has experienced over the last fifteen years. During a critical evaluation of Ireland's economic performance conducted just sixteen years ago Lee (1989) stated bleakly that:-

> Ireland recorded the slowest growth of per capita income between 1910 and 1970 of any European country except the United Kingdom. Every country ranked above Ireland in the early Twentieth Century pulled much further ahead. Every country below Ireland either overtook her, or significantly narrowed the gap...No other European country, east or west, north or south, for which remotely reliable evidence exists, has recorded so slow a rate of growth of national income in the Twentieth Century (1989: 515).

This Irish Economic transformation is examined by a wide range of contemporary literature. (Kenny, 1984; Lee, 1989; Kennedy, 1989; Mac Sharry & White, 2000; Cox, 2002; Buckley et al., 2002; FitzGerald, 2003; Hastings, 2003; O'Toole, 2003).

To put it simply, it is true to state that, in economic terms, what has happened in Ireland over the last fifteen years has not happened anywhere else in Europe, and is unprecedented.

Buckley et al (2002) surmise the dramatic changes experienced by the Irish economy stating that:-

> It could be argued that the changes experienced by the Irish economy and the Irish business environment in the last 10years have been seismic in nature and unprecedented in historical terms. For example, despite high levels of emigration, the unemployment statistics in the 1980s remained solidly double digit well ahead of the EU norm. By the mid 1990s emigration had been replaced by Immigration and unemployment had dropped as low as 3.7% in the first quarter of 2001 -CSO, 2001 (2002:1).

Set firmly in the context of this uniquely rapid economic development are a number of national studies/reports which have sought to address the key issue of how we manage people.

Both the Galvin (1988) and Culliton (1992) Reports were most critical of the low levels of investment in management development in Ireland, and called for more concentrated efforts towards upskilling, knowledge development and learning in national policy. These reports were followed by a number of salient initiatives and studies, including;

- Information Society of Ireland Report (1996)

- White Paper on Human Resource Development (1997)

- Enterprise 2010 (2000)

- National Development Plan (2000)

- Forum on the Workplace of the Future (2005)

Working to our Advantage: A National Workplace Strategy (2005), the report published by the Forum on the Workplace of the Future opens from the perspective that:-

> In the constantly evolving world of business and public services, the most successful organisations are those that anticipate and adapt so as to turn change to their advantage.

> What is particularly challenging now is the scale and rapid pace of the changes affecting Irish workplaces. The combined forces of competition and technology, the transition to the knowledge society, the changing needs of people and the demand to improve the delivery of public services, point to the need for radically new workplace models (ix).

This report also houses a number of interesting demographics which serve to illustrate the pressing need for sustained investment in Strategic Human Resource management for example,

- 80% of the predicted workforce in 2015 is currently employed

- The workforce is ageing. About 40% of workers will be over the age of 45 by 2015

- The number of young people entering the workforce is falling as lower birth rates feed through into the working age population (x)

Most significantly, The Forum articulates the belief that

> Significant improvements in the capacity for change in the workplace can be secured through improving the ability of managers to lead and manage change through greater levels of engagement with employees (xv).

Consequently, a number of specific strategic actions are identified and prescribed by the Forum. They include:-

- Improve leadership and management competencies, in particular relating to change management, networking and people management.

- Encourage public and private sector organisations to achieve greater HRM capability benchmarked against national and international best practice

- Support ongoing learning through the use of career planning and the development of learning plans for employees.

In addition, the Forum asserts that

> The challenge of developing and maintaining a highly skilled workforce must be tackled on a number of levels. At individual level, engaging in career planning and developing a personal learning plan will become increasingly important. At organisational level, employers must encourage learning that will add value to the workplace, and facilitate employees to achieve their potential (2005:82).

Also, within the same report, An Taoiseach, Mr. B. Ahern, T.D. asserts his view regarding best practice employments

> The work of The Forum has shown that, currently, our most adaptive employments are those where "bundles" of complimentary work practices are deployed – team working, information sharing, consultation and meaningful involvement, training and learning, performance management, employee financial involvement and work life balance arrangements. Many of these approaches can be described as participatory or "high involvement" and there is a high correlation between these practices and job satisfaction, low staff turnover rates, high productivity and the successful adoption of new technology and innovation (2005: iv).

3.4 Bus Éireann Specific Literature

Any review of appropriate literature concerning issues within Bus Éireann must feature an outline of existing Bus Éireann -specific material. Due to the dearth of such literature however, this outline is quite brief.

Broadly stated, academic reviews of Bus Éireann, or indeed of Córas Iompair Éireann, have a tendency to be dominated by mixed accounts of political controversies, economic policies and local histories. O'Riain (1995) wrote a fifty-year review of Córas Iompair Éireann, simply stating that his book could be 'a book about trains and buses, about services provided to the public, or a book about people, controversies, and financial results' (ix). O'Riain further informs the reader that:-

> Bus Éireann decided that it would have to adopt a consciously market led approach in line with the business plan developed in 1997 and thereafter revised annually. In a paper read to the Chartered Institute of Transport in 1991 Mr. Donal Mangan (General Manager, Bus Éireann) stated that 'the key issue identified in the planning process was the need to move from a position of relative weakness in the interurban travel market to a position of strength and domination of the market, and to be cost effective with elimination of all costs not contributing to revenue generation' (1995:419).

Martin Carr's unpublished dissertation (2002) concerning communication in Bus Éireann houses the results of a culture survey, which measures employee's opinions on people management within Bus Éireann. As part of this study a total of 376 questionnaires were distributed and 116 were returned (response rate of 31%). The people management section of

the questionnaire consisted of twelve items. The frequencies of the proportion that agreed and

disagreed with each statement are summarised in the table as detailed below

People Management	Agree (%)	Disagree (%)
My manager supports me in improving my performance on the job	61	39
My manager ensures I have whatever training support I need	65	35
The training I receive is affective	69	31
My performance is related to decisions made about me such as promotion	51	49
Staff are promoted on the basis of merit	36	64
There are opportunities for career advancement in Bus Éireann	56	44
People are awarded appropriately for their contribution to the business	32	68
People are paid for their level of performance and not just paid for attendance at work	28	72
Personnel policies are applied consistently throughout Bus Éireann	40	60
Senior Managers are concerned about the welfare of employees	57	43
Managers seek support of people when they have problems	69	31
I feel that I am valued as an employee	75	25

These results influence Carr's recommendation that 'Bus Éireann should institute a strategic

human resource management system that is coherent, mutually reinforcing that optimises the

alignment between business objectives and the behaviour of employees' (2002:89).

CHAPTER 4 – METHODOLOGY

The processes used throughout this piece of research were the Strategic Human Resource Management Planning Process developed at the University of Michigan by David Ulrich and Wayne Brockbank and the Strategic Human Resource Management Process developed at Harvard by Mike Beer. These are the World's leading Strategic Human Resource Management Planning Processes and are used globally. These processes are based on best practice as used by organisations such as Intel, Sears, South West Airlines, General Electric, Morgan Stanley, Becton Dickinson, Merck, ASDA etc. The conclusions and recommendations I have made on foot of this piece of work are based on the information received from a number of key sources, inclusive of a review of the appropriate literature presented in Chapter 2, a short questionnaire/survey and a series of semi structured interviews. In addition, the following organisational data was assessed:

- Company and HR department Organisational Charts
- Job specifications for all HR roles
- Company Policies and Procedures Manuals
- All internal change programme publications, including codes of practice as set down by the Labour Relations Commission.
- Copy of company business plan (relevant HR section)
- Demographic of Bus Éireann

Early in January 2005 I met with the Human Resources Manager and obtained his support for my research proposal.

4.1 Data Collection and Collation.

My approach to data collection and collation is based upon the Strategic Human Resource Model proposed by Ulrich (1997), and discussed in my Literature Review (see 3.2). As previously cited, Ulrich asserts that HR practitioners can make a valid strategic contribution to contemporary organisations by performing the 4 key roles of Strategic Partner, Administrative Expert, Employee Champion and Change Agent. (See table 1, page 14).

The Human Resource Role Assessment survey (see appendix 1) designed by Ulrich and Conner which explores the various roles that the HR Function may play within a business was circulated to all HR practitioners within the Human Resources function. During the first week in May 2005 these questionnaires were circulated to participants who were given three working days for completion.

4.2 Interview Protocol.

At the outset each interviewee was informed that all data and information received would be on a strictly confidential basis. The venue for each interview session was chosen by the interviewee and agreement for tape recording was agreed in preliminary discussions. Before the interviews took place I informed each candidate that any matters or issues arising with which they were unhappy could be removed from the final draft. After the interviews had taken place a copy of each text was forwarded to each person for verification.

One candidate asked for some small amendments to the original text and this was facilitated by the author and returned for secondary verification. The new text, with some small amount of data removed, was agreed.

4.3 Semi Structured Interviews: Objectives and Approach.

All semi structured interviews took place in June/July 2005; after all HR roles survey responses had been received and collated. The results of the survey served to inform and shape my style of questioning. Each interview lasted approximately 30 minutes and took place at a venue of the interviewee's choice. At the beginning of each meeting, I outlined the context for my research and, described the approach which I intended to take and referred to the responses of the previously cited Human Resource Role Assessment. The following is a list of individuals who were interviewed on this basis.

- Human Resource Executive, Bus Éireann

- Regional HR Manager, Bus Éireann.

- HR Manager, (Former Bus Éireann employee from 1990 – 1998).

In order to optimise the effectiveness of this interview process, standard interviewing techniques such as asking open ended questions and requesting specific examples, were used. Each participant was asked to consider the level of involvement that the HR Department has in the formulation of Business strategy, and to assess whether or not an appropriate HR strategy was being pursued. Each interview also sought to establish whether the HR Department staffing, organisation and policies enabled a strategic approach to human resources management. As previously cited, the human resource role assessment survey influenced the overall structure of each discussion. Accordingly, questions were asked to gain feedback on how effectively the HR Department was performing the 4 key roles of Strategic

Partner, Administrative Expert, Employee Champion and Change Agent. From the Strategic Partner perspective I sought to establish views on the following issues:-

- Does the HR function display an understanding of the key challenges facing the organisation?

- How has the function contributed to Bus Eireann's business plan?

- How does the HR function influence decision-making in the business?

In addition each discussion focused on extensive topics, which sought to establish the effectiveness of HR systems:

- Recruitment and selection procedures

- Compensation and benefits policies

- The contribution of Information Technology to the Departments output and efficiency.

- Inductions procedures

- Training policies.

Moreover, the HR functions role as an employee champion was explored through the following questions.

- Is the organisation's performance management system effective?

- Do cultural/attitude surveys take place?

- Have line management been provided with the skills to manage people issues?

- Do our compensation and benefit policies reward performance?

- How approachable is the HR function?

Finally, I sought to establish how the HR function was performing in its role as change agent via the following line of questioning.

- Has change management been embraced?
- Are employee surveys used as a tool to investigate specific internal problems?
- What relationships exist between HR and other departments?
- Does the department have a formalised set of objectives and goals?

CHAPTER 5 – RESULTS AND RESEARCH FINDINGS

5.1 Findings from Ulrich Survey.

The purpose of the survey was to assess where, under Ulrich's four roles did Bus Éireann HR staff feel they were most effective. Table 2 below shows the results collected from the 8 staff surveyed.

Table 2

Strategic Partner		Administration Expert		Employee Champion		Change Agent	
Question	Score	Question	Score	Question	Score	Question	Score
1	20	2	22	3	24	4	21
5	17	6	24	7	22	8	17
9	19	10	32	11	21	12	20
13	20	14	27	15	24	16	20
17	19	18	35	19	19	20	18
21	17	22	23	23	23	24	15
25	16	26	29	27	20	28	19
29	23	30	34	31	23	32	22
33	19	34	30	35	23	36	21
37	17	38	26	39	22	40	20
Total	187	Total	282	Total	221	Total	193

Given that each role of Ulrich's four roles had ten questions relating to it and each question could be rated from one to five and as the questionnaire was completed by eight Human Resource executives, there was a potential full score of 400 points for each role.

It would be unfair for me to say that I was surprised by the findings. The role of Administrative Expert was a clear 'winner' gaining a score of 282 out of a possible 400, a

return of 70.5%. As so much time is spent on administrative duties this was something which, I believe even a casual observer, could have predicated without the use of any survey. However, the other data resulting from the survey provided an interesting insight. One startling feature was the results pertaining from the 'Employee Champion' role. With a score 221 from a potential of 400, a return of 55.25%, this data caused much surprise and I felt a need to assess why it had scored relatively highly. I noted that the two former employees had scored the pertinent 'Employee Champion' questions lowly, yet current employees regarded the same questions and score them relatively high. It was only then that the situation in which the questionnaires were completed struck me. The questionnaires were filled in some two weeks after the tragic events in which 5 schoolgirls, travelling on a Bus Éireann bus, were killed at Kentstown, Navan, Co Meath. The Human Resources Department and the Company in general, had been through its most traumatic event in its history. Since the accident the department has been assisting with many aspects of the enquiry, including attendance at funerals, interviews with survivors and arranging of counselling for staff members who had attended the scene. It is my belief that this 'immediacy effect' may have skewed the relevant results and there was an option to further probe this with the staff and try and assess why this had happened. Given the circumstances I decided that this would not have assisted my paper in any way, and allowed the results to stand.

The remaining two roles returned results as I had expected. The 'Change Agent' role elicited a score of 193 from a potential full score of 400, a return of 48.25%. The staff surveyed have not been, and are unlikely to be, any part of future change programmes which the department may undertake. Change within Bus Éireann has proven to be a long and frustrating process, which has invariably ended up at a third party such as the Labour Court or Labour Relations

Commission. Indeed, one change programme involved High Court proceedings involving Bus Éireann and the National Bus and Rail Union. It is because of the complexity of these adversarial negotiations that any change scenario falls under the remit of senior management; therefore the staff surveyed may feel somewhat detached from any change process merely becoming administrators with a support role rather than having any strategic input.

The 'Strategic Partner' aspect of the survey resulted in the lowest score return of 187 from the potential 400 points (46.75%). Ulrich surmises that the role of strategic partner involves 'HR professionals acting as business partners play many roles, one of which is *strategic* partner, charged with turning strategy into action' (1997:53). There is no doubt that the surveyed staff have little input into strategy. As a group, administrative duties form a large part of a typical working day, and the option to be strategy led or the creation of an environment where human resource staff are encouraged to be strategic is simply not there.

The overall requirement of the department's administrative duties is without doubt the background against which each staff member operates. I am conscious that this critical analysis may paint a somewhat bleak picture of how HR is practiced at Bus Éireann, but one should be mindful that the difficulties outlined above are shared by Human Resource practitioners across all industrial sectors. In a recent survey by an IRS employment review, 'just over half (50.8%) of 118 HR departments responding to an employment review survey by the CIPD stated that administration burdens continue to hinder them. Most practitioners surveyed felt a need to increase their effectiveness and contribution to organisational strategy and stated that they had expanded and become more influential over the last five years but

agreed that the volume of administration impeded future strategic progress. (People Management Magazine 2004:10)

Interestingly, the report concludes that 'A typical HR department spends half of one day per week on strategic issues' but would like to spend a day and a half per week. (2004:10)

5.2 Findings from Interviews.

My initial candidates for interview were all unavailable to meet me due to the tragic school bus accident at Kentstown, Co Meath on 23rd May. This forced me to identify new candidates whom I would be able to interview, bearing in mind that I needed a particular insight into the current way in which HR is practiced on a day to day basis. My previous choices had all been senior managers and in retrospect I believe that I may have received a somewhat different, possibly skewed, view of HR in Bus Éireann. My new interviewees gave me an excellent insight into the workings of HR at operational level. The fact that one of my interviewees was a former employee now working in HR outside of Bus Éireann further enhanced my findings and contributed to the validity of my research which may not have been evident had my previous interview selections been available.

Firstly, one of the most succinct views elicited during my interviews was the credibility and validity of HR. A common thread was that HR was simply HR's job, and that it is a profession that anyone could undertake in an instant. There was a real feeling that the department within Bus Éireann and the profession needed to move to a scenario where, HR activities become based on theory and research and that HR specialists should be the masters

of this. There was a desire that HR be seen as a role which is as important as its comparative functions such as the finance or engineering.

Additionally, the usual problem of HR being seen as a side of the business that deals with soft issues and is therefore, unaccountable, was a matter that needed to be addressed. HR staff acutely understood the need for the department to impact on business results and translate all aspects of their work into financial performance, essentially giving HR a value like other parts of the business. According, to a former employee

> *"It's definitely not unique in CIE; I believe that it is a general problem for HR specialists. Indeed, I think people wonder about the value that HR brings. I think if you ask any people in a HR role, is HR a profession? I would be interested to see what answer you get"*

Another area which generated great debate was the bureaucratic red tape that frustrated internal processes and systems that seemed to hamper any development of change that the HR function may wish to take. It is without doubt that the department is functioning under a mountain of paper and antiquated processes and systems. In conversation one comment was:

> *We need a new system; there is too much paper, paper, paper, forms, procedures, and red tape.*

Another, interviewee stated:

> *"Well let's be honest HR in a company like ours and many others like it, it is about rules and regulations, policies and procedures, grievance and discipline, paperwork, forms and more forms".*

It is somewhat surprising that a company of over 2500 staff does not have an integrated Human Resource IT system. Given that this paper involves suggestions relating to a huge change to the department, I believe that the bureaucratic scenario, as described above, must be changed. In order to function efficiently, not only in a new strategic scenario, but as it stands at present, will necessitate the introduction of an integrated HR system. By the tone taken in some interviews, there is obviously increasing frustration regarding processes and systems within the department. Given my own position I am very aware of the daily pressure that results from the endless paper trail which increases rather than reduces over time.

CHAPTER 6 – RECOMMENDATIONS

6.1 Preface to Recommendations

The objective of this piece of research is to identify a number of key action areas which, once embarked upon, will enable a transition from traditional personnel to a new strategically focussed human resource function. For the purpose of this study each key action area will be identified hereunder to form my recommendations. For each substantive issue identified I will set down a number of consequential key action areas, whilst grounding my proposals in best practice.

As previously stated, in a recent survey, 'just over half (50.8%) of 118 HR departments responding to an employment review survey by the CIPD stated that administration burdens continue to hinder most HR departments. Most want to boost their contribution to organisational strategy and stated that they had expanded and become more influential over the last five years but most agreed that the volume of administration impeded progress. Additionally, the report concludes that 'A typical HR department spends half of one day per week on strategic issues' but would like to spend a day and a half per week. (People Management Magazine, March 2004). Given that Bus Eireann's HR staff to employees ratio is remarkably low (15 staff to 2500 employees) it is vital that the administration burden is radically reduced.

6.2 The Separation of IR from the Human Resource Function.

The separation of industrial relations from the human resource function is by far the most radical of these changes, and thereby warrants further consideration at this point. At present every member of the HR Team, without exception, performs daily tasks relating to the

33

management of industrial relations. In addition, considerable strain is placed on the Human Resource function by industrial disputes, restrictive practices and inter-union rivalry, which have constantly troubled the organisation. My proposal is to establish a distinct specialist team of industrial relations experts, drawing from internal and new external expertise. This team of industrial relations experts would provide corporate IR support and advice to line managers across the business, on a cross functional basis.

It is essential that these staff are fully knowledgeable with the mechanics of all the various internal Tribunals, Forums, Change Programme Joint Working Parties and Joint Central Review Committees which play a huge part in the day to day running of IR processes. Members of this team would have direct responsibility for grievance & discipline, all negotiations and dispute resolution processes with particular responsibility for management of the current Enterprise Partnership Scheme. Expertise in this area is vital, as all of the above systems, processes and procedures have evolved through a period of intensive and prolonged Company/Trade Unions negotiations. Industrial Relations within Bus Eireann has a chequered past.

In this new scenario Human Resource Managers and Executives would now have the time and space to focus upon refining strategic corporate performance in terms of selection, development, workforce planning, performance management, communications and the establishment of effective performance indices.

Additionally, it is my belief that all the recommendations, contained in this piece of research will be frustrated if the industrial relations climate does not undergo radical change. Simply

put, because of the history of industrial relations in this company, I feel that the future management and conduct of industrial relations must be completely different to what has been experienced in the past.

6.3 Implement a Competency Based Approach to HR Management

It is accurate to say that competencies have become an integral part of the human resource function. Since the early 1980s, the competency approach has evolved from a rather narrow and specialised application, to a leading framework for diagnosing, discussing and improving most aspects of human resource management.

The specific term, *competency*, has been defined in many different ways, but most commonly, competencies are broadly defined as a combination of skills, knowledge and abilities which produce strategic advantage of performance excellence. Academically, competency is a term, which is largely associated with Boyzatis (1982), who commences his work by asserting that organisations 'need competent managers to be able to reach objectives both efficiently and effectively' (1982:1). Boyzatis contends that it is competence, which determines the return that organisations realise from their human capital.

Boyzatis is critical of those approaches which remain at the level of managerial tasks or functions, because they do not recognise or address the person in the role. Consequently, such approaches fail to establish any links between the characteristics of people and performance in roles (jobs). For Boyzatis, competencies are the dimensions of a person/individual. They are those characteristics or abilities, which allow the individual to take appropriate, positive and valuable actions. They are the capabilities that the individual brings to the real situation of

work 'that underlying characteristic of a person which results in effective and/or superior performance on a job' (1982:21).

However one defines the term, there is a great deal of professional agreement concerning the value and importance of competencies. It is recognised that competencies help both individuals and organisations to improve their performance and to deliver key business results. Moreover, and within the context of this piece of research, crucially, since competencies may be set down and communicated, they may also be taught, learned, assessed and monitored.

Antonacopoulou and Fitzgerald (1996), compliments the work of Boyzatis to assert that competencies may provide a framework for a system capable of drawing inputs from organisational plans, and delivering outputs in the accompanying performance of staff through the provision of certain specialist criteria for recruitment and selection, training and development and succession planning. The current importance of the role of competencies and competency building in terms of Strategic Human Resource Management is illustrated by *Working to Our Advantage: A National Workplace Strategy* (2005), the report published by the Forum on the Workplace of the Future, which asserts that:-

> The development of competencies-in particular in relation to change management, networking and people management-is needed to shift management culture away from top-down, hierarchical approaches towards the more participative style which underpins new workplace models. Management development must be combined with the adoption of progressive employment and human resource management practices within organisations, so that managers are equipped with the tools to bring about sustainable change (2005:75).

In addition to that above, it is essential that we understand what competencies are required for HR professionals. Some 595 Human Resource specialists were surveyed by Saville & Holdsworth Ltd (SHL) in 2005. This sample was designed to be multi cultural and included HR Staff from all around the world, representing every sector of industry. The survey took place in 45 countries were HR Specialists were asked to rate 84 behavioural statements according to the importance of these behaviours on a five point scale from (1) low importance to (5) high importance. 15 competencies were derived from these statements. -Table 3 overleaf illustrates the relative ranks of all the 15 HR competencies by country, the top competencies appear in pink, while the least important in grey (see over)

The table presents the relative ranks of the 15 HR Competencies by country. The top competencies appear in pink and the least important in grey.

Country	Strategic Vision	Business Awareness	Analysis	Organisational Learning	Planning and Control	Leadership	Decisiveness	Innovation	Adaptability	Personal Development	Stress Tolerance	Teamwork	Credibility	Development of Others	Communication/ Negotiation
Australia	12	14	10	7	13	2	15	11	1	4	8	5	3	6	9
Belgium	9	11	13	8	7	4	15	5	6	1	14	12	2	3	10
Denmark	3	9	12	6	8	11	15	5	10	1	13	7	4	2	14
Germany	3	11	6	8	4	9	13	1	10	2	15	12	5	7	14
India	13	11	12	8	9	6	14	7	5	2	15	4	3	1	10
Italy	14	15	12	10	7	8	11	5	1	4	13	6	3	2	9
South Africa	10	4	8	9	11	6	12	7	2	5	15	3	1	14	13
UK	13	12	11	8	10	6	15	7	4	1	14	2	3	5	9
USA	4	5	7	6	14	3	9	12	10	11	15	2	1	13	8
Total	10	12	13	9	8	7	15	6	4	2	14	5	1	3	11

Table 3

The SHL study provides an interesting insight into how HR is seen by Human Resource Specialists. Given that the 'credibility' competency is seen as the most important further

underpins the views of my interview candidates who indicated that credibility for HR is one of the most important factors which they currently face.

The implementation of a competency-based approach to HR management as outlined above and development of the relevant competencies for HR staff will enable positive developments in the areas of staffing and performance management.

6.4 Staffing

The following key weaknesses of the existing Recruitment and Selection System were identified through my interview processes:

- Lack of Clear Job Descriptions

- Person specifications are not competency based

- Psychometric tests have been discontinued, but should play a significant role in the selection of certain safety critical positions (driver)

- Recruitment and Selection system used is administratively burdensome and not automated.

Furthermore, the Induction process is seen as a HR event and is not owned by Line Managers, whilst the probation process is not as tight as it should be in the modern legal context. In addition, the organisation does not have a clearly defined Career Development Process. Resultant key action areas are:

- Establish Output and Behaviourally Focussed Job Descriptions

- Establish Behavioural/Competency based Person Specifications

- Use targeted selection interviewing

- Streamline, automate and measure recruitment & selection process to improve efficiency

- Establish Line Manager/HR roles in induction and probationary processes. Develop 'best practice' procedures and implement.

6.4.1 Staffing - Best Practice

Benchmarking identifies that best practice in the staffing area is a very rigorous approach to recruitment, induction, probation and internal progression based on the individual's:

- Performance record to date (The What)

- Competencies/Capabilities demonstrated (The How)

The basis of effective staffing involves the corporate definition of:

- Job Role Performance and Competence Requirements

- Detailed Competency based Person Specifications

- Psychometric and Ability tests mapped to performance and competency requirements

- Line management ownership of staffing process

- Disciplined management of induction and probation

- Open and transparent (business needs focussed and assertive) career development policy

- Measurement of efficiency of Staffing Processes

6.4.2 Staffing - Changes required going Forward:

- Line management in conjunction with HR need to define the key role requirements and person specification required for each position. These should be detailed to the level of 'Outputs required' and 'Behaviours/Competencies to be demonstrated'. These 'Behaviours/ Competencies' need to follow through in the Induction, Performance Management and Training Processes.

- Recruitment and Selection system needs to be streamlined and made as efficient as possible (Use IT package).

- Bus Éireann needs to develop and implement a career development policy that is aligned with Strategic HR Planning and Succession Planning

6.5 Performance Management

At time of writing, the PMDS system has been designed and implemented for clerical, executive and managerial staff. In reality, this system is a Traditional Performance Appraisal System. It has flaws in the manner in which goals are cascaded and is not regarded by line managers as a key people management tool. In addition, in the absence of an associated financial reward, the full value of the existing package is not understood by staff. Resultant key action areas are:

- Develop and implement a cascaded output and behaviourally focussed performance management system that turns business/section plans into individual responsibilities and individual development plans.

- Support the development of a performance development

- Develop a Total Reward Strategy

- Integrate reward and performance management outputs

- Introduce a Flexible Benefits System

- Review/Benchmark Salary against industry norms

- Streamline/automate administration of process

6.6 Introduction of a Formal Written Human Resource Strategy

The absence of a formal HR strategy emerged as an issue throughout my interview processes. Recent studies have demonstrated that the provision of such documents pay economic and performance dividends.

In 2002 Price Waterhouse Cooper (PwC) conducted a worldwide survey, which for the first time addresses matters relating to HR strategy. The survey indicates that there are three important people management issues that are vital if a company wants to influence the bottom line. These are:-

- An HR strategy that is documented, and integrated in the business strategy

- Effective people policies and practice that can deliver strategy across the business

- A HR function that can implement policy and strategy and can influence the business.

The research further elaborates by showing investment through time and effort in developing an HR strategy can be worthwhile. It states that "participants who have a documented HR strategy also have higher revenues per employee, reduced absenteeism and more effective

performance management systems" (PwC report 2002:3). Furthermore, the report evidences

other particular areas that result from having an effective documented HR strategy.

Participants with a documented HR strategy also
1. Higher revenues per - employee 35% higher   than those with no documented strategy 2. Reduces absenteeism from work – 12% lower 3. Lower compulsory terminations 4. A more effective performance management system. 5. A reward system that better supports business objectives. 6. A more rigorous approach to training evaluation including the effect on the business and return on investment

6.7 Introduction of an Integrated Computerised HR System

It is obvious from my interview research that an integrated HR system is vital for Bus

Éireann.   The existing system is obsolete and provides very little assistance with staff

invariably accessing old paper files instead of trying to negotiate the myriad of computer

systems required to produce even minute pieces of data.

Particular attention will have to be paid to sourcing and integrating any new system. It is

crucial that all systems are user friendly. The new system must be able to track all details of

employees from initial entry to the company until they exit or retire from the organisation.

Additionally, it is essential that the new system fully interfaces with current non-HR packages

such as Wayfarer Ticketing, Bus Éireann Warehouse Finance Module and medical records

held at CIE Medical Department.

Bus Éireann must now forego its concentration on administration duties and develop IT and HR systems to allow all HR staff to better use their working hours. Smart systems dealing with, inter alia, absenteeism, communication, and change will allow the HR professional to ensure that the correct administration processes are formulated and delivered. Successful implementation of up to date systems can deliver added value to Bus Éireann and allow staff to concentrate on strategic aspects of the business instead of dealing purely with administration. As discussed above the Performance Management Development System (PMDS) is crucial to any strategic direction, which the organisation may take.

CHAPTER 7 – CONCLUSION

In an era where the forces of increased competition, new transport legislation and intense rivalry for the public purse are compelling Bus Éireann to move to a more customer and strategically focussed business model, resultant changes in the Human Resource function are somewhat unavoidable.

Throughout this dissertation my research has illustrated that Bus Éireann, like many organisations, has a distinct mix of sophisticated human resource management processes blended with some aspects of the traditional personnel function. My recommendations listed in Chapter 6 above provide a potential working framework for the optimum strategic approach to Human Resource Management. However, given the complex nature and culture of this organisation, as described in Chapter 2, it is true to say that not all of these recommendations could be implemented viably in the short term.

In this context, to move successfully from the traditional personnel model to that of strategic human resource management, the organisation must adopt what is best termed as a 'hybrid' model. Such an approach is heavily influenced by the sophisticated HR processes, procedures and policies adopted by those organisations who favour a centralised corporate approach. However, it differs somewhat as it sees a viable role and function for trade unions and the principles which underpin them. Bus Éireann takes a strong view that the role of the trade unions should be clearly defined, so that in practice, the management function manages, whilst the trade union delivers key advocacy and industrial relations functions. In this regard Bus Éireann demonstrates a high level of 'fit' with this hybrid model. To ensure continuous

45

development towards a strategic model Bus Éireann must cultivate and maintain an environment where:-

- Managers and Trade Union representatives are clear about their distinctive rights and responsibilities

- Line managers and the central HR function ensure that all HR processes that are developed address any employee needs that may have been previously addressed by the trade union.

- Employees are educated to the approach as detailed above, in particular, where and when they make recourse to the Trade Union.

- Line and central management become proactive and demonstrate leadership

Bus Éireann must now decide upon and implement a new approach to human resource management. The choices made at this will determine and shape the future of Bus Éireann. In making these important decisions the organisation must take account of the realities of the past, its existing culture, upcoming competitive challenges and the new context in which it must now function. Without doubt this solution, in the short to medium term, will involve a hybrid of:

- *Sophisticated Human Resource Management processes*

- Industrial Relations

- Partnership.

I hope that this dissertation has raised a sufficient number of key issues to position Bus Éireann to address the challenges inherent within the contemporary business climate.

Appendix (1)

Interview with Regional HR Manager

The interview took place at Capwell Garage on 27th June 2005 at 10.30 am.

KR: Does Bus Eireann display an understanding of the key challenges facing the organisation?

APM: **Yes, that information is at hand and we are all aware of competition and what's coming along the line regarding political and competitive threats etc. yet, internally there seems to be gaps missing, like...when I say gaps, I mean we may be unaware of what is happening in Dublin regarding some matters. To be honest sometimes, because the Trade Unions are in negotiations directly with the government over changes to CIE, it's the Union guys who have the information first which is kinda strange. Dublin keeps us up to date, but the HR staff don't meet on a regular basis which might be helpful to all involved**

KR: But the department has survived without meetings before do you think meetings would help?

APM: **Yes, you know from past experiences that when HR staff meet, wherever, say at the yearly staff conference or informally at Broadstone (Head Office) that things get thrashed out and information is swapped ....I think formal meetings would, well maybe not be an overall solution, but part of one**

KR: Do you feel undermined when information is attained first by the Trade Unions before you get sight of it.

APM: **Yes, you can be a little exposed as they may have a question relating to the information they have received from elsewhere and it's the first time you have heard about it, but its not a frequent occurrence**

KR: So there is a danger internal matters may be first indicated to you by the Trade Unions.

APM: **Yes, but no matter where problems arise they have to be dealt with.**

KR: Do you feel that the HR Dept contributes to the Business Plan?

APM **Well as you know our Area, as a business unit contributes to the overall business plan and there is of course the central HR section. So from my perspective the most important part of the final document is the Cork part because it has most effect on my day to day role**

KR: So the HR (central) input is of no consequence to you

APM: That's not what I meant, it's just from a priority point of view my local Cork business plan takes precedence. The central piece involves central office and while it's important to the overall strategy, the Cork part is more important to me.

KR: So how does the HR function influence decision-making in the business or does it at all?

APM Yes, but merely on HR issues, each function inputs and obviously the HR plan is linked to other aspects of the business, I suppose you are asking whether its strategic?

KR: Yes

APM: It could be more strategy led, but just writing it strategically and leaving it is not the answer, being strategic involves more than just a document, it's a total change in mindset

KR: Regarding recruitment and selection procedures in the Company, how effective are they?

APM: Well they are effective to some degree, but there is a plan to introduce role profiling and this will assist. We have used some templates for recent positions and they have helped. Listing competencies for positions when advertising help immensely when filtering internal applicants and as we know can help with PMDS (performance management) by allowing people identify where they need to go career wise and what training and development they need

KR How effective is information technology and how does effect its output and efficiency.

APM Well new technology seems to be working with SAP and Wayfarer and of course business warehouse.

KR: Apologies, I meant in relation to HR

APM Well we have the old VAX system which, given what's available in relation to new HR packages, is simply ancient and was never rolled out to the new areas when the company was restructured in 1999.

KR: but it works?

APM No......it functions. I know we are assessing HR packages (at the moment) and we have been asked for input as to what we might need it to do. Currently the old system takes ages to do anything and some fairly basic reports take overnight to print and we need to access 3 or 4 systems just to get a complete profile. So it just adds to the bureaucracy and is another time delay. We need this new package to

be an elaborate tool for the HR/Personnel people throughout the country. Everything from training records to next of kin

KR: Tell me about Training Policies and their effectiveness

APM We are very conscious of providing ongoing training for our staff particularly within the Health and Safety remit. We rely on head office to develop the training programme (due to national requirements all staff should be provided with similar training) we have local flexibility as to when /how / where the training should take place. We have seen a direct link between for example Driver Refresher Training Courses and a reduction in accidents and customer complaints.

KR: Then the hard question is, does Bus Eireann waste money on training

APM: Money is never wasted on training and this has really become evident to us here in Cork since we were successful in our application for the FAS Excellence Through People Award. While the Health and Safety courses are essential, there is also the 'feel good' element following attendance at any training course and staff feel valued. However for grades other than drivers, there needs to be some sort of evaluation and success rating to ensure we are training the right people at the right time for the right positions.

KR: So strategic again?

APM: Yeah, intervening at the right time is vital, by nature people get frustrated if they become staid in their position, and to be honest if they are complaining about the daily role and showing a desire to be trained then that's the kinda people we want. Some staff are happy to be in the same positions for a long time (further clarification sought afterwards revealed that the interviewee was mainly referring to clerical/executive staff) but others, if they show ambition and desire to move forward, then HR has to assess that and provide a solution.

KR: PMDS and Competencies?

APM: Yes, I sound a bit repetitive, but yes

KR: So is Performance Management effective

APM: eh.........depends how you look at it. It came in with a blast after the Clerical Change Programme and as you know we all got trained etc. but I believe that management must be more proactive in providing the training for the areas which they highlight in the PMDS interviews.

KR: It's only for Clerical and Executive staff should it be extended to other grades?

APM   Lets get the clerical one correct first, I don't believe that's it applicable to certain grades and it might be wasteful to try it for them. Although there should be some sort of way that, for example, drivers who can be interviewed about their career path. Again, the ambitious ones may be a great asset and have the skills to manage/supervise.

KR: Changing tack a little, do you believe that line management has the required skills set to manage people

APM: I think it is difficult for line managers, all of them realise the consequences of not being people focussed and the consequences that can arise. I suppose that their (people) management style is led by the culture and the heavily unionised environment. But in saying that relationships are good. (In Cork).

KR: So what is the relationship then? Do we deal with people through the Trade Union or directly.

APM: That was the old culture in Bus Eireann. Over the last few years a lot of staff don't on the Trade Union as much as before – particularly as the recruitment age has become older, staff who have worked in private enterprise have no difficulty in approaching management direct. This, in addition to the Enterprise Partnership Councils, has taken some of the 'Power' from the Unions – however, if there is an 'issue' to be sorted, the Trade Union will always be called by the employee.

KR: So you have almost answered this already, but how approachable is the HR function in Bus Eireann.

APM: My department is approachable and many drivers, because of the geographical proximity to the garage, choose to ask questions directly, but only on certain matters, when I spoke earlier about direct approach I meant on significant issues. When the matter gains a certain importance you hear from the shop steward formally by letter. Bureaucracy again, but it seems to work

KR: If you give verbal information to a shop steward are you afraid that it may become changed by the time it's given to the workers

APM   We have a lot of pre written documentation, conditions etc, and other matters tend to warrant a formal written response

KR: So you choose to write to them for clarity?

APM   Yes

KR: With regard to change do you think it has been embraced by Bus Eireann.

APM: Yes, the amount of Change Programmes since 2000 have been surprising

KR: Surprising in what way?

APM: **Just how quick they came in and were sort of suddenly agreed and implemented.**

KR: Have they been a success.

APM: **Yeah, well, yeah, because operationally they were needed and expansion under the NDP (National Development Plan). I think the key to change programmes is that when you agree and pay for the changes you implement all aspects immediately. In fact I would get all changes in before payment but try that with the trade unions, and see how you go. Some aspects crucial to management have begun to be dissolved already, which is disappointing.**

KR: What about internal company surveys are they useful

APM: **They seem to be infrequent and no feedback is ever received.**

KR: But do you see them as useful?

APM: **Anything that allows HR to gather information about the feeling of the staff can be help.**

KR: Culture surveys?

APM: **Yes, they should be done on a yearly or six monthly basis and we can measure improvements and benchmark against previous surveys, therefore they need to have uniformity. Measurement of attitudes is crucial and again learning about how your staff feel at work, in a large company is vital and assists all HR staff.**

KR: Assists, what way?

APM: **Surveys illicit ideas and any resulting data or suggestions should be analysed properly and could be a useful tool, you can ask direct questions and get some suggestions and answers, if you act on these you increase the HR standing and staff feel included.**

KR: What relationship does HR have with other departments?

APM: **Well, I suppose we have a good relationship locally with our other functions and particularly with the operating side of the house, such as Inspectors, who are our eyes and ears out in the operating day to day world. But mostly we have a good relationship with other locations such as Limerick and Waterford.**

KR: In what way?

APM: **Well they seek advice? (laughs)**

KR: Instead of Central HR?

APM: Yes

KR: Why?

APM Your department (Central HR) is kinda seen as faceless, no offence, but you hold the rule book and the procedures and all that, but operationally on the ground the local offices tend to seek advice from each other, they and we as locations seem to be more in tune with reality on an operations basis. Central HR might seem to others to be sometimes out of touch with what's happening on the ground. The other locations obviously think that their current problem or issue may have arisen somewhere else in the business and an answer may already be on the end of a phone.

KR: So how does HR improve its reputation?

APM: (it) needs to be more in touch. Meetings for all HR staff are vital, if we don't meet and discuss the business of HR and any new strategy within Bus Eireann and where we want to go then it's obvious that we are going to be somewhat detached from each other, and that's detrimental to both us and you (Central HR)

KR: So are we seen as just paper pushing staff who process reams and reams of useless information

APM: Well lets be honest HR in a company like ours and many others like it is about rules and regulations, policies and procedures, grievance and discipline, paperwork, forms and more forms and something which we haven't really touched on is that all HR staff in Bus Eireann have to deal with IR issues which is a huge draw on resources, but that's the way it is and you tailor your needs to suit. The IR/HR department measures its success by how it deals with strikes or industrial action and unrest

KR: So if we are all dealing with IR issues and processing paper, is it ridiculous to suggest that we can move to a department that is strategically led

APM: Not at all, as I said you tailor your HR style to what's around you, strategy and strategic operation may be suitable for some aspects of the business and not others. Being more proactive in certain areas is a start and increased communication not just with staff but with other HR in locations is a move in the right directions

KR: You mentioned Excellence through People earlier, what effect has this Award had in the Cork Area

APM: We have become more conscious of obtaining the views of staff prior to finalising decisions which may impact on their work. Communications have improved and staff are better informed and know that their input / suggestion is welcome. It has made us more aware of the importance of training and the ongoing development of staff. We are also very proud that we are the only area in the Company and the only public transport company to have got this award!

End

Appendix (2)

Interview with HR Executive, Bus Éireann. Dublin

The interview took place in Head Office from 07:00 am to 08:05 am on Tuesday, 5th July, 2005.

KR: Does Bus Éireann display an understanding of the key challenge facing the organisation?

HRE: **Management totally understand the challenges and they are trying to get the message to staff but often they think it is just scaremongering. When management try to give information to staff the staff question why, they believe that management know more than they let on and are suspicious then when it appears that management are being free with information about certain matters.**

KR: So it lack of communication or trust?

HRE: **Both – the lack of trust is due to the poor communication in the past.**

KR: So it is a culture problem?

HRE: **Yes, there is a 'them and us' culture in the company. Even when management have tried to change this in the past, staff are suspicious about the motives.**

KR: Scaremongering? The staff must have heard this before?

HRE: **Competition?**

KR: Yes, and the real threats that face us from multinationals and the political agenda.

HRE: **No one believes the threat is real because we are semi-state, it is seen as a job for life, you can't even get sacked for stealing around here, and if you under perform, you are just sidelined – no penalty.**

KR: Do you feel that the HR Dept contributes to the business plan?

HRE: **Yes, in writing.**

KR: Yes?

HRE: **I feel that the HR business plan may be a paper exercise and just a follow on from the previous year which is based on best practice and what we would like to achieve in a perfect world but it is not put into action as far as I can see, maybe the simpler aspects which are easy to achieve but not any of the time consuming or controversial stuff.**

KR: Even if it just a paper exercise, does everyone in the department have an input?

HRE: The manager of each HR section has an input. The HR staff do not get a copy unless they ask for it. The most junior person gets to read it because she types it.

KR: So it is not a strategic piece?

HRE: Seriously no. And that is due to the fact the each Area has submitted their own plan which incorporates a training element and there is no communication regarding training needs in the company. HR come up with popular courses. Do we know where the company wants to go in the future, and what skills do our staff need to get there successfully? No.

KR: So how does the HR function influence decision-making in the business or does it at all?

HRE: Yes, HR does influence in a reactive way. For example, other functions come up with plans and will contact HR in connection with the training or the staffing element and look for guidance.

KR: so rather than being part of the decision making process, it is our expertise that is utilised?

HRE: Yes.

KR: Recruitment and Selection procedures in Bus Éireann, how effective are they?

HRE: It depends which location you are in. That is the sorry truth. We have excellent procedures in some locations and others I doubt if they even interview the staff and I know for a fact that contracts, what are they? And yet they come running when they have a problem even though we communicate our procedures we have set recruitment and selection procedures for every grade of staff.

KR: What about role profiles?

HRE: We have just looked at them on a trial basis and I think they are great. There is no grey area, the job is outlined, and finally staff are not just applying for a job to get a promotion because it is spelled out for them what the job is. We have actually had a number of withdrawals from jobs when staff get a look at the role profile. It is also helping us with feedback when it is looked for and it definitely helps with the training because it identifies areas where staff may need skills or development.

KR: So, in relation to your comment about contracts earlier, are managers not being managed?

HRE: Bad management. No further comment.

KR: Do you think managers are equipped with the proper people management skills?

HRE: We can provide all the training courses we want but unless they are prepared to put them into practice in their own offices or departments what is the use. They need to step up to the mark. It is not rocket science, we see a problem, we generally know the solution but between bad atmosphere and trade unions, it goes back to my earlier comment about being sidelined. The easier option.

KR: Do managers not know the benefits of good people management?

HRE: Yes, in theory. But sometimes it is difficult because of trade unions and even company rules and procedures. Your hands can be tied and there is only one road you can go down even though you know that it is not the best solution but it will stop a strike.

KR: How is IT used in the dept – is it efficient?

HRE: From my perspective I use programmes that no one else bothers with as it is old, hard to use and takes a lot of time. We need a new system, there is too much paper paper paper, forms, procedures, red tape – for example yesterday I get a phone call "a new guy started up here" (finance) "can you give me his details", even sometimes I am asked for home addresses by the people who gave me the information in the first place. Look, you are asking about strategy, how you can have strategy when all we deal with around here is unions, meetings, forums, working parties – fire fighting the next stoppage, appeasing the unions and problem staff.

KR: Is Performance Management working

HRE: No, but because it is not thought to be important enough. If it is not done no one is going to pressurise you to get it done because there is always something more important to be done,

KR: It's not linked to reward; if it was would it be more successful?

HRE: We are tied to pay scales ok. It would not work, I think it would cause more problems in the IR end which lets be honest, we don't need, it is bad enough with drivers chasing their safe driving awards each year without having to monitor PMDS evaluations and act as referee.

KR: Do you ever think it will work?

HRE: Totally. I really would love someone to champion the whole thing, show staff it is important the benefits, how it links to the role profiles – I mean, its great, when it works, I know many staff who have been moved around, attending training courses who have taken it seriously from a career point of view and now are seeing benefit.

KR: So how effective is training?

HRE: It needs to be more structured – a training plan for the year planned in advance instead of reactive stuff – safety is a big issue and we also have annual courses like retirement and induction but we need to get the whole development thing done.

KR: So will effective PMDS help identify training needs?

HRE: Well, the whole point of PMDS is to identify training and development needs, again, PMDS role profiles and training are all linked. Other companies can have an integrated HR system so can we, but we need to convince those who can make it happen and that unfortunately is not you or me so where do we go from here? It really does work, look at GE and Intel, come on they are so successful they are obviously doing something right.

KR: Are surveys used effectively.

HRE: Not a lot of staff actually are aware that an annual survey is conducted. The results are not exactly made known to everyone and as far as I can see, it is the same old same old because I know for a fact that a certain issue was highlighted through a question in the survey, and yet the next time it went out, there was no reference to the previous result which I feel would have made the survey more real in the eyes of staff, I mean they would have seen that their comments were taken on board from the previous questionnaire.

KR: There has been some negativity here (laughs) – what relationship does HR have with other departments?

HRE: Answering on a personal level first, I think the relationship is good but when you mean professionally not so good. However, I do think that the management development programme (MDP) went a way to showing each department the problems that each one has and did improve relationships in some way. Maybe if we were more strategic and not just paper pushers we would have more credibility because it is possible. We are seen as administrators, the keepers of the rules – there is a level of expertise, but it is not appreciated until someone has a problem they want solved.

KR: Does HR have credibility if it is just a section that processes paper and administrates?

HRE: Yes, for the procedures and rules that we keep. I mean that when other offices have a problem, staff or whatever, they do come to us for the rule, the guide I suppose the solution cause I know for a fact that "HR said it" is often enough to solve a problem because in other words, I have checked, this is the rule, end of story. I know you want a strategic angle to this but we are just the administrators really, we (HR) might sit at the top table but I don't think we have much input, so credibility suffers I suppose

KR: So HR is just rules, and just deals with HR full stop?

HRE: Yes, like HR is HR's job, end of story. Line managers and other parts of the business don't seem to feel that they should champion or have responsibility any HR issues.

KR: So, do you think that if you got a new IT system, role profiles fully implemented, successful PMDS and strategic training; HR would have more credibility and be seen as more strategic.

HRE: I think that an integrated HR system is a strategic move and that is what we need to achieve cause it is linked to the goals of the company and we as HR can be part of the process instead of being a step behind and totally reactive and just acting like the old traditional personnel administrators from the old CIE days

KR: So what or how do you change it (HR)

HRE: Get it right from the start, induction is our chance to begin that management process of managing people, and we don't do that right sometimes. Look I know that you are here, what 12 years and you work in HR but never attended an induction course?

KR: yeah, that's right.

HRE: hardly the cutting edge HR practice is it?

KR: No.

HRE: so you work in HR, yet never attended an induction course. I rest my case.

End.

Appendix (3)

Interview with Corporate Development Manager, Irish Rail.

The interview took place in Irish Rail, Inchicore, from 10.40 am to 11.15 on Sunday 3rd July 2005.

KR: Does Bus Eireann display an understanding of the key challenge facing the organisation?

PM: **I would say that, based my own experience in a sister company. There is some level but that could be increased. I would say that were the understanding exists at the moment comes from contact with the Trade Unions regarding the upcoming changes in legislation which are due to effect the bus market in general. Additionally, information coming from politicians and the Department of Transport. I would say that while these are relevant there might be some gaps around the strategic issues facing Bus Eireann.**

KR: So are you saying that if issues are not being raised by the Trade Unions the Company may not know about them?

PM: **yeah, that's it, then you have to look at what traditionally a Trade Union might address, such as parochial or local issues. It may not be strategic stuff like yield management on certain routes or new fleet but if you are spending a lot of time dealing with bureaucratic issues which may seem somewhat trivial I feel that matters of strategy that are important to the business may be missed, not through any fault of the Company, but you can just get bogged down in just dealing with Unions.**

KR: Do you feel that the HR Dept contributes to the Business Plan?

PM: **Again I see this as an area where there is room for improvement. I would imagine that's its similar to us in Irish Rail where somebody who is good with a 'pen' or perceived to be good strategically, is asked to write a HR piece of a business plan. I feel that Bus Eireann should be moving towards a time where the HR function is called upon to test out an aspect of the business plan, look at things proposed, see whether they are viable, 'run water' through HR scenarios and see what happens. Effectively looking at resources deployed, people deployed, the resulting cost benefit, so if the overall credibility of the Department was built up I think that your accountants and engineers, and business development/marketing people would be approaching HR and saying 'can you test this for us?' can you see if this worked in the past or will work? Rather than just asking for your pre written standard view on it.**

    Just in the area of HR planning, one thing that doesn't seem to happen within the CIE Group of companies. (is that) I am not aware of a formal, set down HR

strategy, like, your accountants have a budget, and business development have marketing plans and strategy in terms of development of the business. So we could argue that the HR function should have the same, so people within know where we are, what are the imperatives and where we would like to move to in the future and once the people within the function know these answer they can communicate it across the business.

KR: So how does the HR function influence decision-making in the business or does it at all?

PM: there is some influence but its very traditional, and its almost as if the HR function says yes you can do this because we have the people and thee resources and we have done it before, so its almost as if, and we have to remember that its very bureaucratic, and it (the HR department) reacts to the proposition, by simply looking at the rule books and saying yes that's sustainable, that worked before and we will underpin and sustain that.

KR: It sounds as if it wont take risks?

PM: yeah, I would say that is fair comment, maybe based on a lack of trust, or getting back to what we said before, if you establish and give HR a proper credibility, people from across the business may come along and say how will this work and how about this.

KR: Just turning to the Recruitment and Selection procedures of the Company, how effective are they?

PM: that's a very good question but, at present very difficult to answer because to determine whether or not recruitment and selection are effective you have to be measuring, you could use staff survey done on an annual basis or maybe by use of an external consultant to place metrics on the procedures. Again this takes place over in Irish Rail but only in pockets. Another area were we (Irish Rail) looked to address and maybe moved a little earlier than Bus Eireann is the area of establish competency frameworks for all positions. It's a very large organisation there is a lot of diverse activity going on so if you have a competency frame work for each role. Competencies allow role holders, for example, putting drivers to one side and looking at clerical, or executive staff you allow each role to be analysed and the tasks attached to it.

KR: So you see what they are good at and where it links?

PM: Yeah, you pick out the competencies that they are demonstrating on a daily basis and if this is being managed centrally by the HR Team than you have the ability to day to them that based on your activity, say, in a booking office, that you are demonstrating certain competencies. It's a busy office and you may not have a lot of time to dwell on them but, you can sit down with your HR person, address those competencies and identify where they map on to elsewhere. Going back again to where you originally work, the Booking Office, some staff may be very

strong grasp of timetable information, route knowledge, frequency and busyness of routes and customer service skills, and of course the ability to work in a pressured environment and handle cash. You can then look at these and develop career mapping. One other way, as you mentioned is how you measure the efficacy of recruitment and Selections. This can be done by simply undertaking a culture survey and directly asking the question.... Are recruitment and selection process in Bus Eireann are fair and transparent?

KR   How effective is Information technology in the Department and how does effect its output and efficiency.

PM: I know Bus Eireann have just tried to address the absence of a HR IT system and this will enable positive interventions, in fact what we have just been talking about when we spoke about competencies, would feed very nicely in to a new system. Also we do work in a very bureaucratic area, so the issue of reports etc puts much less of a task on the HR individual, the idea of not having a proper up to date IT system in a company of 2500 workers is not acceptable in this day and age. And then, to put it simply, again positive intervention; intervening at key stages in peoples career history whether that's at the very outset, such as induction training and also at other stages where somebody, in their own time has maybe gone and done something to further education or done something in the community. It gives HR the capacity to say 'look we understand you are doing something we have a note of that in our system and we may be able to meet and discuss with regard to your skills set, and competencies and career mapping.

KR: Is that to find out, because there are people in the organisation and we don't know what they have attained something that we don't know about?

PM: Sure, yeah its...

KR: Like stuff that may have achieved before they were with us or done on their own time, skills of they may have done something that can assist us and them in their career

PM: Yeah, there is a similar thing that happens in Irish Rail and I know it happens in Bus Eireann, you only find out at retirements or funerals (laughs) how actively people were involved in their own time, whether in their community or academically. So it brings us into the use of an IT System, there will still be issues, and overall fit it allows you to assess the overall age profile, gender profile. All of these things are more accessible and its probably a bit of a trawl at the moment, so in relation to gathering information, assessing it and using it, strategically you need a smart user friendly system to function efficiently as a HR specialist

KR: What about Training Policies and their effectiveness

PM: Again, I think the absence of an overall formal (HR) strategy does not bode well for the Training function in the organisations either, and I know from previous conversations with you that there is no training manager. For the overall good and the credibility we spoke about earlier you would want to be moving to a situation where there is a training plan as a component of that HR strategy and were someone is identified as having the responsibility for and execution of that task across the business and again when these things are set down and formalised the credibility of the Department is increased and also we need to get the message that investment in training pays in economic terms......

KR: So there has to be measures?

PM: Yeah exactly, vital for proving your initial cost outlay.

KR: When looking at performance management, is it effective?

PM: Difficult, I know it is only recently introduced and I have discussed it with ____ and ____ from Bus Eireann, and it's in the mindset of people. When people hear performance management, they think very quickly of reward, having their tasks specified and receiving an award for doing that well throughout the year....the fact that there is no reward linked to the system. At Irish Rail it is linked to reward a yet there are still problems with the system. Again the system comes together like bundles of HR activity and you can see a connection in competencies, career mapping, and training requirements. In Irish Rail there is a career development and personal development plan associated for each person and again it's all linked.

KR: But I know that people and indeed my peers in HR feel that it has failed

PM: Well......failed......its only introduced. I recently spoke to someone from another company who recounted a story about Jack Welch of G.E fame, who was being introduced at a seminar when on the topic of performance management, and its accepted broadly that they have the archetypal performance management, while the introducer was mentioning this, Jack Welch began to smile, and he was asked what are smiling at Jack. Welch replied that he was always being reminded of how effective and brilliant his performance system was but nobody ever mentions that I only got it right after 12 attempts. So I suppose the lesson in there is that you have had your first iteration in Bus Eireann and people are familiar with it, but there is noting wrong with having a few attempts in an effort to get it right of perfect!.

KR: You have had contact with most managers in Bus Eireann, indeed you may have met them in an early part of your and their career. Do you believe that they have the required skills to manage people issues?

PM: No. This is certainly an area that could be addressed and there is scope to development. My experience is that people who were very capable in certain areas were promoted and became managers and then suddenly they had responsibility for people. Some were good people managers, but a lot of them were very functional and didn't seem to have the skills required of people management, some people suffered as a result.

KR: This may be a little unfair as a question, but how approachable is the HR function in Bus Eireann.

PM Well from my experience from when I was in the operating side of the business at Busaras, I had practically no contact with HR or my manager. There was no sense that the HR was there to assist and support, they were merely the custodians of the rule book and we only heard about HR when, say a driver, received a disciplinary 'A' Form HR or Personnel as we call it, came to the fore. And also in term of your leave allocation or something like that. So that lack of positive intervention did two things it made me feel very disconnected and isolated in the booking office and also the lack of activity from the HR function gave an opportunity for its detractors to fill the gap with negative things. You know, "why ring HR you never get an answer" anyway would be a common comment made at the time

KR: What about drivers and other staff, do they find it approachable?

PM: In my experience its all through the Trade Union.

KR: Then it may become distorted? The more levels of communication?

PM: Yeah, you give the information to the Trade Union and they give it, sometimes via their secretary, in Liberty Hall, to the employee. In this scenario, HR has no idea what the final message or information may be, but that works both ways too. Speaking earlier about Jack Welch, he sees his people as the property or belonging to HR and these are then on rent to the rest of the business. So you say to your managers that these people are corporately owned by HR and loaned to you for a price. So employees feel needed and very connected. For example, the Chief Engineers section owns all the buses and hires them within the organisation to each business unit and in turn the buses at to the bottom line. Why cant HR own is human assets and hires them to each location?

KR: You left in 1998 and since then almost all grades have been through change programmes, do you think change management has been embraced.

PM: Yes, there has been much change and some, well I suppose that the organisation is in some state of flux at any one time. There has been some great technological advances in bus fleets and moreover, in electronic ticketing etc. The one a area were I would like to see change and development is the area of psychometric testing even at induction. So at the first point of interaction you are already talking about and dealing with the need for change and flexibility. This is then

underpinned with planned strategies relating to staff and change management. You can also use a survey system on an annual basis to assess where staff thoughts are relating to among other things change and the change process.

KR: Are they used enough by the Company.

PM: Surveys? In my experience they are very haphazard and only occur when someone is doing a piece of research. I think there is a opportunity for the Company to run a corporate culture survey and to run that on a yearly basis and benchmark against yourself on year to year basis, and this gives HR an opportunity to demonstrate active listening and for example survey people and ask for, say, three things that they would like to see change in the future. This will allow HR to show how responses to that particular question have influenced strategic changes in the future. Obviously not all will be implemented, but to show that HR exists.

KR: What relationship does it (the department) have with other departments?

PM: Well, I don't think its just Bus Eireann I thinks it's a problem that HR has across all industry. There is a sense that people say who work in HR that they want to be listened to and be respected just like engineers and accountants say. So we have to look at that and say well what do accountants and engineers of marketing people have that we don't that impacts on the business. Maybe it's the formal set of academics that senior people like that bring to the table. So maybe is something that the HR function has to write in its strategy, like that it is required that you have a certain academic qualification if you want to rise above a certain level in the Department. Its definitely not unique in CIE, I believe that it is a general problem for HR specialists. Indeed I think people wonder about the value that HR brings. I think if you ask any people in a HR role, is HR a profession? I would be interested to see what answer you get, because the sense across the business is that anyone can do HR, HR is full of fads, and people join HR because they like people, not because of business or strategic ability.

KR: So, is there a perception that HR deals with the soft, easy, fluffy issues?

PM: Yes, amongst people who do not understand what HR management is, its credibility is questioned. As we have said before, accountants and engineers never seem to have to justify their existence to their peers, particularly in a business with a heavy engineering background. This is a issue for the business and also an issue for those employed in the HR function

KR: So is it harder in Bus Eireann because of the type of business we are in. There is great respect for the Engineering aspect because we manage a fleet of 1200 buses, but surely we have 2500 staff under HR, are we respected for that?.

PM: In a service industry it might be more acute, Bus Eireann has a public service mandate and is expected to deliver and provide certain services. So, it would be

lovely to be strategic all of the time, but there is government subvention and an imperative to deliver a service and that requires bureaucratic type support...

KR: So are you saying Bus Eireann, in some respects, just needs drivers to drive, turn up for work, follow rules, not be out absent.

PM: Sure, yeah

KR: Just do your work in a professional type manner and that's it?

PM: Yeah, but there also has to be scope so that drivers or any grade who has or wants to have an understanding of the business, gets the opportunity to develop himself a little. You know that there is a natural progression to supervisor/inspector, but also there are development opportunities for all staff or there should be. Again its back to the competency model and the positive intervention. Now I don't mean for every driver, some may not want it, but there are some who will have the potential to do great things and if they remain untapped that's a loss to HR and the business in general. It's a very healthy HR thing to do. Its up to HR to find them and develop them.

KR: So then therefore, does Bus Eireann need a mix of HR styles

PM: Almost a hybrid, but you keep an eye on the strategic piece, always be strategic and remember you will never be finished because the business is changing so much, HR needs to be in touch with what is happening all the time.

End.
3rd July 2005.

Appendix (4)

The attached survey designed by Ulrich, explores the different roles that the HR function may play within our business. Considering your position within HR please rate the current quality of the following HR activities using the five point scale. (1 is low: 5 is high).

<div align="right">Current Quality (1 to 5)</div>

HR helps the organisation .....

1. accomplish business goals   _____

2. improve operating efficiency   _____

3. take care of employees personal needs   _____

4. adapt to change   _____

HR participates in.....

5. the process of designing business strategies   _____

6. delivering HR processes   _____

7. improving employee commitment   _____

8. shaping culture for renewal and transformation _____

HR makes sure that.....

9. HR strategies are aligned with the business strategy   _____

10. HR processes are efficiently administered.   _____

11. HR policies and programmes respond to the personal
    needs of employees.   _____

12. HR processes and programmes increase the company's   _____
    ability to change.

HR effectiveness is measured by its ability to...

13. help make strategy happen _____

14. efficiently deliver HR processes _____

15. helps employees meet personal needs _____

16. help the organisation anticipate and adapt to future issues _____

HR is seen as...

17. a business partner _____

18. an administrative expert _____

19. a champion of employees _____

20. a change agent _____

HR spends time on...

21. strategic issues _____

22. operational issues _____

23. listening and responding to employee _____

24. supporting new behaviours for keeping us competitive _____

HR is an active participant in...

25. Business planning _____

26. designing and delivering HR processes _____

27. listening and responding to employees _____

28. organisational renewal, change and transformation _____

HR works to...

29. align HR strategies with the business strategy _____

30. monitor administrative processes _____

31. offer assistance to help with personal and family matters _____

32. reshape behaviour for organisational change _____

HR develops processes and programmes to....

33. link HR strategies to accomplish business strategies _____

34. efficiently process documents and transactions _____

35. take care of employees personal needs _____

36. help the organisation transform itself _____

HR's Credibility comes from...

37. helping to fulfil strategic goals _____

38. increase productivity _____

39. help employees meet their personal needs _____

40. making change happen _____

Thank you for your time and input.

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