

**THE MOST CRITICAL COMPETENCIES  
FOR THE EFFECTIVE HR PROFESSIONAL  
IN THE IRISH FINANCIAL SERVICES SECTOR**

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**Research Dissertation**

**MA in Human Resource Management**

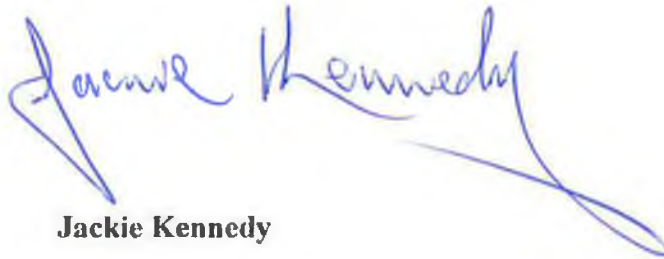
**National College of Ireland**

**2008**

## DECLARATION

I hereby certify that this material, which I now submit for the assessment of the programme of study leading to the award of MA 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 own work.

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## ABSTRACT

My Research Dissertation examines the notions of **Professionalism and Competence in the Human Resources function**. In doing so I have extensively reviewed the literature on HR Professionalism and HR Competence, taking note of many of the expert authors in this area such as Dave Ulrich & Wayne Brockbank, Lisbeth Claus & Jessica Collison, Tony Watson, and many others.

In reviewing the extensive literature available, it is clear that the notion of HR Professionalism and Competence is an ever changing and fluid concept. There are differing ways in which HR is practiced, unlike many other professions, and there are different competence levels of many successful practitioners.

My Survey sets out to identify the views, opinions and ranking score of a number of HR and Business Management respondents within the Irish Financial Services industry using a combination of **Structured Interviews and Self Completion Questionnaires**. I identified a number of respondents within two organisations and conducted my survey over a 2 week period.

My findings are very informative, in many instances in line with the seminal literature and surveys in this area, and in some other areas somewhat different from them. However I believe I have contributed in some way to the global findings in this regard by taking an established process and survey for determining HR Professionalism and

Competence and by adapting it to suit my circumstances, coming up with my own findings on the subject.

It is clear that this area is one which requires constant monitoring and change in order to keep pace with changing business and organisational priorities. The need to continuously examine and publish findings in this area is important for future educators and students of HR and successful practitioners in general.

The future is changing already and we need to keep pace with it.

## **DEDICATION**

I dedicate this Research Dissertation to my mother, Dorrie Kennedy and my late father, John Kennedy. Their interest and expectation have supported me throughout my completion of this MA programme in Human Resource Management.

## **ACKNOWLEDGEMENTS**

I want to sincerely acknowledge and thank all who helped and supported me in completing this Research Dissertation.

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I thank all those in financial services who participated in my research survey and whose inputs ensured the data was extremely valuable and useful in arriving at my final conclusions.

Finally, I want to thank my family and friends for all their support and interest over the last two years.

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# 1. INTRODUCTION

## **Preface**

My research dissertation examines the subject of HR professionalism in the context of the critical competencies required for HR to be effective in today's business environment.

In my Literature Review I examine the areas of

- HR in the context of 'Professionalism'
- HR as Internal Consultant
- Strategic HR Adding Value
- Specific HR Competencies for success

My Research Methodology outlines how I conducted research in two major Irish Financial Services organisations. The Research Purpose was to ascertain, from both a HR and a business perspective, areas of HR professionalism and the relevant importance of HR competencies for future success. I relate my findings to the empirical research in this area by the University of Michigan survey conducted over a number of years by **Dave Ulrich and Wayne Brockbank (2005)** amongst others.

In conclusion, I summarise how my findings can steer the future direction of HR in terms of professionalism, competence, internal consulting, and the resulting impact on delivery of HR services.

## **Context**

I have spent my career in various HR roles to senior and consultancy levels within the Irish Financial Services industry, yet I continue to reflect on a number of questions:

- **What really makes HR professionals effective?**
- **Is HR a profession in the true sense?**
- **Why, in some cases, is HR not perceived to be adding real value?**
- **What are the critical competencies required for HR to become effective?**

This never ending quest by HR professionals for self-esteem, through organisational recognition for contribution, has been much commented on and written about over the last decade by experts such as Dave Ulrich, Wayne Brockbank, Mike Reddington and many others. All put forward various hypothesis centralised on the theme of 'Strategic HR' or the value and contribution that HR brings to an organisation by being involved at the formulative stages of organisational strategic thinking and decision-making. This can ultimately mean that HR professionals need to be extremely competent not only at what they professionally contribute, but also at various broader hard business skills, knowledge and competencies which are required to ensure business success.

In today's global business environments, many organisational initiatives require HR to develop and manage organisational change effectively, with alacrity, and in a manner which meets broad business objectives.

A CIPD Survey (2006) titled 'Off-shoring and the Role of HR' found that nearly 90% of respondents cited 'cost reduction' as a reason for transferring business activities to overseas locations. The nature of these changes, which in many instances have negative consequences for the workforce, means that the contribution, competence and effectiveness of HR professionals needs to significantly improve to meet today's higher business standards.

In any service industry, and financial services is no exception, business performance and competitive advantage relies on the skills, competencies and experience of its people. The conflicting and parallel issue with this is that people in a service industry also comprise typically 60-70% of the organisation's cost base. This results in constant business focus and examination of added value to tightly manage that cost base. It also allows the finance and business experts into the traditional HR arena.

In early 2005, I was selected to join a small highly strategic business programme team, formed to develop and drive the implementation of a number of new business and HR initiatives to achieve significant organisational cost savings in the tens of millions, over a 3 year period. My role on this team was to bring the HR expertise necessary to the business programme to enable the development of a number of proposed people initiatives and plan their eventual implementation – in other words I had to act as Internal HR Consultant to the project.

In joining this small strategic change programme, it was my demonstration of both HR expertise and business competence which made a real difference to how my contribution

was perceived and recognised by the organisation. I needed to act professionally with broad competence, and effectively as an internal consultant, to effect the necessary change. This is the main reason why I chose this area for my research dissertation.

## Choosing My Research Dissertation Topic

Fisher (2007) sets out criteria for choosing a research topic. I've assessed my research dissertation topic against a number of these criteria, using my own 1 - 4 point rating scale:

**Table 1.1 Criteria for Choosing Research Dissertation**

Criteria	Score	Comments
Interest	4	I am extremely interested in this topic
Relevance	4	I believe it is of huge relevance to HR professionals
Durability	4	It has long term implications for the professionalism of HR people
Breadth	4	I cover the full context of professionalism and competence of HR
Access	3	I am currently self-employed so my research focuses on two organisations in the Irish Financial Services sector with which I have negotiated access
Politics	3	I anticipate some issues of the openness of respondents but will overcome this through strict confidentiality and coding of results and analysis

A final important factor in choosing my research topic is the ready availability of literature on the subject. There are a substantial number of books, texts, and journals available on this topic, so much that having conducted broad research I have had to narrow it down to a number of key texts, authors and journals which I believe most adequately reflect my thoughts on this topic.

In my next section – Literature Review - I outline in a structured manner the relevant literature which both sets out the dilemma for HR in this area i.e. Professionalism, Perceptions, Reality, and also outlines how we become more effective i.e. Adding Value, Acting as Internal Consultant and finally examining HR Competencies. The literature research has been an informative and constructive activity in preparation for conducting my research survey.

## 2. LITERATURE REVIEW

### **Introduction**

**Bruce (1994)** outlines a very useful definition of a Literature Review as follows:

‘A written discussion of the literature, drawing on previously conducted investigations. The focus is to frame a written discourse about the literature which may be established as a component part of the research report’.

The following Literature Review provides an overview of the relevant literature I have considered in relation to my primary research areas under the following headings:

- **The Professional Context**
- **HR Professionalism**
- **HR Acting as Internal Consultant to the Organisation**
- **Strategic HR Adding Value**
- **HR Competencies**

These headings I believe contextualise my research within the broader field of ongoing research into this area and allow me to review the results and findings of my research against the framework of literature available.

My main sources of research are taken from text books written by notable authors in these areas. In addition I have conducted electronic research using the EBSCOhost system to



source up to date articles and reviews on the subject from notable HR and business journals.

The first area I explore is 'HR Professionalism'. This I believe sets a useful context for examining the research questions I ask in my survey of HR Professionalism and Competencies from both HR and business perspectives in the Irish Financial Services industry. The next areas are 'HR Acting as Internal Consultant', 'Strategic HR Adding Value' and a review of critical 'HR Competencies'.

## **The Professional Context**

Before looking at HR Professionalism, I believe it is important to consider the context of Professionalism as set out in relevant literature.

**Tony Watson (2003)** is a noted author on occupations and professionalism. He outlines how in modern society knowledge-based occupations 'play a privileged role'. Today professional, service and technical occupations have replaced manufacturing as the dominant value creating sector. Most involve individual skill and competency acquisition over a period of time. He differentiates between an occupation and a profession:

- **Occupation** – engagement on a regular basis in a part or the whole of a range of work tasks which are identified under a particular heading or title by both those carrying out these tasks and by a wider public.

- **Professions** – on the other hand, are occupations which have been relatively successful in gaining high **status** and **autonomy** in certain societies on the basis of a claimed specialist **expertise** over which they have gained a degree of monopoly **control**.

**Watson (2002)** takes a look at what he calls ‘occupational anxiety and discursive ingenuity’ among HR specialists. He effectively argues that ‘organisational identity’ is replacing ‘occupational identity’ in modern work settings and that this causes a level of tension of loyalty, standards and control over professions. Line authority replaces expert authority. As HR Managers work with other managers to control employees and act as agents of senior management, by definition their loyalty is to the organisation that sets their objectives, rewards them and decides whether they are relevant or adding value. Efforts by CIPD and other professional bodies to take on the ‘symbol of professionalism’ he argues are impacted by this organisational reality.

**Elliot (1972)** supports this point and has observed the ‘decline of status professionalism and the rise of occupational professionalism’ where professions are located within the organisational workforce rather than as fee-paid practitioners such as doctors, lawyers and other specialist professions which traditionally have afforded a certain social status to those involved.

Another most influential writer on professional organisations is **Henry Mintzberg**. In the **Mintzberg, Quinn & Ghoshal** book: **The Strategy Process (1998)** chapter 11 sets out professional organisations structure and characteristics:

- Work is highly complex and primarily organised around experts
- Examples given are hospitals, universities and consulting firms
- Professionals allegiance and loyalty is to their professional body, outside of the organisation in which they happen to practice
- Universal standards are set by professional associations – entry to the profession is limited, with high standards set

According to Mintzberg, Quinn & Ghoshal (1998), professional organisation of experts divides into two different contexts between recognising differences and similarities:

1. **Rapidly changing situations**, demanding collaboration and innovation – they isolate variables - sometimes referred to as ‘**splitters**’ – at the leading edge of research and consultancy. These professionals tend to be highly motivated and dedicated to their work and to the customers they serve.
  
2. **Stable situations**, involving slow changing bodies of skill and knowledge – a ‘professional bureaucracy’ where work is ‘pigeon-holed’ into neat categories (categorised and diagnosed against a standard template of alternatives) and standard operating procedures (SOPs) are internalised. Skill is achieved through long formal training and ‘indoctrination’ on the job and professionals work independently of each other but closely with clients (examples include management consultants or doctors) – these are sometimes referred to as ‘**lumpers**’.

**Mintzberg, Quinn & Ghoshal (1998)** state that ‘the professional form of organisation appears wherever the operating work of an organisation is dominated by skilled workers who use procedures that are difficult to learn, yet well defined’.

So ‘Professionalism’ involves a set of standards, education of members and professional loyalty. Can we really say this of HR work? There may be some specialist areas of HR which could potentially be defined as such, but hardly all? I examine HR professionalism in the next section.

### **HR Professionalism**

**Watson (2002)** argues that maybe HR act instrumentally and ‘regard notions of professionalism with equivocality’. If it helps their career, reputation and acceptance in organisations then they embrace it, however if it involves them standing up to managerial control or to protect a position, they might prefer not to be as visible?

**Lisbeth Claus and Jessica Collison (2004)** conducted in my view an excellent study of HR Professionalism: Perceptions of US HR Practitioners. I have focused on this study as it is an excellent template of ascertaining the level of HR professionalism and competence. Their overall finding was that HR is evolving and still defining its role and ‘legitimising its value to stakeholders’. As such ‘HR practitioners do not yet perceive themselves as full fledged professionals. They ask very interesting questions:

- 'Does HR simply not meet the essential characteristics to be designated as professional work?'
- Does the fact that HR is practiced within a bureaucratic or organisational context (rather than a liberal profession) without external customers, make it merely an occupation?'

They outline how HR work broadly ranges from administration to 'Senior HR Vice President'. In addition many have specialised functional roles – compensation & benefits, training & development, talent management, employee relations etc. It is therefore difficult to contain and define.

They quote a Society for Human Resource Management (**SHRM**) survey which outlines 5 characteristics which separate a profession from other occupations:

1. National organisation or other type of recognised voice
2. Code of ethics
3. Practice of applied research to develop the field
4. Defined body of knowledge
5. Credentialing organisation that sets professional standards

HR to an extent meets all of these characteristics yet the degree of HR professionalism as perceived by its practitioners is mixed. Their conclusions are that HR practitioners seem to 'suffer from low professional self-esteem'. A large proportion of HR practitioners

consider university education as an entry requirement to work in HR of relatively little value, and only required to advance within the profession. They would have low recognition as a profession from society at large and believe they are internally controlled by their employment organisations. They recommend that HR place more importance on standards, competencies and accreditation for entering the profession in order to boost their recognition as a true profession. I use some of their survey questions on professionalism in my research questionnaire – this is outlined further in my methodology section.

The HR profession however operates within the business and organisational environment. Therefore it is impacted by its environment and must attain the relevant business acumen to align and demonstrate its value and contribution. In an interview with Personnel Today (3/6/2007) **Phil Smith**, HR Director with Barclays Wealth states:

‘Too many HR (and other) professionals rely on grade and seniority to get things done. The problem is that a large proportion still want a free lunch and have not embraced the challenge of becoming a commercial executive first, and a technical specialist second.’

**Nicholas Higgins**, in a Personnel Today article titled ‘The HR Profession – to be or not to be?’ (5/22/2007), asks - ‘Is HR a profession?’ and then answers – ‘By most definitions it qualifies, at best as a maybe’. HR seems to meet most of the criteria put forward but he says ‘something rankles’. CEOs annually rank the HR function badly and evidence suggests says Higgins ‘that there is still a perception gap with regard to what HR wants to

do and what it is asked to do.’ The reason Higgins believes that the term professionalism is qualified is that ‘the core fundamentals (employee engagement, talent management, human capital reporting etc.) are not sufficiently known in depth’ as the ‘core knowledge underpinning the profession is still being framed’. He concludes that in the future HR people will either ‘know their stuff professionally’ or they won’t – ‘there will be no place for amateurs’.

**Roger Collins (2006)** quotes the Economist Intelligence Unit Survey which found that global senior executives rated their HR departments as ‘the worst performing of all their business functions’ – ‘not even IT came close to being as under-appreciated’ he says. He states that to overcome this perception HR need to move beyond ‘tree hugging’ to become ‘hybrid professionals’ and that this capability begins with dual university degrees that include broader business subjects.

**So is this perception for real or imagined?**

**Wayne Brockbank (1999)** examines how HR professionals should present themselves and their professionalism in a planned, well-documented, integrated way – rather than as a series of fragmented ad hoc contributions. By being pro-active and strategic HR professionals can act like external consultants with a sustained set of competencies and skills.

In this regard **Quinn and Brockbank (2006)** review how HR people in BAE Systems developed new competencies and capabilities to contribute more professionally to the organisation's business agenda and challenges. They pose the question:

‘Do HR professionals have the personal competencies and collective capabilities to design and implement increasingly ambitious agendas around advocating for employees, developing human capital, providing exceptional functional expertise, and strategic partners and intellectual leaders?’

It is apparent that ‘many of the client-facing HR professionals have not developed the knowledge and skills that would be necessary to meet the demands for the higher-value-added HR agendas’ in the organisation. As a result BAE Systems developed a specific, bespoke strategic HR development programme to fit the desired competencies of the organisation to ensure that HR services improved business performance. These competencies centred around two distinct areas:

1. **Organisation Design & Development**, including structure and culture
- and
2. **Consulting**, including consulting process, change management and measurement

Aligned to these two BAE professional competency areas, **Reddington, Williamson & Withers (2005)** make general observations on the HR community some of which are interesting in this regard:

- A reluctance to be pinned down by deliverables



- Inability to articulate concrete business benefits
- Unwillingness to identify and be held to deadlines
- Lack of process consulting skills – helping internal clients develop their own solutions

They observe that HR is living in the ‘**transactional world**’ – hiring, managing and exiting employees, without taking time to rise above the operational tasks and contribute at a more valuable level. They ask - how would you respond if an external consultant made a proposal to you that had no clear deliverables, no timescales or milestones, no budget or revenue estimates? In many instances HR are not proficient in these areas.

I would concur that in many cases HR present outwardly in this fashion. It is not a matter of HR skills and competence – rather a reluctance to adopt business or project management practices in terms of presenting their case and taking accountability for contribution to business delivery. This may account for why many business leaders do not fully recognise the contribution from HR.

**Nicholas Higgins**, in a Personnel Today article (10/23/2007) asks ‘Is HR’s **survival mentality** slowing down its evolution?’ Many HR roles are involved in fire fighting – sorting out poor line management practices and issues as opposed to acting pro-actively in the organisation’s interests. He states that HR needs to be seen as ‘core to the business for the right reasons, not the wrong reasons’ by enhancing its expertise and perceived impact or reputation.

**Mark Crail** in a Personnel Today (01/09/2007) states that: ‘Given second chance most would stick with HR’. He quotes an Employment Review survey which asked whether HR professionals would choose the same profession if given a second chance. 60% were happy with the decision to go into HR, 14% were not sure and 26% regretted their choice of HR career. The two most common reasons given for regret of HR career was ‘lack of esteem in which the profession is held and a concern that HR is not more widely viewed as integral to organisational success.’

A further study conducted in the UK, outlined in Personnel Today (01/09/2007), presented the results in relation to careers in HR, with some interesting findings:

- 73% of those surveyed began their careers outside of HR
- Among the first jobs listed were shampooist, electronic systems engineer
- The only common starting points were PA, secretarial or clerical posts
- When asked the most common attraction of a job in HR – 44% responded that they **‘wanted to work with people’**
- Only 12% embarked on a career in HR because of the esteem in which it was held
- When asked what they would look for in someone wanting to enter the HR profession, 89% said business experience was important, and 51% felt that academic qualifications were not vital – I find this statistic quite extraordinary, but probably accurate.

**Susan Meisinger**, President of the U.S. Society for Human Resource Management (SHRM) outlines how the SHRM Board has approved the launch of an initiative to

'define and develop HR education' at business schools across the US. This initiative plans to define the educational requirements for a career in HR, raise the bar for HR degree content and 'underscore the point' that HR is a profession with a recognised field of study. She states that targeted graduate and post graduate degrees will strengthen the competencies of HR professionals, allowing HR in future to be promoted as a career to students.

**David Maister (1982)** examines the **Professional Services Firm (PSF)** which sells the services of its people to its clients. Competition is high for inputs – skilled and competent employees, and for outputs – the markets or clients for its services and the demands of both inputs and outputs need to be managed carefully. Most PSF firms manage their activities on a project basis – managing key stakeholders, managing tasks and activities tightly and demonstrating the value they are adding to their clients.

Would HR as a profession, consider itself so? How much time and energy is put in to attracting and retaining the right skilled people into the function, and then into systematically managing its services and selling its capability to its internal clients? If HR were to charge or bill its clients for its services and professional advice how would we manage this? How many HR functions market themselves in this way to their internal clients?

I examine HR as the internal consultant in the next section.

## **HR Acting as Internal Consultant**

Any Consultant must conduct his/her own extensive homework before beginning an assignment. **French, Bell and Zawacki (2005)** outline that industry trends, organisational strategic intent and competitive/market pressures are important areas for any internal consultant to understand – substantial content knowledge as well as process expertise are a must for ‘astute business professionals’. I believe the same is constantly true for HR professionals. As outlined by **Lacey (1995)** HR specialists have many advantages:

- Access to internal ‘clients’
- Understanding of company culture
- Reputation and prestige
- Access to information and data
- Low risk of pay/reward

However internal consulting can also be a difficult process for the individuals involved. Issues such as organisational politics, conflicts of interest and status or authority can very often get in the way of effective Internal HR Consultants. Knowing who the actual client is, understanding clearly what is expected, and clearly defining the scope of the project is crucial for success. Ultimately a credible reputation and a proven track record of delivery are extremely important.

**Richard M Vosburgh** of MGM Mirage Resorts, Las Vegas has written in my view an excellent article on ‘**The Evolution of HR: Developing HR as an Internal Consulting**

**Organisation**'. He asks the question whether HR can define the future in response to external conditions or simply react to changes that continue to occur both globally and within organisations. He asks 'why HR gets no respect?' and suggests that in order to be relevant and respected HR needs to become an internal consulting organisation. Within his article he references **Kahnweiler (2006)** who outlines five key challenges faced by successful HR professionals:

1. Lack of power
2. Walking a tightrope
3. Dealing with sceptical customers who view HR negatively
4. Vulnerability
5. Being overwhelmed

This is because many HR professionals still cling to old style personnel practices and policy governance and the strategic connection between talent management and business results is not made.

Vosburgh maintains that the problem with HR as a profession is that 'it does not have the same 'grounding' in legally mandated processes and reporting as does Finance, Legal and other professions. So it continues to be more of an 'art' than a 'science'. The activities, skills and competencies of the old HR and very different from those required to add real organisational value – hence HR runs the risk of being marginalised. He argues that HR must now 'step up to the challenge of creating our own future' and move from being a 'simple order taker' to becoming truly service-focused on the internal client or customer – selling its services. He draws on the success profile of an externally focused consultant in a professional services firm. The client takes the professional technical knowledge as

a given and is only 'won over' when 'consulting skills and personal credibility leads to trusted advisor status'.

Within the article Vosburgh refers to **Lawson et al (2005)** who conclude that 'to deliver on what the business needs, HR must put its own house in order, starting with the skills and capabilities of its staff'. HR must deliver both the basic transactional services ('the trains must run on time') and also as an internal consultant, meeting business requirements. Few HR functions or organisations invest in these skills for their HR staff. Graduate and post graduate programmes in HR by and large do not include these competencies.

To be a strong internal consultant, HR must have 'personal credibility' - **Ulrich & Brockbank (2005)** – this includes the ability to build effective relationships and a reputation for meeting commitments. **Vosburgh** argues that to be a successful internal consultant both 'knowledge and style' are important. **Mooney (2001)** makes the case that to truly act as effective internal consultants HR must adopt and use a range of project and programme management techniques.

**Barron & Armstrong (2007)** examine the meaning of 'value' from the perspective of a support function. They conclude that a new 'template' for HR is required which collates and uses data to build credible HR arguments in business language – using graphics, data and influencing skills. They argue that the business partner model of HR, currently in vogue, may not go far enough to achieve this.

**Reddington, Williamson and Withers (2005)** argue that 'it is a sea-change for HR to move from gate-keeping, decision-making, parent relationship to one where they are serving internal customers who can be very difficult as all customers can'. So HR needs to adopt a more mature adult approach to interacting and influencing internal customers. This requires personal confidence, business acumen and an ability to present a clear case and stand up to resistance when it is right to do so. At the same time the paradox is that HR needs to ensure that the transactional services are done well and that HR policies and practices are observed and lived by line managers. HR's reputation and credibility can be severely damaged by sloppy operational and transactional services – we have all had this experience. This is a difficult tightrope performance.

**Becker, Huselid & Ulrich (2001)** refer to the 'Value Chain Proposition' made famous by the Sears Corporation. The basic tenet is linkage of **Employees→Customers→Profit**. If HR can promote a culture where employees are engaged and satisfied, then customers will be engaged and satisfied with the organisation, leading to higher profits. HR professionals need to understand these linkages and understand the firm's market environment and challenges.

I examine how HR can add strategic value in the next section.

## **Strategic HR Adding Value**

**Reddington, Williamson & Withers (2005)** ask a very interesting question: **‘What does HR ‘being strategic’ look like?’** They put forward a set of observable traits which answer this question:

- Focusing on addressing current critical organisational issues within the context of the bigger organisational picture
- Helping internal clients implement change – acting as internal consultant
- Alignment of HR shared services and technology
- Letting go of old ‘personnel’ practices
- Attracting high quality ‘stars’ into HR and developing existing HR business and consulting capabilities
- Providing a clear measurable line of sight to the bottom line for HR
- Marketing and selling the value of HR better to the organisation

It really means that HR must up their game to gain recognition within the organisation.

**Kirstie Redford** (Personnel Today 06/19/2007) reports on a **Deloitte Consulting LLP** survey, which found that HR is still struggling to gain recognition from senior executives.

She outlined some relevant ‘snapshots’ from the survey:

Results of **senior business executives** surveyed:

- 63% never consulted HR leaders on mergers and acquisitions
- 5% described the HR function as ‘highly effective’ in addressing business needs
- 19% saw people management as valuable to the ambitions of the business



- 24% claimed senior HR does not contribute to company culture

Results of **senior HR leaders** surveyed:

- 50% felt their firm considered people matters to be very significant
- 25% claimed that Hr contributes to conversations about strategy
- 52% believed they helped shape the organisation's culture
- 29% outsourced transactional services to focus on strategic HR

In connection with this point **Lawler & Mohrman (2003)** argue that 'perceptions concerning the contributions made by HR are not changing as fast as the actual change on the ground'. I believe this may very well be the issue in many instances, however in general there is a lot to do in this area.

**Dave Ulrich (1997)** argues that HR professionals need to focus less on what they do and more on what they deliver. What they deliver is judged by their clients or customers and so HR need measurement systems and data in place to articulate the value of their contribution. He says HR must be 'theory-based, competency-driven experts who draw on a body of knowledge to make informed business decisions'. This links in well with the definition and characteristics of professionalism articulated already. Ulrich puts forward **8 Competitive Business Challenges in which HR can Add Value:**

1. Globalisation – of Business, Technology and People
2. Business Responsiveness to Customers

3. Profit through Cost Management and Revenue Growth
4. Capability Focus – change, learning and innovation
5. Change, Change, Change – new models and alacrity is required
6. Technology – redefinitions of work and handling intellectual capital
7. Attracting, retaining and measuring competence
8. Transformation rather than simple turnaround

These challenges significantly alter the required skills, experience and competencies of HR if they are to in any way deliver to the above agendas. HR processes and systems need to change. HR needs to be measured by real business results. HR must act more professionally – focus on outcomes, share a ‘body of knowledge’, set high standards, articulate clear value and be recognised and accepted as occupational professionals. HR now needs to articulate their value in business terms and language. They need to employ toolkit such as project management and internal consulting techniques to ensure their contribution is accurately and fully articulated and measured. Ulrich (1995) proposes that for HR to become Strategic Partners they must:

- Align HR plans to business plans
- Watch out for Quick Fixes
- Create a capability focus in the organisation
- Create a Balanced Scorecard of HR measurement
- Develop and use a Strategic HR plan that reflects reality (not be left on the top shelf).

Both Line Managers and HR must become **HR Champions** – HR must have the technical expertise and competence to deliver and line managers must support and sponsor their contribution. Ulrich (1997) says that HR must ‘establish a vision and mantra for the **HR function that excites clients and engages HR professionals**’. HR must move from traditional capabilities, processes and practices of accuracy and administrative efficiency to new capabilities of speed, alacrity, implementation, innovation and personal confidence – in my view.

The HR career structure Ulrich (1997) observes is ‘a mosaic of diverse specialisms’. This probably dilutes the overall professionalism and value or reputation of the function as an integrated whole. In many instances where major organisational change is being developed, different HR functional experts can be found arguing with each other as to the best way forward rather than presenting an expert, unified consulting position to line management. In addition many HR services and deliverables can appear disjointed or misaligned with performance and reward systems not supporting talent identification or employee engagement or changing to support major change initiatives. I have observed this situation in my experience also – typically in large HR functions serving multitude of business units.

Personal credibility is built through possession of appropriate organisational and HR competencies, not just by attaining status through the HR career ladder.

**Creelman and Ulrich** in a study of Fortune 100 companies looking at ‘**Intangible Value**’, found that **GE** and **IBM** are best at reporting on Human Capital Intangibles.

Their ability to communicate and report on their human capital initiatives in the annual reports and to institutional investors makes a difference. Both companies report on these items simply because it really matters to them and they can link human capital intangibles to the achievement of their business capability to drive innovation and value. Bringing in better than average talent to the organisation is a key measure of the value of human capital intangibles. HR can significantly contribute to this through strong selection processes, and sound personal judgement and credibility.

**Lisa Phillips** in an article titled '**Empowering Human Resources**' takes a view from the CEO's perspective, and asks what HR professionals need from CEOs, (as they are becoming more business strategic partners)? She states that HR needs CEOs who have confidence in HR skills and competencies and CEOs who:

- Recognise HR as strategic partners (not merely administrative experts) and therefore find the right HR professional for their organisation
- Recognise that their own behaviours set the culture for the entire organisation
- Embrace education on HR issues for senior line management
- Understand that HR is not just about dealing with problem employees and administering salaries and benefits

This is a very interesting perspective as it shows that this topic is not a one sided issue and HR need to rely on CEOs to support their agenda.

The other area which gets much attention is **Strategic HR Planning (SHRP)**. Millmore et al (2007) outline how SHRP can 'be viewed as a link between organisational strategies and Strategic HR Management practices'. While many other organisational functions generally easily align in times of change HR areas such as culture, leadership, change management, HR practices are often mis-aligned which is not good for the reputation of HR. SHRP is seen as the tool which can bring all these HR elements into an integrated 'coherent bundle of activities'. It is difficult however and requires a new HR capability to conduct it effectively. SHRP ultimately can be best used by HR professionals to coordinate and align the activities of HR service delivery to make it more effective. Its absence often leads to major organisational change initiatives to fail – such as mergers and acquisitions or major restructuring, reflecting an organisation where HR professionalism is not regarded as ultimately important. HR service delivery is one of the major HR competencies identified for success.

I explore the area of HR Competencies in the next section.

## **HR Competencies**

### **What is a competency?**

Definitions of competency can vary in wording however they all centre on the same concept. The definition I have chosen for this research topic is one I obtained in one of

my Strategic HR classes, provided by lecturer **Fergus Barry** (14.11.2006). This definition is as follows:

**Competency is a characteristic and measurable pattern of knowledge, skill and commitment, demonstrated through behaviour, in a defined context, which underlines and drives superior performance**

**Becker, Huselid & Ulrich (2001)** define competence as 'an individual's knowledge, skills abilities or personality characteristics that directly influence his or her job performance'. They comment usefully that competencies are 'anchored in behaviour'. Competence has long been a subject of organisational development, particularly of senior managers and leaders. It typically defines 'how' the job gets done in terms of measuring and rating individual behaviours in carrying out their roles. As any HR professional's role is all about influencing, dealing with people, managing change, the how element or the competence with which they carry out their roles is a critical determinant of success on the job.

**Boulter et al (1996)** depict competencies as the large unseen intangible part of the ice-berg, the 80% unseen below the water line which includes self concept, trait and motive. In contrast they depict the visible part of the ice-berg as the tangible skills and knowledge required for a job.

It is generally accepted that unlike technical skills or knowledge, competencies are difficult to learn. Therefore if someone has previously demonstrated a competency, they are more likely to demonstrate it in the future.

### **Why are HR Competencies Important?**

Competencies are extremely important because they influence the way people (including HR professionals) effectively conduct their roles and ultimately add value to business success.

**Wayne Brockbank** in a University of Michigan presentation on 'HR Strategy Development: Logic and Process', puts forward his redefinition of core competence. He has moved thinking from the emergence of core competence definition, i.e.:

#### **What a Company Does Best Based on What it Knows**

to a redefinition as follows:

#### **Ability to Create New Knowledge on Which What a Company Does Best is Based**

In other words moving from advanced technical know how to behavioural / cultural capability. Cultural capability is defined by the mindsets and behaviours of employees. These are in turn driven in organisations by HR levers – recruitment, structure, talent planning, performance management, reward and employee engagement. By scanning the business environment HR can gain knowledge of the economy, customer preferences, competitors, technology updates and regulatory constraints. Key sources of competitive advantage for the organisation can then be determined which can in turn inform the

required company cultural capabilities and how HR services and processes need to be aligned to drive these capabilities.

**Becker, Huselid & Ulrich (2001)** support this point as they say that ‘as a profession HR rests on a significant Body of Knowledge, a predictable set of outcomes and a model of competencies. These three **pillars** shape who is hired into HR, how their performance is assessed and how they are compensated’. This ties HR effectiveness to the achievement of the organisations key business priorities.

#### **What are the most Important HR Competencies?**

There have been many iterations of what the most important HR competencies are, but most evolve from a basic set of definitions first put forward by **Ulrich (1997)**. He outlined 4 major HR competency areas which were considered to be truly important:

- Knowledge of the Business
- Delivery of HR Services
- Management of Change
- Personal Credibility

**Martin Reddington (2005)** in his ‘Sink or Swim in the Talent Pool’ article examines the core competencies that HR professionals must develop ‘to get noticed’. He asks ‘how many people in organisation talent pools come from HR?’ This leads to the question about what new capabilities must HR develop and deploy. He identifies three critical



areas in this regard which I believe can be directly linked to Ulrich's (1997) critical HR competencies as follows:

**Table 2.1 Comparison of Reddington & Ulrich Competencies**

Reddington	Ulrich
<b>Client Relationship Management</b>	<b>Personal Credibility</b>
<b>Strategy and Change Management</b>	<b>Change Management &amp; Business Knowledge</b>
<b>Project Management</b>	<b>Delivery of HR Services</b>

These new capabilities Reddington believes can result in HR being respected as business people, demonstrating value and influencing the development of business strategy, rather than simply depending on position power.

**Ulrich & Brockbank (2005)** put forward three ways to improve these competency areas:

- **Buy** – bring in new professionals from the outside
- **Build** – train and develop current HR employees
- **Borrow** – engage Consultants for specific projects or initiatives

In terms of 'building' or developing HR professionals they propose that a number of questions be asked:

- What is happening in the marketplace, the organisation and the HR profession?
- What capabilities will be required?
- How can HR professionals add value to the business?
- Can this determine what competencies will be required of HR in future?

Their empirical assessment moved the debate forward in this regard.

## **HR Competencies – An Empirical Assessment**

Professors Dave Ulrich and Wayne Brockbank of the University of Michigan commenced an extensive study of competencies for HR professionals in 1988. They update their research regularly, as the focus of the research is to specify the personal competencies which enable HR professionals to add value to the organisation. In addition, this survey assesses how demonstration of these competences affects the performance of HR professionals by asking line managers what they expect from HR and what kinds of competencies they should be demonstrating to be considered effective.

As the study is a longitudinal one, it enables **Ulrich and Brockbank** and later colleagues **Dale Lake** and **Arthur Yeung** (1995) to change and amend the competency sets to continuously reflect the changing nature of business and how HR professionals can ensure that they continue to add value. The Society for Human Resource Management (SHRM) in North America are now partnering the University of Michigan in this research, which has now become the most extensive HR Competency Study (HRCS) on a global basis covering over 400 companies worldwide.

The Michigan team put forward a set of steps which form the basis for defining HR competencies as follows:

1. Business conditions are changing dramatically
2. Organisations, to respond to turbulent conditions, must focus resources on sustained competitive advantage

3. Competitive advantage comes from generating sources of uniqueness not easily replicable by competitors
4. Organisational capability is a unique set of organisational attributes that provides values to buying customers and may not easily be replicated
5. HR practices are central to the creation and maintenance of organisational capability.

In a nutshell, **‘HR professionals demonstrate competence when they help their firms compete’**.

### **Framework of Competencies**

By 1998 a framework of **five competencies** for HR professionals was developed and updated by the team, based on the updated findings of the research survey. HR professionals and their internal clients were surveyed to arrive at the major findings. Then the team examined literature on the areas identified to come up with a set of **‘competency elements’** or explanatory statements for each of the five competencies. Further research analysed the **relative importance** of the five competencies in determining HR professional effectiveness.

The five HR professional competencies and their order of importance, from most to least, are outlined and summarised as follows:

**Table 2.2 Framework of Professional Competencies**

No.	Competency	Competency Explanation
1.	Personal Credibility	Earning respect and goodwill
2.	Ability to Manage Change	Making things happen
3.	Ability to Manage Culture	Shaping the firm's identity
4.	Delivery of HR Practices	Using best practice HR deliverables
5.	Understanding the Business	Contributing value to the management team

The findings of the survey demonstrated that what HR professionals know and do affects how they are perceived by the business. This has implications for the recruitment, development and measurement of HR professionals and sets a benchmark of best practice for further research in this area.

Many companies have taken the University of Michigan HR competency framework and used it to develop their own specific HR competency sets. General Electric (GE) and other Fortune 500 companies have produced HR competency profiles consistent with the University of Michigan framework. An interesting and very important outcome from these studies is that while traditionally HR may have perceived 'technical competence' in HR practices and delivery of HR services to be of utmost importance, it is clear from the research that this element is probably taken as a given, and most organisations don't rate it at or near the top of the ranking list.

**I now proceed to outline my own research question, aligned to the Michigan research, and how I propose to conduct my research methodology within the Irish financial services context.**

### 3. RESEARCH QUESTION, AIMS & OBJECTIVES

My Literature Review shows that the area of HR Professionalism and Competence is complex, broad and continuously changing. The empirical research conducted by the University of Michigan teams over the last 20 years has added great value and clarity to this issue in my view. The framework of competencies, put forward by Michigan, are now in use in many organisations world-wide. So I have framed my research question to link it to this research framework and focused it within the Irish Financial Services Sector – with which I’m very familiar.

#### **Research Question**

**Bryman and Bell (2007)** outline a set of criteria for research questions which must:

- Be clear and understandable
- Be researchable
- Connect with established theory and research
- Make a contribution, however small, to the topic
- Be neither too broad or too narrow

Taking account of this useful set of criteria I have drafted my research question as follows:

**What are the most critical competencies for the effective HR  
professional in the Irish Financial Services Sector?**

## **Rationale**

Using the criteria outlined above, this research question is clear, certainly researchable, connected to the established empirical theory and research in this area. I definitely believe I can make a contribution to the topic from the perspective of a sample of the Irish financial services sector.

I have carefully considered and drafted my Research Question in order to shape and define the primary scope of my study and to test my own views, research and theories in this area. For HR professionalism, I have used some of the questions used by **Claus & Collison (2004)** research team. In addition, I adopted the Framework Research Question as used by the **University of Michigan** HR Competency Study. I believe this hypothesis, applied locally within the Irish Financial Services context, allows me to accurately and validly determine if the findings would be in line with those found in the broader global context outlined above in my Literature Review.

## **Research Aims**

There are a number of research aims of my investigation:

1. To explore the notion of HR Professionalism as perceived in the Irish Financial Services sector – using a number of statements of the Michigan (1997) and Claus & Collison (2004) teams
2. To explore whether the ranked importance of the competencies identified by the University of Michigan study is reflected in the Irish Financial Services sector.

3. To seek feedback on a number of qualitative questions in relation to HR competence and HR as a profession overall – taking extracts from **Ulrich (1997)** and **Claus & Collison (2004)**.

My research focuses on the perspectives of both **HR Professionals and Line Managers** in two major organisations in the Irish Financial Services sector.

I expect that most of my findings are in line with those of Claus & Collison and the University of Michigan study, and that others might differ. I am particularly interested in the findings from Line Managers to determine if their expectations of HR professionals adding value are in line with those expectations of the current literature and other organisations that I have outlined in my Literature Review.

I have included a copy of my Research Questionnaire in **Appendix A**.

### **Research Objectives**

My Research Objectives covered a number of steps necessary to fulfil my research aims:

- Completion of Critical Literature Review
- Design of Research Questionnaire, covering both quantitative and qualitative questions
- Quantitative questions are constructed to allow comparison with the findings of the empirical research

- Qualitative questions are included to ascertain broad views and opinions on HR competence and professionalism
- The scope of my research is within two organisations within the Irish Financial Services sector
- The perspectives of both HR professionals and Line Managers are considered
- My analysis of findings is structured to:
  - o present specific quantitative data
  - o allow comparisons with the empirical research
  - o consider different perspectives through analysis of qualitative responses
  - o consider and reflect on qualitative comments and inputs
  - o arrive at research outcomes and conclusions

I now outline my Research Design and Methods selected in the following section.



#### **4. RESEARCH METHODOLOGY**

In this section I first consider the theory behind research methodologies. All methodologies have their advantages and disadvantages, depending on the type of research topic, questions, analysis and findings to be conducted. In this context I outline a number of the alternatives available from the relevant literature. I then outline and justify the reasons why I selected the research design and methods for my research dissertation.

##### **Deductive Theory**

**Bryman and Bell (2007)** refer to Deductive Theory as ‘the commonest view of the nature of the relationship between theory and research’. Inductive Theory on the other hand is almost the reverse of Deductive Theory – data is collected and analysed, and then a new or changed theory is put forward.

I used **deductive theory** in my research – on the basis of what is already known about the subject and in putting forward my own hypothesis I based my own research on that theory. This allowed me to collect data, analyse my findings and decide if my hypothesis, which has been taken from the relevant literature and based on my own opinion, has been confirmed or not.

## **Research Design**

The Research Design provides a framework for the collection and analysis of data (Bryman & Bell 2007). A number of research designs are outlined in the literature – experimental, cross-sectional, longitudinal, case study and comparative – all have typical forms depending on whether the research data is quantitative or qualitative. In consulting the literature I decided to use **Cross-Sectional Design** which **Bryman & Bell (2007)** define as:

‘the collection of data on more than one case and at a single point in time in order to collective a body of quantitative or quantifiable data in connection with two or more variables which are then examined to detect patterns of association’.

I took an existing proven framework of research in the University of Michigan HR Competency Research Study and adapted it to apply to a subject area with which I am particularly familiar – the financial services sector in Ireland. The reason I adapted the research is because the scope of the Michigan survey was too broad and large to use for my purposes in this research dissertation. In adapting the study, I used a study that **General Electric (GE)** adapted from the Michigan study to identify and rank critical competencies for HR.

I also compared my findings from two different perspectives – HR professionals and Line Managers responses.

In my survey I used a number of statements which I drew quantitative data from, and a set of open-ended qualitative questions from both of which I collected my survey data and findings. I used quantitative analysis and comparison of responses as well as qualitative collection of responses. The data was collected over a period of 2 weeks.

## **Research Methods**

I used two primary Research Methods:

1. **Comprehensive Literature Review** or Documentary Research of the topic to inform my own research in this area. The literature was sourced from text books and journals on this subject and from the use of the internet to trawl relevant data and find appropriate references. In addition I used academic search engines to find articles and journals of interest and relevance.
2. Construction of a **Questionnaire** – which could be used in either **Structured Interview** format or as a **Self Completion Questionnaire** - to take account of the research already available and to ensure that my own Research Aims and Objectives were met (Bryman & Bell 2007).

The Research Method outlined the techniques for collecting data (Bryman & Bell 2007).

I have covered this area under a number of headings below.

## **Population & Sample**

The population of my survey was a large number of HR and Line Managers in the financial services industry. My plan was to survey HR and Line Managers within two organisations in the Financial Services Industry. This is a very large population.

I decided to use the method of **Self Completion Questionnaire** survey with a sample of each of the populations within two companies in the sector. I planned my survey with a focused **random representative selection** of key individuals from my relevant population, ensuring both my perspectives were covered. - HR Managers and Business Managers.

**I targeted a sample population of 41 individuals - 24 HR Managers and 17 Line Managers - within the sector.** Fisher (2007) refers to this approach as '**Purposeful Sampling**' i.e. identifying people who have the answers to the questions I want to ask. I predicted a **high response rate** on the basis that I was agreeing access and participation with each of the organisations and individuals involved in advance on a personal basis, by email.

## **Access**

Given that I am currently self-employed and not directly employed by either organisation, I did not have the opportunity to use broad, high population survey techniques as set out in the literature - this would have been my preference had I more time, resources and direct access to the organisations concerned. I believe I enhanced my prospects of getting a high response by ensuring confidentiality for respondents and by making direct one-to-

one contact by email memo with each of the individuals involved in advance of survey completion.

In this regard I negotiated access with the Heads of HR **in advance** of conducting my research. My making contact with the Heads of HR, outlining the purpose and content of my research I believe I opened the way for the participants to get involved and also gave me valuable feedback on my survey instrument in advance of roll-out to other prospective respondents.

I then emailed each prospective respondent outlining my research aims, methodology and asking for their participation in the survey. I also included comprehensive instructions on completion of my survey questionnaire in the email to avoid any confusion.

### **Survey Methodology and Piloting**

I used Survey Research to collect my data by using a **Self Completion Questionnaire** with the participants involved.

My Questionnaire was split into four segments:

1. Respondent **Demographic Data**
2. A set of HR **Professionalism** statements to be rated – using the 5 point **Likert Rating Scale** from Strongly Disagree to Strongly Agree

3. A set of HR Competency Statements for Analysis – using a verbal and numeric 0 – 4 point Rating Scale in order to collate the relative ranking of each Competency Area
  
4. A limited set of three Qualitative questions to gain views and opinions which would supplement my quantitative analysis.

Given the subject nature and the likely sensitivity of the respondents to the subject matter I decided after **piloting** with Heads of HR, to depersonalise the questions by using the passive tense.

I decided not to hold **Focus Groups** (where participants discuss the topic and their responses in a group setting) as I believed given the potential sensitivity of the subject, that the people involved would be more comfortable answering questions and giving views on a confidential one-to-one basis. In any event my target respondents were from the Management and Senior Management populations within HR and the Business within the two organisations – arranging their participation into focus groups given their time pressures and other priorities would have been wasted effort in my view and probably would have impacted on the quality of my results.

### **Self Completion Questionnaire (SCQ)**

According to Bryman & Bell (2007) an SCQ is where respondents complete the survey questionnaire themselves. The same set of questions can be used in Structured Interview

format with the interviewer present when questionnaires are being completed. I adopted **both approaches** in my survey – for most Senior Managers and Heads of HR I conducted a Structured Interview whilst for other HR and Business respondents I used SCQs. In theory an SCQ is:

- clear and unambiguous in design
- allows fewer open questions
- short to avoid respondent fatigue
- time saving over the structured interview methodology
- geographically friendly as it can be sent and returned electronically by email

In instances where I used the Structured Interview methodology it added to the value and richness of the responses to the set of three open qualitative open questions that I asked.

Prior to conducting my survey I sent a very **comprehensive covering email** – personalised to all prospective respondents covering the following areas:

- outline of research aims
- outline of roles of both HR and Business respondents
- guarantee of confidentiality of individual and organisational responses
- attractive outline of structure of questionnaire and instructions for completion of each section
- estimated time to complete questionnaire – 15 minutes
- completion window of 2 weeks given

I followed up with each respondent who hadn't returned the questionnaire at the end of the two week period, attaching a second copy of the questionnaire for completion.

A full copy of my Self Completion Questionnaire is outlined for information in **Appendix A**. In line with the recommendations in the literature my Questionnaire has an easy to follow design with instructions, which I believe made it interesting and simple to complete and took account of people's busy schedules. I decided to use a **Horizontal Format** (Bryman & Bell 2007) in setting out my questions to gain judicious use of design, print and spacing on the questionnaire document

In summary the questionnaire was split into four segments and compiled as follows:

**Table 4.1 Self Completion Questionnaire Structure and Content**

Section	Content
1.	This section recorded basic <b>demographics</b> and coding of questionnaires by organisation, function, grade and time in role
2.	A set of ten statements of HR professionalism were given and I determined the level of agreement of respondents using the 5 point <b>Likert scale</b> from Strongly Disagree to Strongly Agree
3.	A set of 20 HR competency behavioural indicators, covering 5 key HR Competencies were stated and I asked respondents to score them in relative importance using a 0-4 verbal and numeric <b>rating scale</b> . The numerics allowed me by a simple <b>mathematical process</b> of collation to arrive at a ranking order for each of the 5 HR competencies and then to <b>compare</b> my findings to those of the University of Michigan
4.	A set of three <b>qualitative</b> questions in relation to <b>future HR Competence and its implications</b>



## **Data Analysis**

My Self Completion Questionnaire was designed to facilitate clear and specific data analysis of results. For each section I undertook different data analysis:

### **Section 1: Demographic Data**

The demographic data asked for in my research was kept to a minimum to ensure simplicity and relevance and to avoid wasting respondents' time. I adopted a mechanism to code organisation, HR/Business function of each respondent. I also sought their grade and length of time in role to determine if this data made any difference to the responses. I didn't anticipate it would make a significant material difference - but my Research Findings would tell.

### **Section 2: Set of 10 Statements of HR Professionalism**

This data allowed me determine, using a 5 point Likert scale from Strongly Disagree to Strongly Agree, the level of agreement with a number of statements and opinions put forward by both Ulrich (1997) and Claus & Collison (2004), related to HR competence and professionalism. This made responses easy to process and analyse by pre-coding in to a spreadsheet which I designed. I could then analyse the findings by various categories and groups of my research and compare to that of both authors in this regard.

### **Section 3: 20 HR Competency Behavioural Indicators**

Each of the 20 HR Competency Behavioural Indicators given were linked to one of the five HR Competency Domains as set out in the General Electric (GE) framework of

competencies - Becker, Huselid & Ulrich (2001). Respondents were asked to rate each of the statements in relative importance using my '0' (Not Important) to '4' (Critically Important) rating scale. When rating the statements however, respondents did not have access to which of the five HR Competency Domains each statement belonged. This avoided the issue of leading the respondent to the perceived 'correct' answer and avoided bias. However my analysis linked each of the behavioural indicators to one of the five competencies and by summing the scores for each statement I arrived at a total Competency Domain score which allowed me to rank each Competency Domain in terms of relative importance. This method allowed ease of processing answers by pre-coding onto my own designed spreadsheet and I then compared my findings to the empirical research of relative importance of each of the competencies.

Fisher, (2007), states that the use of a Rating Scale is good for 'exploring difficult questions of relative importance' where a numerical score is given to verbal scale positions. I adopted this approach as it ideally suited the type of data I wished to find and analyse in this section. The following example sets out how my analysis of this section took place.

**Table 4.2 Scoring Example**

Behavioural Indicator	Competency Domain	Score	Domain Score	Score as % of Total Available	Domain Rank
Instils confidence in others	Personal Credibility	3/4	7/8	87%	1
Earns Trust	Personal Credibility	4/4			
Attracts Appropriate Employees	Delivery of HR Practices	3/4	¾	75%	2

#### **Section 4: Set of three Qualitative Open Questions**

By allowing respondents choice over how they would respond I asked three qualitative questions, related to the **future** of HR competence and professionalism. This approach which I limited to three questions to avoid respondent fatigue allowed for a **wealth of responses and data to be received**. I collated all responses into my own database of responses. I could contrast and compare the answers of each of the respondents, using the demographic data and groupings to analyse my findings and add valuable opinion and subjective data to my research dissertation

#### **Research Analysis Tools**

I used simple Microsoft Excel Spreadsheets to record and analyse the findings of my Research Survey. I chose this tool as it is the most appropriate for my purposes given the sample size of respondents, the simplicity of scoring data and the simplicity of presenting findings. The nature of my research did not require the use of specialist survey data statistical analysis tools such as SPSS.

## 5. RESEARCH FINDINGS

### Introduction to Research Findings

My research findings yielded a wealth of quantitative and qualitative data and opinion which surpassed all my expectations.

I achieved a **response rate of 76%** to my request for participation (31 out of 41 requests), Although I understand much lower response rates are acceptable by the given standards in this area, **Mangione (1995)** outlines a classification of response rates for mail survey questionnaires which I am happy to compare my outcome:

Over 85%	Excellent
70 – 85%	Very Good
60 – 70%	Acceptable
50 – 60%	Barely Acceptable
Below 50%	Not Acceptable

Both the HR respondents and Business respondents gave my survey time, thought and provided valuable data which I can compare to the empirical data available and from which I can draw my own conclusions as to the future of HR professionalism and competence.

Respondents completed the questionnaire either in hand written format or electronically by email and attachment – I spoke to some respondents by phone and others I met in person as time permitted. At all times the same questionnaire was used. Regardless of the method, the data I received has been extremely valuable to my research dissertation. I believe that the quality of quantitative data I received through ticking either Likert or Rating scales was the same regardless of the methodology of completion. I do believe however that I received really valuable qualitative feedback to my three qualitative and open questions in Section 4 from those I either met face to face or by telephone.

### **Collation of Data and Feedback**

I collated all data, both quantitative and qualitative from all 31 respondents using Microsoft excel spreadsheets. This allowed me collect, collate, manipulate, summarise and analyse the data from a number of perspectives and into a number of categories.

I input all quantitative responses as raw data, covering respondent demographics, responses to HR Professionalism Statements and ranking of HR Competency Indicators. This raw data is outlined in full in **Appendix B**.

I then analysed quantitative data in relation to HR Professionalism and HR Competencies in **Appendix C**. I report both of these analyses in summary further on in this report

I input all qualitative responses to the three questions in Section 4. of my questionnaire on an excel database. The full responses are outlined in **Appendix D**.

### **Analysis of Findings**

I now outline my analysis of findings under a number of key sections within my Research Questionnaire.

### **Response Rate Demographics**

Of a total of 41 requests for participation in two financial services organisations, 31 individuals participated in my Structured Questionnaire Survey – an overall **Response Rate of 76%**. I am very happy with this high response rate as I believe it added to the validity of my data collected and to the richness of the qualitative feedback given. The following table outlines analysis of response rates across some key categories:

<b>Table 5.1 Response Rate Analysis</b>			
<b>Categories</b>	<b>Company A</b>	<b>Company B</b>	<b>Overall</b>
All Categories Responses	63%	84%	<b>76%</b>
HR Responses	73%	69%	71%
Business Responses	40%	100%	82%
Senior Management Responses	40%	88%	76%
Manager Responses	73%	78%	75%

The response rates were broadly consistent across the major categories with the exception on Business and Senior Management responses in Company A. This I believe is partially due to the smaller population in Company A as shown in Table 5.2 below and is not significant to my overall findings.

Table 5.2 Analysis of Respondents			
Categories	Company A	Company B	Overall
Number of Respondents	10	21	31
Company Spread Percentage	32%	68%	100%
Number of HR Respondents	8	9	17
HR Spread Percentage	47%	53%	100%
Number of Business Respondents	2	12	14
Business Spread Percentage	14%	86%	100%
Number of Senior Management Responses	2	14	16
Senior Management Spread Percentage	13%	87%	100%
Number of Manager Responses	8	7	15
Manager Spread Percentage	53%	47%	100%

'Years in Role' Analysis is perhaps more interesting -- as outlined in Table 5.3 below.

Table 5.3 Years in Role Analysis		Company A	Company B
< 3 yrs	Number	6	5
	% of company total	60%	24%
3 - 6 yrs	Number	4	4
	% of company total	40%	19%
7 - 10 yrs	Number	0	3
	% of company total	0%	14%
> 10 yrs	Number	0	9
	% of company total	0%	43%
Total	Number	10	21
	% of company total	100%	100%

All respondents in Company A have less than 6 years in their current role with 60% having less than 3 years in their current role, whereas 57% have more than 7 years in their current role with 43% more than 10 years in current role. This reflects the difference between the two organisations in terms of company history and length of time operating in the Irish Financial Services market place. It doesn't excuse however the fact that perhaps many individuals are spending a long time in their current roles and maybe draws into question the career paths open to those who may wish to remain in the HR function or move onto other functions within the organisation?

### **HR Professionalism – Analysis of Responses**

In this section I posed a total of 10 statements in relation to HR professionalism and asked respondents to indicate their response to each statement using a Likert 5 point scale from Strongly Disagree to Strongly Agree. My intention in including these statements was to ascertain respondents' level of agreement to a number of potentially provocative statements in relation to HR professionalism made by both the **University of Michigan team (Ulrich 1997)** and by **Claus & Collison (2004)** in their research.

The following is a summary of the data received, highlighting the relevant data which I comment on under each statement. The full data and results in relation to HR professionalism are outlined in **Appendix C**.



**Statement 1 People go into HR because they like people**

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	3%	29%	23%	42%	3%
Company A	10	10%	20%	10%	60%	0%
Company B	21	0%	33%	29%	33%	5%
HR	17	6%	23%	24%	47%	0%
Business	14	0%	36%	21%	36%	7%
Senior Mgmt	16	0%	31%	25%	44%	0%
Managers	15	33%	26%	20%	14%	7%

I am quite surprised that 45% of overall respondents agree/strongly agree with this statement - particularly 60% in Company A which is younger than Company B. To me it suggests that they may still see HR as a 'Personnel' or 'Welfare' type function. A large proportion of overall are unsure or neutral at 23%. Quite clearly Managers see it substantially different than Senior Management with 59% of Managers disagreeing vs only 31% of Senior Management. Maybe Managers see HR as carrying out the Senior Management agenda which in recent times has been tough for managers and employees - cost reduction, credit crisis in Banking?

**Statement 2 Anyone can do HR**

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	35%	45%	3%	13%	3%
Company A	10	40%	40%	0%	10%	10%
Company B	21	33%	48%	5%	14%	0%
HR	17	41%	53%	0%	6%	0%
Business	14	29%	36%	7%	21%	7%
Senior Mgmt	16	38%	44%	6%	12%	0%
Managers	15	33%	47%	0%	13%	7%

Overall 80% disagree, however while 94% of HR respondents disagree, only 65% of business respondents disagree. This statement has the strongest level of disagreement across all categories. If HR considers itself a 'profession' with standards and learned specialist skills, the level of agreement is something for consideration. Would any other profession have any level of doubt around this statement e.g. Accountants or Legal? It appears that while a large majority of respondents disagree that anyone can do HR, a minority of 'non HR' respondents (between 12 - 30%) agree. It may well be that they are answering in the context of particular individual HR contributors.

**Statement 3 HR deals with the soft side of the business and is therefore not accountable**

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	45%	42%	0%	13%	0%
Company A	10	40%	40%	0%	20%	0%
Company B	21	48%	42%	0%	10%	0%
HR	17	71%	29%	0%	0%	0%
Business	14	14%	57%	0%	29%	0%
Senior Mgmt	16	56%	44%	0%	0%	0%
Managers	15	33%	40%	0%	27%	0%

Overall disagreement at 87% is strong, however between 20 - 29% of Company A, and Business respondents agreed with this statement. This statement also attracts a strong level of disagreement across all categories. Does a certain cynicism creep in over time? 100% of HR respondents disagree with this statement which probably to be expected but maybe should be explored more.

**Statement 4 HR's role is to police HR policy compliance**

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	16%	58%	6%	19%	0%
Company A	10	30%	50%	0%	20%	0%
Company B	21	10%	61%	10%	19%	0%
HR	17	29%	53%	6%	12%	0%
Business	14	0%	64%	7%	29%	0%
Senior Mgmt	16	25%	57%	6%	12%	0%
Managers	15	6%	60%	6%	28%	0%

There is high disagreement overall with this statement at 74%. Interestingly agreement with this statement in both Company A and B is almost similar. Not surprisingly HR has the lowest agreement with this statement at 12% - this suggests that this is not a role that HR professionals wish to adopt.

**Statement 5 HR represents a body of knowledge and skills**

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	3%	0%	0%	48%	48%
Company A	10	0%	0%	0%	50%	50%
Company B	21	5%	0%	0%	48%	47%
HR	17	0%	0%	0%	29%	71%
Business	14	7%	0%	0%	71%	22%
Senior Mgmt	16	6%	0%	0%	44%	50%
Managers	15	0%	0%	0%	53%	47%

This question has the highest level of Agree and Strongly Agree overall - ranging from 93 - 100% across all categories. The level of disagreement is negligible and represents maybe one individual in each category. This strong response surprises me as I expect that the way HR is practiced in different organisations or organisational units is different and one of the problems for HR is that it doesn't have a definitive body of knowledge or skills laid down. The recent work undertaken by Ulrich et al in the Strategic HR area may well be influencing this answer. I am surprised at the strength of agreement in all categories with this statement in the absence of entry standards and credentials.

**Statement 6** You need business knowledge and/or business experience to work in HR

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	19%	6%	58%	16%
Company A	10	0%	20%	0%	40%	40%
Company B	21	0%	19%	10%	67%	5%
HR	17	0%	6%	6%	65%	23%
Business	14	0%	36%	7%	50%	7%
Senior Mgmt	16	0%	12%	6%	70%	12%
Managers	15	0%	27%	6%	47%	20%

There is a strong level of agreement on this statement - ranging from 57% to 91%. This statement asks whether one can enter an organisational HR role without business knowledge and/or experience. The level of agreement would suggest that business skills are necessary. Interestingly business respondents have the highest level of disagreement at 36%. How many other professionals would require the same level of

business knowledge and/or experience to work in their field? It is encouraging that HR professionals however are deemed to require business knowledge.

**Statement 7** You need business knowledge and/or business experience to advance your career in HR

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	10%	6%	45%	39%
Company A	10	0%	10%	10%	40%	40%
Company B	21	0%	10%	5%	48%	38%
HR	17	0%	6%	0%	41%	53%
Business	14	0%	14%	14%	50%	22%
Senior Mgmt	16	0%	12%	0%	38%	50%
Managers	15	0%	6%	13%	54%	27%

This statement poses a different slant on the requirement for business knowledge and experience with even higher agreement at between 72 - 96%. Interestingly again the business respondents have the lowest level of agreement/strong agreement at 72%. A suggestion that to advance a career in an organisation requires an individual to have worked across many functions and businesses is probably correct. In my experience most organisational professionals be it Legal, Accounting, IT require to move out of the profession into general management or business areas in order to advance their corporate careers.

**Statement 8** HR's body of knowledge and skills is recognised as a profession by society in general

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	23%	23%	35%	19%
Company A	10	0%	50%	20%	30%	0%
Company B	21	0%	10%	24%	38%	28%
HR	17	0%	35%	24%	35%	6%
Business	14	0%	7%	21%	36%	36%
Senior Mgmt	16	0%	19%	19%	37%	25%
Managers	15	0%	27%	27%	33%	13%

While there is no strong disagreement on this statement, the level of disagreement and neutrality are quite high. It is interesting that the level of HR respondents disagreement is 35%, with 24% neutral and 41% in agreement/strong agreement. Company A has more disagreement and less agreement than the overall result with an interestingly relatively high level of agreement/strong agreement amongst business respondents. Is HR recognised by society in general as a 'profession'? In my experience many people find it hard to define what HR people do and it needs to be explained before they acknowledge that they understand what it means.

**Statement 9** You must have some type of recognised professional credentials to work in HR

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	35%	13%	48%	3%
Company A	10	0%	40%	20%	40%	0%
Company B	21	0%	33%	10%	52%	5%
HR	17	0%	18%	18%	64%	0%
Business	14	0%	57%	7%	29%	7%
Senior Mgmt	16	0%	25%	19%	56%	0%
Managers	15	0%	48%	6%	40%	6%

Both Agreement and Disagreement overall are noteworthy at 48% and 35% respectively. Highest agreement is from HR respondents (64%). Highest disagreement is from Business respondents and Managers - just over or under 50% respectively. Those longer in role are likely to have HR professional credentials as most take up professional education after entering the HR function - this could explain the higher levels of agreement in these two categories? Interestingly there is negligible strong agreement and no strong disagreement. Nobody strongly agreed or strongly disagreed with the word 'must'.

**Statement 10** Line Managers recognise that HR have specific knowledge/skills that add to the value to the firm

Category	No.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	13%	13%	52%	23%
Company A	10	0%	40%	10%	40%	10%
Company B	21	0%	0%	14%	57%	29%
HR	17	0%	17%	12%	53%	18%
Business	14	0%	7%	14%	50%	29%
Senior Mgmt	16	0%	0%	0%	69%	31%
Managers	15	0%	27%	27%	33%	13%

Overall Agreement is high on this statement at 52% agree and 23% strongly agree. The highest level of agreement/strong agreement is with Senior Management at 100% - the strongest level of agreement of all statements. Senior Management is interacting with the highest levels of the HR function - so this result is encouraging for the function. Company B also has a strong level of agreement at 86%. The highest level of

disagreement is in Company A - with 40% disagreement. Further analysis and questioning would be required to establish the reasons for this.

### **HR Competencies – Analysis of Ranking Data**

I adopted the 5 Key HR Competency areas identified by the University of Michigan Study (Ulrich 1999). The aim of this study was to create a competency template for the HR profession – not just for one single organisation. After much iteration the Michigan team concluded that HR Competencies could be categorised into **five major domains**:

- 1. Knowledge of the Business**
- 2. Managing Culture**
- 3. HR Technical Expertise**
- 4. Personal Credibility**
- 5. Making Change Happen**

Attaching to each HR Competency Domain was a set of key **Behavioural Indicators**. General Electric (GE) took these HR competencies and behavioural indicators and put together their own version of the Michigan survey in order to ascertain the relative importance of each HR competency within their organisation – **Becker, Huselid & Ulrich (2001)** I have taken this GE approach in my survey of the relative importance of each of the HR Competencies. I asked respondents to rate each behavioural indicator (20 in total across all 5 competencies) on a scale of 0–4 from 0, not important to 4, critically



important. Appendix A – my Survey Questionnaire - sets out each of the five HR Competency Areas and each of the 20 Behavioural Indicators. It should be noted that the 20 behavioural indicators were not specifically linked to competencies when conducting my research. The ratings given to each behavioural indicator were then grouped into competency domains, summed and a score calculated to determine the overall ranking of each of the 5 competency domains.

Prioritising the 5 HR Competency Domains allowed analysis of the relative impact of each competency on the overall effectiveness of HR professionals from a number of respondent perspectives – Overall, HR, Business, Company A, Company B, Senior Management, Management and by Years in Role. Full details of this analysis are outlined in Appendix C – however for the purpose of summary reporting Table 5.4 below outlines the final results of this ranking exercise.

Table 5.4 Analysis of HR Competencies Ranking						
Category	Respondents	Knowledge of the Business	Managing Culture	HR Technical Expertise	Personal Credibility	Make Change Happen
Overall	31	5	2	3	1	4
Company A	10	5	1	3	2	4
Company B	21	5	2	3	1	4
HR	17	5	2	4	1	3
Business	14	5	2	3	1	4
Senior Mgmt	16	5	2	3	1	4
Managers	15	5	1	3	2	4
< 3 years	11	5	1	3	2	4
3 - 10 years	11	5	2	3	1	4
> 10 years	9	5	2	3	1	4

Note: Ranking 1 = highest, 5 = lowest in relative importance

The level of consistency of respondents to my survey of ranking competencies is very strong – the most important competency overall being **Personal Credibility** and the least important overall being **Knowledge of the Business**. Interestingly **HR Technical Expertise** – an area that HR professionals would typically rank themselves high on comes in ranked 3<sup>rd</sup> overall in my survey and ranked 4<sup>th</sup> by HR professionals themselves. It is interesting to now compare my overall ranking results with those of both the University of Michigan study – Table 5.5 below outlines this data.

Survey	Knowledge of the Business	Managing Culture	HR Technical Expertise	Personal Credibility	Make Change Happen
Irish Financial Services	5	2	3	1	4
University of Michigan	5	3	4	1	2

Note: Ranking 1 = highest, 5 = lowest in relative importance

My research is supported by the University of Michigan study which places Personal Credibility as most important and Knowledge of the Business as least important. Overall I believe that both the similarities and the differences reflect the challenges that the HR professional faces in today’s challenging environment. I relate the HR Competency results to the results of my HR professionalism study in my Conclusion.

### **Qualitative Responses on the Future of HR Competencies**

The final part of my research asked respondents three qualitative questions, related to the **future** of HR competence and professionalism. I recorded their comments as given and

these are set out in detail in **Appendix D**. The purpose of asking these questions was to enable me to gain valuable insights from individuals within two organisations who have the most professional HR functions and to compare the answers of each of the HR and Business respondent groupings to analyse my findings. This added valuable opinion and subjective data to my research dissertation. A summary of the key messages from both HR and business perspectives, from this rich qualitative data are extracted below from Appendix D. I return to this area further in my Conclusion.

**Question 1: What do you see as the most important future HR Competencies?**

Table 5.6 Most Important Future HR Competencies	
HR Respondents	Business Respondents
<ul style="list-style-type: none"> <li>- Change Management – adaptability and openness to change</li> <li>- Talent and Succession Planning</li> <li>- Business Knowledge – Financial</li> <li>- Promote Brand of HR</li> <li>- Personal Credibility</li> <li>- Influencing Skills</li> <li>- Organisation Design and Structure</li> <li>- Bring challenge and objectivity to Senior Management decisions</li> </ul>	<ul style="list-style-type: none"> <li>- Maintain independence – act as custodians of HR values – don’t let profits submerge them</li> <li>- Business Knowledge</li> <li>- Staff Selection – critical 40 year decision</li> <li>- Managing Reward in slowing economic conditions</li> <li>- Ensure corporate greed and ethics are differentiated</li> <li>- Handle labour law, IR and regulatory responsibilities</li> </ul>

It is interesting that the HR responses are quite ‘soft’ and difficult to get a handle precisely on – brand, credibility, influencing, challenging, coupled with technical expertise in HR products and Services – talent, structure, design. In contrast the Business responses are quite definitive in terms of handling reward, employee issues, management behaviours and custody of organisational values. It suggests that the

business respondents see a large part of the role of HR as ensuring organisational and employee ‘ills’ are identified and ‘cured’. Do business management not require competence themselves in these areas also? Or is it that these are the areas where they see HR adding value already and are happy to keep it that way? The dichotomy is that HR respondents on the other hand are relying much more on their personal credibility for future competence.

**Question 2: How can future HR Competencies best be created or improved in your opinion? (i.e. buy in, develop internally, outsource)**

Table 5.7 Creating / Improving HR Competencies	
HR Respondents	Business Respondents
<ul style="list-style-type: none"> <li>- Combine <b>development</b> internally with <b>buy-in</b> for skills and fresh perspective</li> <li>- More <b>agility</b> within HR</li> <li>- More business exposure for HR</li> <li>- Adopt <b>internal consultant</b> approach</li> <li>- Service quality diminishes in outsourcing – driven by financials</li> <li>- Use HR specialists to <b>coach</b> / mentor</li> <li>- <b>Professional Qualifications</b> are a must</li> <li>- More profile for HR on business degrees</li> <li>- Have clear HR capability development</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Less</b> forms and procedures</li> <li>- More flexibility for <b>Manager Discretion</b> on Recruitment</li> <li>- Outsourcing <b>distils</b> HR competency to pure HR approach – needs a balance of business competence also</li> <li>- Stronger <b>voice</b> for Talent Mgmt</li> <li>- Professional Development and Education – a <b>minimum entry level</b> to the profession is required for practitioners</li> </ul>

HR respondents see a combination of internal development as well as ‘buying-in’ specialist skills. They acknowledge that HR professionals need to coach and develop agility in their professionalism, they need to act as internal consultant and that professional qualifications are essential. Interestingly they seek greater focus and profile on business degrees for the HR discipline to enable business managers understand how

difficult being good at HR is. Line Managers on the other hand want more discretion on decision making and less forms and procedures from HR. Interestingly they seek a minimum entry level to the profession.

**Question 3: What, if any, are the implications for the future staffing and development of HR?**

Table 5.8 Implications for future Staffing & Development of HR	
HR Respondents	Business Respondents
<ul style="list-style-type: none"> <li>- More added value to the business</li> <li>- More expertise bought in</li> <li>- Leaner, project-based HR function</li> <li>- HR 'nice to haves' will go due to declining economic conditions</li> <li>- Outsource operational HR</li> <li>- Business skills are essential</li> <li>- Quality of 3<sup>rd</sup> level HR education influences the credibility of HR</li> <li>- HR needs to decide either to follow their professional area across many organisations or spend some time HR as a broader one organisation career path?</li> <li>- Scarcity of quality HR professionals – we need better and fewer</li> <li>- Danger is that HR will slip back into administrative cul de sac in bad times</li> <li>- Is HR prepared to take clear accountability?</li> </ul>	<ul style="list-style-type: none"> <li>- Less emphasis on policing and more on delivery</li> <li>- More demanding entry criteria – recruit for profession of HR</li> <li>- Cost cutting will impact negatively on HR resourcing</li> <li>- Business acumen is essential</li> <li>- HR technical expertise is part of what HR do – should not be over emphasised</li> <li>- Data and a track record in delivery are important to demonstrate HR value</li> </ul>

Both categories foresee a tightening of HR responsibilities in the event of an economic downturn causing cost cutting activities within the organisation. HR will become 'project based' while delivering the suite of HR services to the organisation. The issue of HR adding value will arise again – and how HR's value is perceived may very well be

different – i.e. back to basics and our ability to delivery the basic HR services in hard times in line with business objectives.

**Having completed the analysis of my findings I now proceed to draw my analysis together and reach some over-arching conclusions to my research.**

## 6. RESEARCH CONCLUSIONS

In conclusion I link back to my Research Question:

**What are the most critical competencies for the effective HR professional in the Irish Financial Services Sector?**

My extensive survey has identified a number of key points in relation to HR Professionalism and Competency in the Irish Financial Services Industry.

### **HR Myths.....**

**Dave Ulrich** in *HR Champions* (1997) put forward some 'HR Myths' which he states must be overcome if the profession is to grow and survive into the future. Some are as follows:

1. People go into HR because they like people....
2. Anyone can do HR....
3. HR deals with the soft side of the business and is therefore not accountable....
4. HR's role is to police HR policy compliance....

I included these statements in my survey of HR professionalism to get my own perspective – the results were interesting:

1. 45% of my survey respondents strongly agree/agree that people go into HR because they like people with 23% neutral – we need to overcome this myth

2. 80% strongly disagree/disagree that anyone can do HR. However 28% of business respondents agree. This is another area where the perception of HR as a profession needs to be overcome. I'd like to explore further what respondents believe are the competencies to 'do HR' if 80% believe that not everybody can 'do it'.
3. 87% of my survey respondents disagreed with the statement that HR is not accountable because it deals with the soft side of the business so clearly that myth does not hold up in the context of my survey.
4. 74% of my survey disagreed that HR's role is to police HR policy compliance – however 29% of business respondents agreed. This I believe is another area that HR needs to work on especially with increasing legislative and regulatory issues arising all the time – HR will not become strategically valuable if they base their value on policing managers' adherence to the rules.

## **HR Professionalism**

**Claus & Collison (2004)** put forward a **body of HR knowledge and skills** – my research showed strongest overall agreement with this statement at 96%. I'm surprised somewhat at this, as I see HR being practiced at different competence within organisations.

They talk about the requirement for **business experience** to work in and to advance ones career in HR – my survey strongly supports this notion. However there is a **dichotomy**



of the outcomes from my survey on professionalism to the results on my ranking of the importance of HR Competencies where Business Knowledge is ranked five out of the five competencies identified and agreed as being the most important. The ranking from my survey is strongly in line with that of the University of Michigan ranking – so this area is one for future exploration, debate and analysis I believe.

They ask whether HR is **seen as a profession by society in general**. In my experience this is a difficult question to answer – maybe the results of my survey also indicate this in that results are spread more evenly across the Likert scale – 44% agree/strongly agree, 23% neutral, 23% disagree. In my experience people sometimes find it hard to understand and define what it actually is that HR does.... This is an area which requires further exploration I believe.

They talk about the requirement for **professional HR credentials which add value** to the firm. My survey is mixed on this 51% agree, 35% disagree – strongest agreement is within HR respondents, strongest disagreement is within business respondents. It would be interesting to explore this notion further also.

## **HR Competencies**

The results of my HR Competency Ranking survey showed strong levels of consistency across all categories of my research population and also showed strong consistency with that of the University of Michigan studies.

**Personal Credibility** strongly ranked 1<sup>st</sup> suggests that individual HR professionals hold their future and their reputations in their own hands. It also suggests to me that we need to prove and demonstrate our competence and value continuously. **Managing Culture** is 2<sup>nd</sup> which requires an ability to change and keep up with new ways of doing things. **HR Technical Expertise** ranks 3<sup>rd</sup> because ultimately we will always be judged by our ability to effectively and efficiently deliver HR services. **Making Change Happen** is 4<sup>th</sup> supporting and facilitating line management in major change initiatives and finally **Knowledge of the Business** is ranked 5<sup>th</sup>. I am surprised that this didn't rank higher as most of the current literature which points to the future states that this area is a must for HR professionals.

### **So What Does the Future Hold?**

In my view the future holds increased intensity and complexity with a 'mosaic of diverse HR specialisms' (Ulrich 1997). To continue to be relevant and add value HR needs to continually pro-actively and professionally adapt.

The latest 5<sup>th</sup> round of research by Ulrich and his colleagues on HR Competencies – **Ulrich, Brockbank, Johnson, Sandholtz and Younger (2008)** just published - again changes the requirements and increases the standards for the HR Profession. As this profession is more dynamic than others, the professional competency requirements are continuously evolving. Ulrich and his researchers have now identified **Six Core Competencies** for high-performing HR professionals. They also state the relative impact

of these competency domains on business performance – expressed as a percentage as set out below:

**Credible Activist (22%)** – considered the top indicator in predicting outstanding performance – it includes elements such as:

- Delivering results with integrity
- Sharing information
- Building relationships with trust
- 'Doing' HR with an attitude

**Cultural and Change Steward (20%)** – the second highest predictor of performance of HR professionals – it includes elements such as:

- Facilitating change
- Culture defining

**Talent Manager / Organisational Designer (19%)** – how individuals enter, move up, across or out of the organisation – it includes elements such as:

- Buying in and developing the right talent
- Shaping the organisation
- Fostering communication
- Designing reward systems

**Strategy Architect (12%)** – recognising business trends and their impacts on the business – it includes elements such as:

- Making change happen
- Strategic agility
- Engaging Customers

**Operational Executor (13%)** – HR policy development, HR service deliver and HR expertise – it includes elements such as:

- Implementing workplace policies
- Advancing HR technology

**Business Ally (13%)** – knowing the business, its customers, financials etc. – it includes elements such as:

- Articulating the value proposition
- Deploying relevant technology

It is clear that the new articulation of HR professional competencies is raising the bar for individual HR practitioners and the profession will continually need to change rapidly. The language, expectations and standards against which HR professionals will be judged in future is extremely high and ever more complex. Stakeholders such as senior managers, line managers, employees and customers will continue to expect high performance from HR defined and delivered as each group will uniquely assess it.

Ulrich (2007) states that ‘to understand our future we need to examine our dreams’. He splits dreams into those focusing on where the organisation is headed and those dealing with the challenges organisations face in getting there and how HR professionals can deal with these challenges. He makes a very important point with which I agree, and that is that **‘value is defined by the receiver more than the giver’**. We need to consult with our receivers - employees, senior managers, line managers and ultimately external customers – in order to truly begin to understand how we add value and how we continue to develop, change and demonstrate the required competencies to carry out our role effectively. If we constantly focus on value for the receiver our challenges and opportunities will continually change.

Mark Fogel HR Director of Leviton Manufacturing (named by SHRM as Human Capital Business Leader of the Year 2007), in an interview with **Ann Pomeroy (2007)**, outlines how he sees himself now as a business executive, rather than just a HR executive. Mark ‘moved beyond departmental goals’ by ensuring that every HR development initiative contributed to advancing the company goals of growing revenue, reducing cost, achieving quality and developing business sources. A new performance management system was introduced in order to tie each department directly into these business goals. This approach broke down silos which existed under the traditional functional organisation structure. This ensured that HR was ‘totally immersed in the business’ and Fogel sees his continuous challenge as ‘developing relationships and building credibility and respect’. This accurately reflects the literature and findings of my HR professional competencies survey.

As noted above by Ulrich (2007) – value is determined by the receiver, not the giver – this leads to a further interesting perspective which **Graham and Tarbell** (2006) write about the importance of the **employee perspective** in the competency development of HR professionals. The empirical work by Ulrich and others in HR Competency Research puts little emphasis on this notion of **employee advocacy**. This can have credibility issues for HR professionals with one of their major stakeholders – employees. It is interesting to examine HR professionalism and competency from this perspective. Graham & Tarbell examine the ‘personal credibility’ competency advocated by Ulrich & Brockbank (2005) and argue that it is ‘biased toward top management stakeholders’. They argue that HR professionals need to recognise that ‘credibility dimensions vary across **stakeholder groups**’ with:

- Employees emphasising trust
- Management emphasising expertise and effective relationships, and
- Senior Management emphasising the achievement of results.

Credibility will be the foundation competency for HR in carrying out their role as ‘employee advocate’ going forward. However a broader competency set may be required if we are to take account of all different stakeholders. How many of today’s HR professionals consider this balance in examining their effectiveness?

Overall I believe that going forward HR competence needs to be developed in the context of professionalism. There needs to be stricter entry standards into the profession, backed up by a graduate education in modern HR principles and practices. This needs to

be combined with a robust knowledge and understanding of the business context and a strong confidence and personal credibility. If HR can attract and manage the right talent to its own function, such as it does for other business areas, then it can better demonstrate its competence.

### **Finally...**

Ulrich (2008) says 'Legacy HR work is going and HR people who don't change with it will be gone'. He goes on, '**20% of HR people will never get it: 20% are really top performing and the middle 60% are moving in the right direction**'.

Some of the key messages from my quantitative analysis of the future of HR competencies, staffing and development and implications back up the literature in this regard:

Business respondents suggested that a large part of the role of HR was to ensure organisational values are lived up to and behaviours of senior management are curbed – in addition 'employee ills are identified and cured'. The dichotomy is that HR respondents see it much more strategically – linked to brand, credibility and influencing. Some business respondents wanted less procedures and forms from HR and more discretion over recruitment and other people decisions. HR respondents saw professional qualifications and the 'internal consultant' approach as the way forward.

Interestingly a number of HR respondents saw that in the event of an economic downturn, cost cutting organisational activities would confine HR **back to delivering the basics with a small team of HR experts becoming project based in delivery of HR services**. One interesting quote from my survey is as follows:

*'HR can often be responsible themselves for the creating the impression that it is a soft job without clear accountability or responsibility by setting themselves up as purely advisors or consultants with an unwillingness to take responsibility. This has been confused by the increasing trend to shift responsibility to line management. HR need to get clear on what they are accountable/responsible for, take ownership, and then deliver.'*

I absolutely concur with this statement and in my view it is only when the 'middle 60%' have a real impact that HR can claim their place amongst the occupational professionals of the business world and demonstrate their value to the organisations which they serve. HR professionals must continue to walk this 'tightrope' of actual and perceived competence in order to ensure their continued relevance, value and ultimately survival as a profession.

My survey indicates that many of the best HR practitioners in financial services are actually adding real value and understand the imperative to continue to do so. As a profession however HR needs to place more importance on entry standards and competencies and on the content of HR professional accreditation. Less time spent on fire-fighting and sorting out poor management practices – **Higgins (2007)** (for which HR is highly valued by business executives) will enhance the strategic value of HR practitioners to the senior management of the business. In addition the adoption of the 'internal consultant' approaches, and business / project management practices will also contribute to the competent HR professional.



I agree with **Vosburgh** (HR Planning Journal Vol. 30 No. 3) who predicts that the bottom line for HR going forward will be a combination of:

- an ability to deliver transactional services at the lowest cost (as an outsourcing contractor would)
- possession of HR functional knowledge and business knowledge
- adopting transformational and change agent roles
- development of internal consultant skills (focused on the client not HR themselves) to become a 'trusted adviser' to the organisation.

HR needs what **Burdett (1994)** refers to as the four elements of the '**Consulting Edge**' – all of which are integral to success – simply possessing some of them is not enough:

- **Focus** on its core services – less is more
- **Congruence** of technology, services and strategy
- **Alignment** with internal clients
- **Learning how to Sell** their expertise through rapport, delivery and commitment.

In conclusion, **Ulrich et al (2008)** set out eight future implications for the **HR Profession**:

- **Keep updating the Body of Knowledge that makes HR HR**
- **Be careful about becoming a 'female' profession to avoid neglecting other points of view – 78% of my survey HR respondents were female....**
- **Work across specialities within HR**
- **Ensure the quality of the next generation of HR professionals**

- **Offer Ongoing Education to HR Professionals**
- **Transfer Knowledge Worldwide**
- **Look forward**
- **Have a Voice in Public Policy**

These are areas which now require much further analysis and investigation and while extremely interesting are outside the scope of my research dissertation. However, I believe that my survey has contributed to steering the future direction of HR in terms of professionalism, competence, internal consulting and the resulting impact on the delivery of HR services. I believe, like **Claus and Collison (2004)** that HR is still evolving as a profession and the more it evolves the better the quality of its professionalism and reputation will be. This enhanced quality will enable HR professionals to 'legitimise their value to stakeholders' even more.

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## **8. APPENDICES**



**APPENDIX A**

**Self Completion Questionnaire**

### HR Competency Questionnaire - Respondent Demographics

Organisation: Coded (Do not complete)

Business Function

HR

Business

Grade

Snr Mgmt

Manager

Other

Years in Role

< 3 yrs

3 - 6 yrs

7 - 10 yrs

> 10 yrs

Please rate the following statements by placing an X in your choice of box

- Statement 1** People go into HR because they like people
- Statement 2** Anyone can do HR
- Statement 3** HR deals with the soft side of the business and is therefore not accountable
- Statement 4** HR's role is to police HR policy compliance
- Statement 5** HR represents a body of knowledge and skills
- Statement 6** You need business knowledge and/or business experience to work in HR
- Statement 7** You need business knowledge and/or business experience to advance your career in HR
- Statement 8** HR's body of knowledge and skills is recognised as a profession by society in general
- Statement 9** You must have some type of recognised professional credentials to work in HR
- Statement 10** Line Managers recognise that HR have specific knowledge/skills that add to the value of the firm

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
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**HR Competency Questionnaire**

No.	HR Competency Behavioural Indicators	HR Competency Domain	Place an X in the box you wish to score for each HR Competency Behavioural Indicator				
			Not Important	Less Important	Important	Very Important	Critically Important
			0	1	2	3	4
1	Business acumen: Know the business objectives, cycle and global developments	1 Knowledge of the Business					
2	Customer Orientation: Know who customers are and how they make buying decisions						
3	External Relations: Work with key constituents (media, schools, government) and public policy						
4	Organisation: Continually assess organisation issues and trends for improvement	2. Developing Culture					
5	Champion all relevant ways to support sustained change						
6	Consult and coach: leverage resources to meet business needs						
7	Introduce new ways of thinking						
8	Organisation Design: Know structure, work teams	3. HR Technical Expertise					
9	Selection and staffing: Know succession planning, encourage diversity, identify and assess talent, conduct orientation, encourage retention						
10	Measurement and Reward: Manage performance, compensation, feedback						
11	Negotiation and Conflict Resolution: Manage employee relations						
12	Learning and Development: Support individual and team development, career development, training, experience-based learning						
13	Employee Relations: Handle employee issues, HR policies and practices						
14	Communication: build communication plans, share information						
15	Credibility: Maintain confidentiality, meet commitments	4. Personal Effectiveness					
16	Judgment: Set priorities, act on key issues, make data based decisions						
17	Courage: Stand up for beliefs, deliver honest news						
18	Values: Advocate and model the company values						
19	Change Advocacy: Encourage support for new ideas, seek new ideas	5. Make Change Happen					
20	Facilitation: Manage personal conflicts, encourage creativity						

**Qualitative Questions on HR Competency Survey**

**Question 1. What do you see as the most important future HR competencies?**

**Question 2. How can future HR competencies best be created or improved in your opinion? (ie buy in, develop internally, outsource ?)**

**Question 3. What, if any, are the implications for the future staffing and development of HR?**

## **APPENDIX B**

### **Quantitative Raw Data on Demographics, HR Professionalism and HR Competency Indicators**

Raw Response Data

Org Code Function F Code Grade Yrs in Role Gender

HR Professionalism

KolB

M CUI

HR Competencies

T Exp

P Grid

W CH

A	HR	A1	SM	<3 yrs	F	1 2 3 4 5 6 7 8 9 10										3	2	1	0	0%								
						SD	SD	SD	A	A	A	A	D	N	N						D	N	D	3	2	1	0	0%
B	HR	B1	SM	<3 yrs	F	SD	SD	SD	D	A	A	A	A	D	N	N	D	N	D	3	2	1	0	0%				
			SM	<3 yrs	F	A	SD	D	SD	SA	A	A	A	N	A	D	N	A	D	N	4	2	1	0	0%			
			SM	<3 yrs	F	D	SD	SD	SD	A	A	SA	A	A	A	A	A	A	A	A	A	4	3	2	1	0	0%	
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
			SM	<3 yrs	F	A	D	D	SD	A	SA	SA	D	D	N	A	D	N	A	D	N	3	3	1	0	0%		
Business	A2	M	SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	4	2	2	1	1	0	0%		
			SM	3-6 yrs	F	A	SA	A	A	A	D	N	N	D	A	D	A	D	A	D	3	1	1	0	0	0	0%	
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
			SM	3-6 yrs	F	A	A	A	D	A	SA	A	D	A	A	D	A	A	D	A	D	4	2	2	1	1	0	0%
Business	B2	M	SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%		
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%
			SM	>10 yrs	F	D	D	D	D	A	A	A	N	A	N	A	N	A	N	A	N	4	2	1	0	0	0	0%



## **APPENDIX C**

### **Quantitative Analysis on Data Received – HR Professionalism and HR Competencies**

**HR Professionalism - Analysis of Responses**

**Statement 1 People go into HR because they like people**

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	3%	28%	23%	42%	3%
Company A	10	10%	20%	10%	60%	0%
Company B	21	0%	33%	29%	33%	5%
HR	17	8%	23%	24%	47%	0%
Business	14	0%	36%	21%	36%	7%
Senior Mgmt	16	0%	31%	25%	44%	0%
Managers	15	33%	26%	20%	14%	7%
< 3 years	11	9%	27%	37%	27%	0%
3 - 10 years	11	0%	27%	0%	73%	0%
> 10 years	9	0%	33%	33%	22%	11%

**Comments**

**1. People go into HR because they like people**  
 I am quite surprised that 45% of overall respondents agree/strongly agree with this statement - particularly 60% in Company A which is younger than Company B. To me it suggests that they may still see HR as a 'Personnel' or 'Welfare' type function. A large proportion of overall are unsure or neutral at 23%. Quite clearly Managers see it substantially different than Senior Management with 59% of Managers disagreeing vs only 31% of Senior Management. Maybe Managers see HR as carrying out the Senior Management agenda which in recent times has been tough for managers and employees - cost reduction, credit crisis in Banking etc.

**Statement 2 Anyone can do HR**

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	35%	45%	3%	13%	2%
Company A	10	40%	40%	0%	10%	10%
Company B	21	33%	48%	5%	14%	0%
HR	17	41%	53%	0%	6%	0%
Business	14	26%	36%	7%	21%	7%
Senior Mgmt	16	38%	44%	6%	12%	0%
Managers	15	33%	47%	0%	13%	7%
< 3 years	11	84%	36%	0%	0%	0%
3 - 10 years	11	9%	84%	9%	9%	9%
> 10 years	9	33%	33%	0%	33%	0%

**2. Anyone can do HR**  
 Overall 80% disagree, however while 94% of HR respondents disagree, only 65% of business respondents disagree. This statement has the strongest level of disagreement across all categories. If HR considers itself a 'profession' with standards and learned specialist skills, the level of agreement is something for consideration. Would any other profession have any level of doubt around this statement e.g. Accountants, Legal? It appears that while a large majority of respondents disagree that anyone can do HR, a minority of 'non HR' respondents (between 12 - 33%) agree. It may well be that they are answering in the context of particular individual HR contributors.

**Statement 3 HR deals with the soft side of the business and is therefore not accountable**

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	45%	42%	0%	13%	0%
Company A	10	40%	40%	0%	20%	0%
Company B	21	48%	42%	0%	10%	0%
HR	17	71%	29%	0%	0%	0%
Business	14	14%	57%	0%	29%	0%
Senior Mgmt	16	56%	44%	0%	0%	0%
Managers	15	33%	40%	0%	27%	0%
< 3 years	11	84%	36%	0%	0%	0%
3 - 10 years	11	27%	55%	0%	18%	0%
> 10 years	9	44%	33%	0%	22%	0%

**3. HR deals with the soft side of the business and is therefore not accountable**  
 Overall disagreement at 87% is strong, however between 20 - 29% of Company A, Business, Managers and those with > 10 years in role agreed with this statement. This statement also attracts a strong level of disagreement across all categories. Does a certain cynicism creep in over time? 100% of HR respondents disagree with this statement which probably to be expected but maybe should be explored more.

**Statement 4** HR's role is to police HR policy compliance

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	16%	58%	8%	19%	0%
Company A	10	30%	50%	0%	20%	0%
Company B	21	10%	61%	10%	19%	0%
HR	17	29%	53%	6%	12%	0%
Business	14	0%	64%	7%	29%	0%
Senior Mgmt	18	25%	57%	8%	12%	0%
Managers	15	8%	60%	8%	28%	0%
< 3 years	11	27%	48%	0%	27%	0%
3 - 10 years	11	0%	64%	9%	27%	0%
> 10 years	9	22%	66%	11%	0%	0%

Comments

**4. HR's role is to police HR policy compliance**  
 There is strong disagreement overall with this statement at 74%. Interestingly agreement with this statement in both Company A and B is almost the same. Not surprisingly HR has the lowest agreement with this statement at 12% - this suggests that this is not a role that HR professionals wish to adopt. However the level of Agree or Neutral responses suggests that HR do actually engage in a degree of policy compliance in many instances, whether they like it or not.

**Statement 5** HR represents a body of knowledge and skills

Overall	31	3%	0%	0%	48%	48%
Company A	10	0%	0%	0%	50%	50%
Company B	21	5%	0%	0%	48%	47%
HR	17	0%	0%	0%	29%	71%
Business	14	7%	0%	0%	71%	22%
Senior Mgmt	18	8%	0%	0%	44%	50%
Managers	15	0%	0%	0%	53%	47%
< 3 years	11	0%	0%	0%	36%	64%
3 - 10 years	11	9%	0%	0%	45%	45%
> 10 years	9	0%	0%	0%	67%	33%

**5. HR represents a body of knowledge and skills**

This question has the highest level of Agree and Strongly Agree overall - ranging from 93 - 100% across all categories. The level of disagreement is negligible and represents maybe one individual in each category. This strong response surprises me as I expect that the way HR is practiced in different organisations or organisational units is different and one of the problems for HR is that it doesn't have a definitive body of knowledge or skills laid down. The recent work undertaken by Ulrich et al in the Strategic HR area may well be influencing this answer. I am surprised at the strength of agreement in all categories with this statement in the absence of entry standards and credentials.

**Statement 6** You need business knowledge and/or business experience to work in HR

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	19%	8%	58%	18%
Company A	10	0%	20%	0%	40%	40%
Company B	21	0%	19%	10%	67%	5%
HR	17	0%	6%	6%	65%	23%
Business	14	0%	38%	7%	50%	7%
Senior Mgmt	18	0%	12%	6%	70%	12%
Managers	15	0%	27%	8%	47%	20%
< 3 years	11	0%	9%	0%	64%	27%
3 - 10 years	11	0%	27%	0%	55%	18%
> 10 years	9	0%	22%	22%	55%	0%

Comments

**6. You need business knowledge and/or business experience to work in HR**  
 Strong level of agreement on this statement - ranging from 57% to 91%. This statement asks whether one can enter an organisational HR role without business knowledge and/or experience. The level of agreement would suggest that business skills are necessary. Interestingly business respondents have the highest level of disagreement at 36%. How many other professionals would require the same level of business knowledge and/or experience to work in their field? It is encouraging that HR professionals however are deemed to require business knowledge - ref. HR competency results where business competency is rated fifth of the 5 stated in importance.

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
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Comments
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**Statement 7** You need business knowledge and/or business experience to advance your career in HR

	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	10%	8%	45%	39%
Company A	10	0%	10%	10%	40%	40%
Company B	21	0%	10%	5%	48%	38%
HR	17	0%	6%	0%	41%	53%
Business	14	0%	14%	14%	50%	22%
Senior Mgmt	16	0%	12%	0%	38%	50%
Managers	15	0%	6%	13%	54%	27%
< 3 years	11	0%	9%	0%	36%	55%
3 - 10 years	11	0%	18%	9%	46%	27%
> 10 years	9	0%	0%	11%	55%	33%

**7. You need business knowledge and/or business experience to advance your career in HR**

A different slant on the requirement for business knowledge and experience with even higher agreement at between 72 - 96%. Interestingly again the business respondents have the lowest level of agreement/strong agreement at 72%. A suggestion that to advance a career in an organisation requires an individual to have worked across many functions and businesses is probably correct. In my experience most organisational professionals be it Legal, Accounting, IT require to move out of the profession into general management or business areas in order to advance their corporate careers.

**Statement 8** HR's body of knowledge and skills is recognised as a profession by society in general

	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	23%	23%	35%	19%
Company A	10	0%	50%	20%	30%	0%
Company B	21	0%	10%	24%	38%	28%
HR	17	0%	35%	24%	35%	6%
Business	14	0%	7%	21%	38%	36%
Senior Mgmt	16	0%	19%	19%	37%	25%
Managers	15	0%	27%	27%	33%	13%
< 3 years	11	0%	27%	27%	46%	0%
3 - 10 years	11	0%	27%	27%	18%	27%
> 10 years	9	0%	11%	11%	44%	33%

**8. HR's body of knowledge and skills is recognised as a profession by society in general**

While there is no strong disagreement on this statement, the level of disagreement and neutrality are quite high. It is interesting that the level of HR respondents disagreement is 35%, with 24% neutral and 41% in agreement/strong agreement. Company A has more disagreement and less agreement than the overall result, with an interestingly relatively high level of agreement/strong agreement amongst business respondents. Is HR recognised by society in general as a 'profession'? In my experience many people find it hard to define what HR people do and it needs to be explained before they acknowledge that they understand what it means.

**Statement 9** You must have some type of recognised professional credentials to work in HR

	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	35%	13%	48%	3%
Company A	10	0%	40%	20%	40%	0%
Company B	21	0%	33%	10%	52%	5%
HR	17	0%	18%	18%	64%	0%
Business	14	0%	57%	7%	29%	7%
Senior Mgmt	16	0%	25%	19%	56%	0%
Managers	15	0%	48%	8%	40%	6%
< 3 years	11	0%	37%	27%	27%	9%
3 - 10 years	11	0%	36%	9%	55%	0%
> 10 years	9	0%	33%	0%	67%	0%

**9. You must have some type of recognised professional credentials to work in HR**

Both Agreement and Disagreement overall are noteworthy at 48% and 35% respectively. Highest agreement is from HR respondents (64%) and those with > 10 years in role (67%). Highest disagreement is from Business respondents and Managers - just over or under 50% in both cases. Those longer in role are likely to have HR professional credentials as most take up professional education after entering the HR function - this could explain the higher levels of agreement in these two categories? Interestingly there is negligible strong agreement and no strong disagreement. Overall the levels of disagreement and neutrality suggest professional credentials are not a 'must' for HR.

**Statement 10** Line Managers recognise that HR have specific knowledge/skills that add to the value of the firm

Respondents	Number	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall	31	0%	13%	13%	52%	23%
Company A	10	0%	40%	10%	40%	10%
Company B	21	0%	0%	14%	57%	29%
HR	17	0%	17%	12%	53%	18%
Business	14	0%	7%	14%	50%	29%
Senior Mgmt	16	0%	0%	0%	69%	31%
Managers	15	0%	27%	27%	33%	13%
< 3 years	11	0%	18%	9%	55%	18%
3 - 10 years	11	0%	18%	9%	45%	27%
> 10 years	9	0%	0%	22%	55%	22%

Comments

**10. Line Managers recognise that HR have specific knowledge/skills that add to the value of the firm**

Overall Agreement is high on this statement at 52% agree and 23% strongly agree. The highest level of agreement/strong agreement is with Senior Management at 100% - the strongest level of agreement of all statements. Senior Management is interacting with the highest levels of the HR function - so this result is encouraging for the function. Company B also has a strong level of agreement at 86%. The highest level of disagreement is in Company A - with 40% disagreement. Further analysis and questioning would be required to establish the reasons for this.

**Analysis of HR Competencies Scores and Ranking**

Category	Respondents	Knowledge of the Business		Managing Culture		HR Technical Expertise		Personal Credibility		Make Change Happen	
		Score	Ranking	Score	Ranking	Score	Ranking	Score	Ranking	Score	Ranking
Overall	31	62.0%	5	83.0%	2	78.0%	3	84.0%	1	76.0%	4
Company A	10	66.0%	5	81.0%	1	77.5%	3	78.1%	2	77.5%	4
Company B	21	60.0%	5	84.0%	2	78.0%	3	88.0%	1	76.0%	4
HR	17	69.0%	5	87.9%	2	81.0%	4	88.2%	1	83.0%	3
Business	14	54.0%	5	78.0%	2	74.0%	3	80.0%	1	68.0%	4
Senior Mgmt	16	60.0%	5	82.0%	2	76.0%	3	88.0%	1	75.0%	4
Managers	15	63.0%	5	85.0%	1	80.0%	3	81.0%	2	78.0%	4
< 3 years	11	69.0%	5	89.0%	1	82.5%	3	87.0%	2	81.8%	4
3 - 10 years	11	58.0%	5	78.0%	2	73.0%	3	81.0%	1	72.0%	4
> 10 years	9	58.0%	5	83.0%	2	79.0%	3	86.0%	1	75.0%	4

Analysis	Knowledge of the Business	Average Score Ranking	Managing Culture	Average Score Ranking	HR Technical Expertise	Average Score Ranking	Personal Credibility	Average Score Ranking	Make Change Happen	Average Score Ranking
Highest Score	69.0%		89.0%		82.5%		88.2%		83.0%	
Lowest Score	54.0%		78.0%		73.0%		78.1%		72.0%	
Range between low and high	15.0%		11.0%		9.5%		10.1%		11.0%	
Average Score	62.0%	5	83.0%	2	78.0%	3	84.0%	1	76.0%	4

HR Competencies - Overall Results x 31

			K of B		M Cul				T Exp							P Cred				M Ch H										
1	2	3	T	%	4	5	6	7	T	%	8	9	10	11	12	13	14	T	%	15	16	17	18	T	%	19	20	T	%	
3	2	2	7	58%	4	3	4	3	14	88%	3	4	3	3	3	3	3	22	79%	3	3	2	3	11	69%	3	3	6	75%	
4	2	1	7	58%	4	3	4	4	15	94%	4	4	4	4	3	4	3	26	93%	4	3	4	2	13	81%	4	4	8	100%	
4	3	2	9	75%	3	3	4	3	13	81%	4	4	4	4	3	4	3	26	93%	4	3	4	4	16	94%	3	3	6	75%	
3	3	1	7	58%	4	4	3	4	16	94%	2	3	3	3	2	3	4	20	71%	4	3	4	3	14	88%	4	3	7	88%	
4	4	2	10	83%	3	4	3	3	13	81%	3	4	3	3	3	3	3	21	75%	3	3	3	2	11	69%	3	4	7	88%	
3	3	3	9	75%	4	4	4	4	18	100%	3	3	3	4	3	4	3	23	82%	3	4	3	3	13	81%	4	4	8	100%	
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	3	3	3	25	89%	4	4	4	4	16	100%	4	4	8	100%	
3	3	2	8	67%	3	3	3	3	12	76%	3	3	3	3	3	3	3	21	75%	4	3	4	3	14	88%	3	2	5	83%	
4	2	2	8	67%	2	1	2	1	8	38%	2	3	4	3	2	3	1	18	64%	4	2	3	3	12	76%	2	2	4	50%	
3	1	1	5	42%	2	2	3	3	10	63%	3	3	2	2	2	2	1	16	54%	2	1	1	2	6	38%	1	2	3	38%	
4	3	3	10	83%	4	4	3	4	16	94%	3	3	3	2	2	3	4	21	76%	4	4	4	4	16	100%	4	2	6	75%	
4	3	3	10	83%	4	4	4	3	16	94%	3	4	3	4	4	3	3	24	86%	4	4	4	4	16	100%	4	3	7	88%	
4	3	2	9	75%	3	4	4	3	14	88%	3	4	4	4	3	4	4	26	93%	4	4	4	3	16	94%	4	3	7	88%	
3	4	1	8	87%	2	3	4	3	12	75%	4	4	2	2	2	2	2	18	64%	4	3	4	4	16	94%	3	3	6	78%	
4	2	1	7	58%	3	3	3	3	12	76%	3	4	2	2	3	2	3	19	68%	4	4	4	4	16	100%	3	3	6	75%	
3	2	1	6	50%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	3	16	94%	4	4	8	100%	
3	3	2	8	87%	3	3	4	3	13	81%	4	4	4	3	4	3	4	24	86%	4	2	3	3	12	75%	4	3	7	88%	
4	3	2	9	75%	4	2	3	3	12	75%	4	2	4	2	3	1	4	20	71%	4	3	3	3	13	81%	2	2	4	50%	
4	2	1	7	58%	4	4	4	4	18	100%	3	4	3	3	3	3	3	22	79%	4	3	4	4	16	94%	4	3	7	88%	
3	2	1	6	50%	4	3	4	4	15	94%	3	2	4	1	2	1	3	16	57%	4	3	4	2	13	81%	4	2	6	75%	
3	1	0	4	33%	2	3	3	3	11	69%	4	3	1	2	3	2	3	18	64%	3	3	4	3	13	81%	3	3	6	75%	
2	1	2	5	42%	4	4	3	4	16	94%	4	4	1	1	1	4	2	17	61%	4	3	3	4	14	88%	2	3	5	63%	
3	3	1	7	58%	3	2	3	3	11	69%	3	4	4	2	3	2	4	22	79%	4	3	3	3	13	81%	3	2	5	63%	
4	3	1	8	67%	3	4	2	3	12	75%	3	4	3	3	2	3	2	20	71%	4	4	2	4	14	88%	4	2	6	75%	
2	3	3	8	87%	3	3	2	3	11	69%	4	4	4	3	3	2	3	23	82%	4	3	3	4	14	88%	3	3	6	75%	
3	2	2	7	58%	4	4	4	3	16	94%	4	4	4	4	4	4	4	28	100%	3	3	3	4	13	81%	4	3	7	88%	
4	3	2	9	75%	4	3	4	3	14	88%	3	4	4	4	3	3	2	23	82%	4	3	3	4	14	88%	3	3	6	75%	
2	1	1	4	33%	3	4	3	2	12	75%	3	4	4	4	4	4	3	26	93%	4	2	3	3	12	76%	3	3	6	75%	
2	1	1	4	33%	3	4	2	3	12	75%	2	3	2	2	2	1	1	13	46%	3	3	2	3	11	69%	3	1	4	50%	
2	2	2	6	50%	3	4	4	3	14	88%	4	4	4	4	3	4	2	26	89%	4	3	3	4	14	88%	2	2	4	50%	
3	3	3	9	75%	4	4	4	4	18	100%	4	4	4	4	4	4	4	28	100%	4	4	4	4	16	100%	4	4	8	100%	
Total			230	62%	Total				413	83%	Total							678	78%	Total				419	84%	Total			189	76%
			372	5					498	2								868	3					496	1			248	4	

HR Competencies - Company A Results x 10																													
K of B		M Cul		T Exp					P Cred		M Ch H																		
3	2	2	7	58%	4	3	4	3	14	88%	3	4	3	3	3	3	3	22	79%	3	3	2	3	11	69%	3	3	6	75%
4	2	1	7	58%	4	3	4	4	15	94%	4	4	4	4	3	4	3	26	93%	4	3	4	2	13	81%	4	4	8	100%
4	3	2	9	75%	3	3	4	3	13	81%	4	4	4	4	3	4	3	26	93%	4	3	4	4	15	94%	3	3	6	76%
3	3	1	7	58%	4	4	3	4	15	94%	2	3	3	3	2	3	4	20	71%	4	3	4	3	14	88%	4	3	7	88%
4	4	2	10	83%	3	4	3	3	13	81%	3	4	3	3	3	3	2	21	75%	3	3	3	2	11	69%	3	4	7	88%
3	3	3	9	75%	4	4	4	4	16	100%	3	3	3	4	3	4	3	23	82%	3	4	3	3	13	81%	4	4	8	100%
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	3	3	3	25	89%	4	4	4	4	16	100%	4	4	8	100%
3	3	2	8	67%	3	3	3	3	12	75%	3	3	3	3	3	3	3	21	75%	4	3	4	3	14	88%	3	2	5	63%
4	2	2	8	67%	2	1	2	1	6	38%	2	3	4	3	2	3	1	18	64%	4	2	3	3	12	75%	2	2	4	50%
3	1	1	5	42%	2	2	3	3	10	63%	3	3	2	2	2	2	1	15	54%	2	1	1	2	6	38%	1	2	3	38%
Total	79	66%	Total	130	81%	Total	217	77.500%	Total	125	78.1%	Total	62	77.500%															
	120	5		160	1		280	3		160	2		80	4															

HR Competencies - Company B Results x 21																													
K of B		M Cul		T Exp					P Cred		M Ch H																		
4	3	3	10	83%	4	4	3	4	15	94%	3	3	3	2	3	4	3	21	76%	4	4	4	4	16	100%	4	2	6	75%
4	3	3	10	83%	4	4	4	3	15	94%	3	4	3	4	4	3	3	24	86%	4	4	4	4	16	100%	4	3	7	88%
4	3	2	9	75%	3	4	4	3	14	88%	3	4	4	4	3	4	4	26	93%	4	4	4	3	15	94%	4	3	7	88%
3	4	1	8	67%	2	3	4	3	12	75%	4	4	2	2	2	2	2	18	64%	4	3	4	4	15	94%	3	3	6	75%
4	2	1	7	58%	3	3	3	3	12	75%	3	4	2	2	3	2	3	19	68%	4	4	4	4	16	100%	3	3	6	75%
3	2	1	6	50%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	3	15	94%	4	4	8	100%
3	3	2	8	67%	3	3	4	3	13	81%	4	4	4	3	4	3	2	24	86%	4	2	3	3	12	75%	4	3	7	88%
4	3	2	9	75%	4	2	3	3	12	75%	4	2	4	2	3	1	4	20	71%	4	3	3	3	13	81%	2	2	4	50%
4	2	1	7	58%	4	4	4	4	16	100%	3	4	3	3	3	3	3	22	79%	4	3	4	4	15	94%	4	3	7	88%
3	2	1	6	50%	4	3	4	4	15	94%	3	2	4	1	2	1	3	16	57%	4	3	4	2	13	81%	4	2	6	75%
3	1	0	4	33%	2	3	3	3	11	69%	4	3	1	2	3	2	3	18	64%	3	3	4	3	13	81%	3	3	6	75%
2	1	2	5	42%	4	4	3	4	15	94%	4	4	1	1	1	4	2	17	61%	4	3	3	4	14	88%	2	3	5	63%
3	3	1	7	58%	3	2	3	3	11	69%	3	4	4	2	3	2	4	22	79%	4	3	3	3	13	81%	3	2	5	63%
4	3	1	8	67%	3	4	2	3	12	75%	3	4	3	3	2	3	2	20	71%	4	4	2	4	14	88%	4	2	6	75%
2	3	3	8	67%	3	3	2	3	11	69%	4	4	4	3	3	2	3	23	82%	4	3	3	4	14	88%	3	3	6	75%
3	2	2	7	58%	4	4	4	3	15	94%	4	4	4	4	4	4	4	28	100%	3	3	3	4	13	81%	4	3	7	88%
4	3	2	9	75%	4	3	4	3	14	88%	3	4	4	4	3	3	2	23	82%	4	3	3	4	14	88%	3	3	6	76%
2	1	1	4	33%	3	4	3	2	12	75%	3	4	4	4	4	4	3	26	93%	4	2	3	3	12	75%	3	3	6	75%
2	1	1	4	33%	3	4	2	3	12	75%	2	3	2	2	2	1	1	13	48%	3	3	2	3	11	69%	3	1	4	50%
2	2	2	6	50%	3	4	4	3	14	88%	4	4	4	4	3	4	2	25	89%	4	3	3	4	14	88%	2	2	4	50%
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	4	16	100%	4	4	8	100%
Total	151	60%	Total	283	84%	Total	461	78%	Total	294	88%	Total	127	76%															
	252	5		336	2		588	3		336	1		168	4															



HR Competencies - HR Function Results x 17																																							
K of B		M Cul				T Exp							P Cred				M Ch H																						
3	2	2	7	58%	4	3	4	3	14	88%	3	4	3	3	3	3	3	22	79%	3	3	2	3	11	89%	3	3	6	76%										
4	2	1	7	58%	4	3	4	4	15	94%	4	4	4	4	3	4	3	26	93%	4	3	4	2	13	81%	4	4	8	100%										
4	3	2	9	75%	3	3	4	3	13	81%	4	4	4	4	3	4	3	26	93%	4	3	4	4	15	94%	3	3	6	75%										
3	3	1	7	58%	4	4	3	4	16	94%	2	3	3	3	2	3	4	20	71%	4	3	4	3	14	88%	4	3	7	88%										
4	4	2	10	83%	3	4	3	3	13	81%	3	4	3	3	3	3	2	21	75%	3	3	3	2	11	69%	3	4	7	88%										
3	3	3	9	75%	4	4	4	4	16	100%	3	3	3	4	3	4	3	23	82%	3	4	3	3	13	81%	4	4	8	100%										
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	3	3	3	25	89%	4	4	4	4	16	100%	4	4	8	100%										
3	3	2	8	67%	3	3	3	3	12	75%	3	3	3	3	3	3	3	21	75%	4	3	4	3	14	88%	3	2	5	63%										
4	3	3	10	83%	4	4	3	4	15	94%	3	3	3	2	3	4	3	21	75%	4	4	4	4	16	100%	4	2	6	75%										
4	3	3	10	83%	4	4	4	3	15	94%	3	4	3	4	4	3	3	24	86%	4	4	4	4	16	100%	4	3	7	88%										
4	3	2	9	75%	3	4	4	3	14	88%	3	4	4	4	3	4	4	26	93%	4	4	4	3	15	94%	4	3	7	88%										
3	4	1	8	67%	2	3	4	3	12	75%	4	4	2	2	2	2	2	18	64%	4	3	4	4	15	94%	3	3	6	75%										
4	2	1	7	58%	3	3	3	3	12	75%	3	4	2	2	3	2	3	19	68%	4	4	4	4	16	100%	3	3	6	75%										
3	2	1	6	50%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	3	15	94%	4	4	8	100%										
3	3	2	8	67%	3	3	4	3	13	81%	4	4	4	3	4	3	2	24	86%	4	2	3	3	12	75%	4	3	7	88%										
4	3	2	9	75%	4	2	3	3	12	75%	4	2	4	2	3	1	4	20	71%	4	3	3	3	13	81%	2	2	4	50%										
4	2	1	7	58%	4	4	4	4	16	100%	3	4	3	3	3	3	3	22	79%	4	3	4	4	15	94%	4	3	7	88%										
Total	140		69%		Total	239				87.9%				Total	386							81%				Total	240				88.2%				Total	113		83%	
	204		5		Total	272				2				Total	476							4				Total	272				1				Total	136		3	

HR Competencies - Business Results x 14																																							
K of B		M Cul				T Exp							P Cred				M Ch H																						
4	2	2	8	67%	2	1	2	1	6	38%	2	3	4	3	2	3	1	18	64%	4	2	3	3	12	75%	2	2	4	50%										
3	1	1	5	42%	2	2	3	3	10	63%	3	3	2	2	2	2	1	15	54%	2	1	1	2	6	38%	1	2	3	38%										
3	2	1	6	50%	4	3	4	4	15	94%	3	2	4	1	2	1	3	16	57%	4	3	4	2	13	81%	4	2	6	75%										
3	1	0	4	33%	2	3	3	3	11	69%	4	3	1	2	3	2	3	18	64%	3	3	4	3	13	81%	3	3	6	75%										
2	1	2	5	42%	4	4	3	4	15	94%	4	4	1	1	1	4	2	17	61%	4	3	3	4	14	88%	2	3	5	63%										
3	3	1	7	58%	3	2	3	3	11	69%	3	4	4	2	3	2	4	22	79%	4	3	3	3	13	81%	3	2	5	63%										
4	3	1	8	67%	3	4	2	3	12	75%	3	4	3	3	2	3	2	20	71%	4	4	2	4	14	88%	4	2	6	75%										
2	3	3	6	67%	3	3	2	3	11	69%	4	4	4	3	3	2	3	23	82%	4	3	3	4	14	88%	3	3	6	75%										
3	2	2	7	58%	4	4	4	3	15	94%	4	4	4	4	4	4	4	28	100%	3	3	3	4	13	81%	4	3	7	88%										
4	3	2	9	75%	4	3	4	3	14	88%	3	4	4	4	3	3	2	23	82%	4	3	3	4	14	88%	3	3	6	75%										
2	1	1	4	33%	3	4	3	2	12	75%	3	4	4	4	4	4	3	26	93%	4	2	3	3	12	75%	3	3	6	75%										
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2	2	2	6	50%	3	4	4	3	14	88%	4	4	4	4	3	4	2	25	89%	4	3	3	4	14	68%	2	2	4	50%										
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	4	16	100%	4	4	8	100%										
Total	90		54%		Total	174				78%				Total	292							74%				Total	179				80%				Total	76		68%	
	168		5		Total	224				2				Total	392							3				Total	224				1				Total	112		4	

HR Competencies - Senior Mgmt x 16																														
K of B		M Cul				T Exp				P Cred				M Ch H																
4	3	2	9	75%	3	3	4	3	13	81%	4	4	4	4	3	4	3	26	93%	4	3	4	4	15	94%	3	3	6	75%	
3	3	1	7	58%	4	4	3	4	15	94%	2	3	3	3	2	3	4	20	71%	4	3	4	3	14	88%	4	3	7	88%	
4	3	3	10	83%	4	4	3	4	15	94%	3	3	3	2	3	4	3	21	75%	4	4	4	4	16	100%	4	2	6	75%	
4	3	3	10	83%	4	4	4	3	15	94%	3	4	3	4	4	3	3	24	86%	4	4	4	4	16	100%	4	3	7	88%	
3	4	1	8	67%	2	3	4	3	12	76%	4	4	2	2	2	2	2	18	64%	4	3	4	4	16	94%	3	3	6	75%	
4	2	1	7	68%	3	3	3	3	12	75%	3	4	2	2	3	2	3	19	68%	4	4	4	4	16	100%	3	3	6	75%	
3	2	1	6	50%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	3	16	94%	4	4	8	100%	
3	3	2	8	67%	3	3	4	3	13	81%	4	4	4	3	4	3	2	24	86%	4	2	3	3	12	76%	4	3	7	88%	
4	3	2	9	76%	4	2	3	3	12	75%	4	2	4	2	3	1	4	20	71%	4	3	3	3	13	81%	2	2	4	50%	
3	1	0	4	33%	2	3	3	3	11	69%	4	3	1	2	3	2	3	18	84%	3	3	4	3	13	81%	3	3	6	75%	
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4	3	1	8	67%	3	4	2	3	12	75%	3	4	3	3	2	3	2	20	71%	4	4	2	4	14	88%	4	2	6	75%	
2	3	3	8	67%	3	3	2	3	11	69%	4	4	4	3	3	2	3	23	82%	4	3	3	4	14	88%	3	3	6	75%	
4	3	2	9	75%	4	3	4	3	14	88%	3	4	4	4	3	3	2	23	82%	4	3	3	4	14	88%	3	3	6	75%	
2	1	1	4	33%	3	4	3	2	12	75%	3	4	4	4	4	4	3	26	93%	4	2	3	3	12	75%	3	3	6	75%	
2	1	1	4	33%	3	4	2	3	12	75%	2	3	2	2	2	1	1	13	46%	3	3	2	3	11	69%	3	1	4	50%	
Total			116	60%	Total				210	82%	Total							340	76%	Total				224	88%	Total			96	75%
			192	5					256	2								448	3				256	1			128	4		

HR Competencies - Managers x 16																														
K of B		M Cul				T Exp				P Cred				M Ch H																
3	2	2	7	58%	4	3	4	3	14	88%	3	4	3	3	3	3	3	22	79%	3	3	2	3	11	69%	3	3	6	75%	
4	2	1	7	58%	4	3	4	4	15	94%	4	4	4	4	3	4	3	26	93%	4	3	4	2	13	81%	4	4	8	100%	
4	4	2	10	83%	3	4	3	3	13	81%	3	4	3	3	3	3	2	21	75%	3	3	3	2	11	69%	3	4	7	88%	
3	3	3	9	75%	4	4	4	4	16	100%	3	3	3	4	3	4	3	23	82%	3	4	3	3	13	81%	4	4	8	100%	
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	4	3	3	26	89%	4	4	4	4	16	100%	4	4	8	100%	
3	3	2	8	67%	3	3	3	3	12	75%	3	3	3	3	3	3	3	21	75%	4	3	4	3	14	88%	3	2	5	63%	
4	2	2	8	67%	2	1	2	1	6	38%	2	3	4	3	2	3	1	18	64%	4	2	3	3	12	75%	2	2	4	50%	
3	1	1	5	42%	2	2	3	3	10	63%	3	3	2	2	2	2	1	15	54%	2	1	1	2	6	38%	1	2	3	38%	
4	3	2	9	75%	3	4	4	3	16	88%	3	4	4	4	3	4	4	26	93%	4	4	4	3	15	94%	4	3	7	88%	
4	2	1	7	58%	4	4	4	4	16	100%	3	4	3	3	3	3	3	22	79%	4	3	4	4	16	94%	4	3	7	88%	
3	2	1	6	50%	4	3	4	4	15	94%	3	2	4	1	2	1	3	16	57%	4	3	4	2	13	81%	4	2	6	75%	
3	3	1	7	58%	3	2	3	3	11	69%	3	4	4	2	3	2	4	22	79%	4	3	3	3	13	81%	3	2	5	63%	
3	2	2	7	58%	4	4	4	3	15	94%	4	4	4	4	4	4	4	28	100%	3	3	3	4	13	81%	4	3	7	88%	
2	2	2	6	60%	3	4	4	3	14	85%	4	4	4	4	4	3	4	25	89%	4	3	3	4	14	88%	2	2	4	50%	
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	4	16	100%	4	4	8	100%	
Total			114	63%	Total				203	85%	Total							338	80%	Total				196	81%	Total			93	78%
			180	5					240	1								420	3				240	2			120	4		

HR Competencies - < 3 years x 11																														
K of B		M Cul				T Exp				P Cred				M Ch H																
3	2	2	7	58%	4	3	4	3	14	88%	3	4	3	3	3	3	3	22	78%	3	3	2	3	11	69%	3	3	6	75%	
4	2	1	7	58%	4	3	4	4	15	94%	4	4	4	4	3	4	3	26	93%	4	3	4	2	13	81%	4	4	8	100%	
4	3	2	9	75%	3	3	4	3	13	81%	4	4	4	4	3	4	3	26	93%	4	3	4	4	15	94%	3	3	6	75%	
3	3	1	7	58%	4	4	3	4	15	94%	2	3	3	3	2	3	4	20	71%	4	3	4	3	14	88%	4	3	7	88%	
3	3	3	9	75%	4	4	4	4	16	100%	3	3	3	3	4	3	4	23	82%	3	4	3	3	13	81%	4	4	8	100%	
3	3	2	8	67%	3	3	3	3	12	75%	3	3	3	3	3	3	3	21	75%	4	3	4	3	14	88%	3	2	5	63%	
4	3	3	10	83%	4	4	3	4	15	94%	3	3	3	2	3	4	3	21	75%	4	4	4	4	16	100%	4	2	6	75%	
4	3	3	10	83%	4	4	4	3	15	94%	3	4	3	4	4	3	3	24	86%	4	4	4	4	16	100%	4	3	7	88%	
4	3	1	8	67%	3	4	2	3	12	75%	3	4	3	3	2	3	2	20	71%	4	4	2	4	14	88%	4	2	6	75%	
3	2	2	7	58%	4	4	4	3	15	94%	4	4	4	4	4	4	4	28	100%	3	3	3	4	13	81%	4	3	7	88%	
4	3	2	9	75%	4	3	4	3	14	88%	3	4	4	4	3	3	2	23	82%	4	3	3	4	14	88%	3	3	6	75%	
Total			91	69%	Total				156	89%	Total							254	82.5%	Total				153	87%	Total			72	81.8%
			132	5	Total				176	1	Total							308	3	Total				176	2	Total			88	4

HR Competencies - 3 - 10 years x 11																														
K of B		M Cul				T Exp				P Cred				M Ch H																
4	4	2	10	83%	3	4	3	3	13	81%	3	4	3	3	3	3	2	21	75%	3	3	3	2	11	69%	3	4	7	88%	
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	3	3	3	25	89%	4	4	4	4	16	100%	4	4	8	100%	
4	2	2	8	67%	2	1	2	1	6	38%	2	3	4	4	3	3	1	18	64%	4	2	3	3	12	75%	2	2	4	50%	
3	1	1	5	42%	2	2	3	3	10	63%	3	3	2	2	2	2	1	16	54%	2	1	1	2	6	38%	1	2	3	38%	
4	3	2	9	75%	3	4	4	3	14	88%	3	4	4	4	3	4	4	26	93%	4	4	4	3	15	94%	4	3	7	88%	
4	2	1	7	58%	3	3	3	3	12	75%	3	4	2	2	3	2	3	19	68%	4	4	4	4	16	100%	3	3	6	75%	
4	2	1	7	58%	4	4	4	4	16	100%	3	4	3	3	3	3	3	22	79%	4	3	4	4	15	94%	4	3	7	88%	
2	1	2	5	42%	4	4	3	4	15	94%	4	4	1	1	1	4	2	17	61%	4	3	3	4	14	88%	2	3	5	63%	
2	3	3	8	67%	3	3	2	3	11	69%	4	4	4	3	3	2	3	23	82%	4	3	3	4	14	88%	3	3	6	75%	
2	1	1	4	33%	3	4	3	2	12	75%	3	4	4	4	4	4	3	26	93%	4	2	3	3	12	75%	3	3	6	75%	
2	1	1	4	33%	3	4	2	3	12	75%	2	3	2	2	2	1	1	13	48%	3	3	2	3	11	89%	3	1	4	50%	
Total			76	58%	Total				137	78%	Total							225	73%	Total				142	81%	Total			63	72%
			132	5	Total				176	2	Total							308	3	Total				176	1	Total			88	4

HR Competencies - >10 years x 8																														
K of B		M Cul				T Exp				P Cred				M Ch H																
2	2	2	6	50%	3	4	4	3	14	88%	4	4	4	3	4	2	25	89%	4	3	3	4	14	88%	2	2	4	60%		
3	3	3	9	75%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	4	16	100%	4	4	8	100%	
3	4	1	8	67%	2	3	4	3	12	75%	4	4	2	2	2	2	2	18	64%	4	3	4	4	15	94%	3	3	6	75%	
3	2	1	6	50%	4	4	4	4	16	100%	4	4	4	4	4	4	4	28	100%	4	4	4	3	15	94%	4	4	8	100%	
3	3	2	8	67%	3	3	4	3	13	81%	4	4	4	3	4	3	2	24	86%	4	2	3	3	12	75%	4	3	7	88%	
4	3	2	9	75%	4	2	3	3	12	75%	4	2	4	2	3	1	4	20	71%	4	3	3	3	13	81%	2	2	4	50%	
3	2	1	6	50%	4	3	4	4	15	94%	3	2	4	1	2	1	3	16	57%	4	3	4	2	13	81%	4	2	6	75%	
3	1	0	4	33%	2	3	3	3	11	69%	4	3	1	2	3	2	3	18	64%	3	3	4	3	13	81%	3	3	6	75%	
3	3	1	7	58%	3	2	3	3	11	69%	3	4	4	2	3	2	4	22	79%	4	3	3	3	13	81%	3	2	5	63%	
Total			63	58%	Total				120	83%	Total							199	79%	Total				124	86%	Total			54	75%
			108	5	Total				144	2	Total							252	3	Total				144	1	Total			72	4

**APPENDIX D**  
**Qualitative Responses on the Future of HR Competencies**

Responses to Qualitative Questions on HR Professionalism/Competency Questionnaire

Question 1: What do you see as the most important future HR Competencies?

Org Code	Function Code	Grade	Years in Role	Comment
A	A1 HR	SM	< 3 yrs	Change Management Talent & Succession Innovation & Creativity
			< 3 yrs	Change Management – ability to keep pace with and proactively manage change Ability to deal with ethnic & cultural diversity in a changing workplace & a globally outsourced organisation Business Knowledge – awareness of business objectives and responsiveness to changing business requirements
		M	3 – 6 yrs	Change Management Organisational Development with structure change Talent & succession planning
		M	< 3 yrs	Business Connectivity – Value Added to bottom line Development of Leadership capability Innovation Adaptability / Openness to change
		M	< 3 yrs	Business Acumen – Market is changing – Cost Containment Change advocacy Personal Impact Gate Keeper
		M	< 3 yrs	Change Management Business Acumen Project Management
		O - HR Consultant	3 – 6 yrs	The ability to support the business in which one works to achieve its stated goals. To manage change and to initiate change where necessary. To develop stable and creative multi-cultural environments. To ensure that employees are informed about the objectives of the business and to align their skills, talents and aspirations with those objectives. To challenge aggressive career progression and to encourage honesty in the workplace.
	A2 Business	M	3 – 6 yrs	Knowledge of business objectives, changing environment Partnering business More responsive
		M	3 – 6 yrs	Quick response and understanding business priorities
B	B1 HR	SM	> 10 yrs	Promoting/branding the HR function so that it has a positive profile within the organisation and is able to demonstrate and is viewed as adding value to the organisation. Adapting work practices, reward systems to meet the changing demographic profile of employees.

		SM	< 3 yrs	Strong business understanding, mobilising stakeholders, strategic alignment.
		SM	7-10 yrs	For Generalists I think Personal Credibility will continue to be vital very closely allied with Business Acumen and that Talent identification and development is the key to making a significant business contribution in the short and longer term followed by Change/Innovation capability. For HR specialists I would highly rate Business Acumen, quality of their specialist skills and Communication skills. In my experience many specialists fall down in the area of communication skills whereby they develop objectively excellent products but fail to consult sufficiently to ground their product and fail to communicate the value of their product sufficiently whether to internal HR audience or the business customer.
		SM	> 10 yrs	Relationship Building and Influencing - particularly at Executive level. Critical for relevance of GHR that opinions are sought and valued in advance of business decisions being made affecting people. Organisation Design & Structures - key requirement. Understanding of Business and Commercials. Creativity in Solution identification.
		SM	10+ yrs	Business Acumen HR professionals will increasingly need to be able to demonstrate the ability to drive business profitability and success through the effective management, development and reward of managers and staff. Delivering Results - showing levels of commitment and dedication to motivate others to achieve superior results. Organisational Awareness - using relationships to achieve support for HR programmes. Influencing/Networking - using complex influencing strategies to build support for HR plans.
		SM	< 3 yrs	I believe that flexibility and ability to foresee and adapt to changing circumstances are the most important competencies required in addition to their core areas of expertise. HR professionals need to be able to adapt to the changing global economies and the need for organisations to change rapidly. Aligned with that will be the key requirement to think and act strategically. I also believe that values and ethics will play a key role in organizations of the future, requiring HR Professionals to be able to 'step outside the box' and to be respected for the challenge and objectivity they should bring. This will require HR to be 'at the table' and to be listened to - unfortunately HR professionals can be seen as 'yes' men/women.
		M	7-10 yrs	Change management and communications skills are integral to a HR role. Business Acumen along with financial comprehension. Adaptability and flexibility as HR encompasses such a diverse set of knowledge skills eg Business Partner, Centre of Expertise type area and also these are influenced by the nature of the Companies business.
	B2 Business	SM	> 10 yrs	Business Understanding Change Leadership Supporting Resource Optimisation to achieve business objectives
		SM	3 – 6 yrs	It is important that HR maintains its independence, that they are the custodians of the HR values and they should not allow Company profit to submerge them.
		SM	3 – 6 yrs	Knowledge of business and the people in order to jointly achieve business goals and remain competitive. Reward & performance management operating to company ethos while working to high credibility levels. Encouraging change and creativity.
		SM	7 – 10	Staff Selection - this really needs to be right up front - after all it's a 40 year decision & it its right up front, can

			yrs	smooth the path of the person's career. Organisationally, the whole area of motivation, measurement, reward, negotiations, are critical to the organisation
		SM	< 3 yrs	Personal credibility, business acumen, change management, promote / foster business culture in line with organisation's values, HR knowledge
		SM	< 3 yrs	Measurement and management of Reward given a slowing economic backdrop. Workforce Mobility, Job for life gone, Business needs to plan for and be able to accommodate higher levels of turnover. Effective training and recruitment of skilled staff and quality new entrants
		M	< 3 yrs	Business acumen and change identification and implementation. The need to constantly review the complete organisation design model and ensure HR is changing with the business requirements and needs.
		M	7 – 10 yrs	Stay in touch with the external factors. If the economy is booming, ensure compensation and benefits are fast to market and if the economy has a down-turn ensure that the communications machine is working. Keep close to the top line of the organisation. You have to keep in step with how they are thinking. Sometimes, they will do the right thing but more often than not they will go astray. This is the time for the true HR person to make their mark. If you can differentiate between corporate greed and ethics, you can make a difference. It's very much about marketing the service.
		M	> 10 yrs	Handle labour law, IR, regulatory responsibilities. Manage/develop performance enhancement and people dev/succession planning
		M	> 10 yrs	Business Acumen: know the business objectives, and Global developments/ likely global impact. Selection of staffing. Development/learning/motivation of staff. Development of leadership skills. Recognition of talent, reward for performance.
		M	> 10 yrs	Facilitation of Change within the organisation Ensure the HR voice is heard at the Senior Management Table - if HR recommend a particular course of action it is for a valid reason Advocate for Staff

Question 2: How can future HR competencies best be created or improved in your opinion? (ie buy in, develop internally, outsource)

Org Code	Function Code	Grade	Years in Role	Comment
A	A1 HR	SM	< 3 yrs	Buy in expertise if not present internally – diversified experience Grow your own – develop internally
			< 3 yrs	Depends on available resources as it can often be more cost and time efficient to buy in / outsource competencies. Using outsourced / bought in skills can also provide additional benefits (fresh perspective, subject specialism) and can result in the up-skilling of internal HR employees
		M	3 – 6 yrs	Combination of all 3 – need to buy in skills we may not have, outsourcing can be good for objective view (no politics interfering), develop HR staff for organisational change
		M	< 3 yrs	Create greater agility in the HR workforce Greater business exposure for HR colleagues HR specialisms viewed in light of an internal consultancy, adopting similar practices and accountability as external consultant
		M	< 3 yrs	Not outsourcing – quality of service diminishes Need to stay close to the business and gain support from top
		M	< 3 yrs	Through cross teamwork often if you work in one section within HR you are restricted to the work in that area. HR should encourage team work where colleagues get to work on projects within another area. Gives greater exposure and allows better use of skills
		O – HR Consultant	3 – 6 yrs	Most well-developed competencies come from experience. I think there is a need to identify various sources of HR "wisdom" - from (probably older) people who have done things before, for example controversial dismissals, restructuring, acquisitions, closures, re-developed pay systems. These individuals could coach and mentor HR Managers / Business Partners in their roles. Perhaps there is a case for setting up a HR / IR "Experience Bank" - a resource for big and small businesses to tap into. IBEC used to fulfil this role, but its reputation has weakened over the past number of years.
	A2 Business	M	3 -6 yrs	Internally develop in depth knowledge of business and act as business partner Specialist resources required
		M	3 – 6 yrs	Less forms, less procedures More flexibility to allow manager discretion on conflict resolution, recruitment decisions
B	B1 – HR	SM	> 10 yrs	Through on-going professional development of those working in HR. As a range of alternatives, buy in, develop internally or outsource, I would personally rank order them (1) develop internally (2) buy in (3) outsource. Rationale: the base of knowledge/depth of understanding that is built up from having worked in an organisation over a period of time, say 12 months is incrementally greater than what can be bought in on a short-term basis. That probably peaks at a particular point in time and new, fresh thinking needs to be fostered either through external development or buying in consultancy skills. The right internal knowledge combined with fresh external thinking can add value to an organisation. Outsourcing seems to be driven more by financial imperatives than by real benefits of added value.
		SM	< 3 yrs	I believe you need a balanced approach. You need to grow HR professionals who understand the business and the organisation, you need to buy in or outsource specialist skills e.g. recruitment, assessment, and you



				need to bring in fresh talent to keep the team at the cutting edge.
		SM	7-10 yrs	Think it needs to be a combination of all 3. I believe the major focus should be on developing internally and that buy in of external talent or use of consultants is appropriate where the area is low volume for the business/requires significant expertise and to ensure an appropriate proportion of fresh thinking/external perspective. Operational elements should be separated from Generalist/Specialist functions and dealt with in-house or outsourced. In my opinion no areas of potential competitive advantage should be outsourced or left to external consultants - and outsourcing in general should be subject to rigorous due diligence to make sure it will deliver what it promises...If you're going down this road you need to ensure that you've got organisational (if not HR) competence in managing outsource providers. I also believe that 'HR' get's too low a profile in the programme content for 'Business' degrees be that Accountancy, Commerce, etc and that elements of 'HR' that should be fully devolved to line management are not & equally that the level of business debate that should happen around 'HR' related agenda is less informed than it should be.
		SM	> 10 yrs	No one model. - Key - Understanding of Business is fundamental - where practical HR professionals should spend time in a business to understand the key challenges line managers face. Professional qualifications a must in today & future environment. Outsourcing of administrative aspects of HR is a reasonable option provided well researched and the ongoing relationship managed. However not suitable for strategic HR. Strategic focus and priority required for HR talent development as for every business discipline
		SM	> 10 yrs	Develop by providing front-line business experience. Buy in experience to fill strategic gaps - e.g. Strategic Compensation & Organisation Design. Have a clear Capability Development Programme for HR professionals - linked to specified roles. Recruit from HR Consulting Firms for specific skills and experience. Value cross-industry experience.
		SM	< 3 yrs	I think there are a number of key strands. The HR Community themselves need to be active in developing key competencies within their profession through continued professional development. Greater movement of key skills and talent in and out of HR within organizations is also essential and HR Professionals need to develop a strong interest and capability in the businesses in which they operate. Large scale Outsourcing may provide limited opportunities at the operational / transactional level.
		M	7-10 yrs	Probably a mixture of buy in and develop internally.
	B2 Business	SM	> 10 yrs	Professional Qualifications Rotation Judicious use of external expertise
		SM	3 – 6 yrs	They need to be reviewed against best practice both internal and external, and where necessary external consultancy used to drive out policy and procedures.
		SM	3 – 6 yrs	Team of HR experts with admin tasks centralised. Mix of buy in and internal development ensuring business knowledge in place
		SM	7 – 10 yrs	Develop Internally. Outsourcing distils the competence to a pure HR approach - whereas in reality it needs to be a blend of the specific business & HR competencies to work well. With previous history of outsourcing in the Bank, not the way we should go.
		SM	< 3 yrs	Combination of buy in / develop internally with emphasis on the latter. Demonstration of leadership qualities

				and adherence to company values is critical for HR leadership. Alignment of people plans with business plans and a close working relationship with business
		SM	< 3 yrs	Most likely a combination Broaden skill base by recruiting experts, outsourcing routine work and where any level of complexity develop internally with help of bought in experts
		M	< 3 yrs	HR needs to have a stronger voice at Senior Management table. People make profits therefore it is essential that talent management and industry trends in employment are constantly tracked and monitored. It is important to have a mix of growing talent from within the HR pool but to buy in certain skills and knowledge to ensure best practice sharing
		M	7 – 10 yrs	I think it is a mix of a number of competencies. I would not recommend buying in skills from America as they have a totally different culture and working ethos to us. I think that education is important and I would advocate that there is a minimum entry level to the profession for practitioners. A high number of administration functions do not need HR expertise and these can be outsourced quite successfully. On the strategic side, this can be bought in, home grown or outsourced - it really depends on what the top line in the organisation wants to achieve.
		M	> 10 yrs	Not outsource for what is our key strategic resource- but mix of buy-in/internal development of skills/programme, etc. as necessary
		M	> 10 yrs	Staff Selection: Buy in 'assessment' methodology to assist with the identification of right profile/competencies required. Buy in to assist with the identification of people with 'leadership' potential.
		M	> 10 yrs	Combination of factors - Outsourcing is perhaps the most effective way of handling the pure transactional elements of HR - payroll, salary, administrative activities Outsourcing is also a very effective way of handling low level / high volume recruitment, ideally using a preferred supplier list and with a strong HR input into the selection criteria Internally based HR competence is critical in terms of the management development policies and practices within an organisation, this should ensure that the values of the organisation are enshrined in all aspects of behaviour from selection

Question 3: What, if any are the implications for the future staffing and development of HR?

Org Code	Function Code	Grade	Years in Role	Comment
A	A1 HR	SM	< 3 yrs	More of a focus on customer facing HR roles – adding value in the business
			< 3 yrs	HR depts may move towards the increasing use of outsourced / bought in skills. I feel this would allow HR to respond more effectively to changing business needs with the required level of expertise. It would also allow greater cost efficiencies – the HR staffing costs would be significantly reduced and the dept much leaner / project based.
		M	3 – 6 yrs	Increasing efficiencies in a changing market and economy
		M	< 3 yrs	Continue in the specialist vein, outsourcing of operational aspects of HR, maintain specialisms in house
		M	< 3 yrs	Leaner, 'nice to haves' will go – coaching, talent, - why do we need them if the org. is not growing? Essentials will remain – pay review, HR data update, core services Business Management skills essential
		M	< 3 yrs	Business Knowledge / ability to apply HR reasoning / advice to situations, having regard to needs of the business is essential. However it is not essential that the HR practitioner fully understands the business at the outset as the same principles tend to apply across all industries. It is important to know how to adapt advice to suit particular needs of business.
		M	< 3 yrs	Should be incorporated into development plans and objectives and be included as a competency requirement for HR recruitment process
		O – HR Consultant	3 – 6 yrs	The future of HR staffing is influenced by the quality of HR education in third level colleges, by the jobs market, and by the agreement or absence of a national wage agreement from 2008 - 2010 at least. HR appears now to be recognised as a "serious" job, unlike in past years when it was mainly associated with payroll and long-service awards. The challenge is for the HR community to make itself relevant to small business (over 50% of Irish companies employ less than 50 people). How can HR add value to owner-managers and small companies who cannot afford a full-time professional?
	A2 Business	M	3 – 6 yrs	Less emphasis on policing and more focus on business delivery
B	B1 HR	SM	> 10 yrs	Actual numbers working in HR probably not impacted overall. What is likely to shift is where the jobs are actually located. This will depend on the prevailing/preferred approach to HR at a given point in time.
		SM	< 3 yrs	HR professionals within large organisations need to decide if they are prepared to follow their professional skill area even if their career path takes them out of the organisation. This is a change from the model where people spent some time in HR as part of their life within the corporate organisation.
		SM	7 – 10 yrs	HR Staff often seem to suffer the 'Cobbler's Children' syndrome... There is now a consensus emerging from research around the key competencies for the effective HR Professional. There is also research emerging that 'buying in' talent isn't a viable option as there is an absolute scarcity of quality HR professionals. What this means, I think, is that HR Functions need to focus on identifying and developing talent within the function and doing for ourselves what we already do with considerable success for 'the business'. Further professionalisation and supports from Educational and Professional bodies will also be essential. Pragmatic solutions need to be developed for 'professionalising' people who are already working in the function. Given

				the emphasis on Business Acumen the function needs to explore possibilities for recruiting talent from 'the business' and again providing pragmatic solutions to enable them to develop the HR Skills they need to deliver effectively.
		SM	> 10 yrs	The HR Profession is often not explained well at student level. Business organisations should invest more time with 3rd Level Colleges to position HR careers properly. Outsourcing perceived as a complete solution. With demise of Celtic Tiger - critical phase for HR and HR Professionals to guide organisations - and maintain key influencing role - failure to achieve this will result in HR slipping back into an administrative cul de sac.
		SM	> 10 yrs	Broad HR operational/administrative roles require can be outsourced. Concentrate on "better and fewer" HR Professionals in the corporate HR centre. Build in-depth expertise in the critical areas of professionalism.
		SM	< 3 yrs	HR can often be seen as the 'soft' job in an organisation, without clear accountability or responsibility. HR professionals themselves often are responsible for the creation of that impression themselves, but setting themselves up as purely advisors or consultants with an unwillingness to take responsibility or accountability for key lines of business - this has been additionally confused by an increasing trend to shift responsibility to Line Management. HR Professionals need to get really clear on what they are accountable/ responsible for, take ownership and then deliver.
		M	7-10 yrs	More and more operational activities are being outsourced to Manufacturing or else 3rd Parties. For the development of people into Business Partner roles from within the business - this will create challenges as the basic skill set which used to be grown from within the company may not be there into the future - therefore staffing will need to be sought externally.
	B2 Business	SM	> 10 yrs	Recruit for the 'profession' of HR More demanding entry criteria Career development based on experience and appropriate development
		SM	3 – 6 yrs	Most companies will centralise their HR function. HR will develop as an administrative function, with areas of expertise e.g. Pensions, Packages, policies, etc.
		SM	3 – 6 yrs	Economy downturn - future job losses & expertise required, increased union activity. Cost cutting impacting negatively on HR resourcing
		SM	7 – 10 yrs	HR needs to be an integral part of the business, adequately resourced & management being key members of the Business Management team.
		SM	< 3 yrs	Moving very much towards strategic and value added, if routine outsourced will be less people but more high end, strategic valued added and rewarding roles
		M	< 3 yrs	HR needs to be seen as a revenue generator and cost protector - basic HR skills are no longer a prerequisite for success, such competencies as coaching, idea generation and talent spotting need to be seen as part of what they do. Business acumen is essential to understand the business and the wider global market within which they are operating.
		M	7 – 10 yrs	It is easy when the economy is doing well, HR and all its trappings can be paid for and seems to be good value for money. When times are tight, and there is a focus on costs, you have to rely on your successes. In this case, the track record of delivering quality systems and sustainable processes are key. Data is very

				important at this stage and if you can show value for money the case for HR staff is easy. If not, it could go the way of dumbing down systems and adding no value. This should be seen as a short term view but this will only happen if you have a strong voice and success to your name.
		M	> 10 yrs	Answer to this is really dependent on whether the organisation values its people or merely views them as an operating cost. The degree to which HR skills are developed and grown within an organisation is a direct correlation of this fact...