

Lincoln University Digital Thesis

Copyright Statement

The digital copy of this thesis is protected by the Copyright Act 1994 (New Zealand).

This thesis may be consulted by you, provided you comply with the provisions of the Act and the following conditions of use:

- you will use the copy only for the purposes of research or private study
- you will recognise the author's right to be identified as the author of the thesis and due acknowledgement will be made to the author where appropriate
- you will obtain the author's permission before publishing any material from the thesis.

An Investigation of How Human Resource
Managers Add Value: A Theory of HR
Implicit in HR Job Description

A thesis Submitted in partial fulfilment of the
requirements for the Degree of Master of
Commerce and Management

At

Lincoln University

By

Ming-Chuan Yii

Lincoln University

2006



**Dedicated to
my beloved Father,**

“You Are Always In Our Mind”



ACKNOWLEDGEMENTS

I give all glory to God who guided and directed me throughout my thesis, and carrying and sending me His Angels to watch over me when I felt sad. This thesis would also never been done without the help of certain individuals. Therefore I would like to take this opportunity to show my appreciation.

First of all, I would like to thank my parents for giving this opportunity to come and study in New Zealand, and also my brothers, sister and brother in law who have been a great support through this whole thesis. I appreciate what they have done for me. Indeed, words alone would not suffice in expressing my gratitude to my family.

My appreciation also goes to my supervisors Dr Stephen Dakin and Dr Ramzi Addison for their help, advice, and encouragement. Your professionalism and expert knowledge has guided me throughout this whole thesis. Many thanks to other staff members as well who helped and contributed to my research.

I would also like to thank my friends- Isabel, Jason, Kim, Lee, Madeline, Rick, Shu Xin, Victor, Winnie, Yuri for supporting me all the time, and brothers and sisters from Christchurch Chinese church, Young Adult Group (YAG)- Adam, Adrian, Allen, Amber, Anna, Amy, Ben, Candy, Cheryl, Eric, Irene, Joanna, Jessie, Lily, Michael, Sam, Tiffany, Yolanda, etc. Thanks for always remembering me in your prayers. I would also like to give a special thanks to Lee who always gives me a ride to Lincoln, cheers!

Thanks, may God bless you all!

ABSTRACT

HR managers have long been concerned by the question of how they add value to organisational life. That is, they have been concerned to identify the results, outcomes or ends to which HR contributes. As a staff function, where their primary role is to provide advice and guidance, it can be difficult for HR managers to demonstrate the unique contribution that they make to organisational success. Hence, for a long time, members of the HR profession have been concerned that their credibility is low, that they are marginalised, that they suffer from role ambiguity and have low status.

This study explores how HR managers perceive that they add value to their organisations through an examination of HR job descriptions. The study is based on the assumption that HR job descriptions contain an implicit theory of how the HR role adds value to their host organisations. Job descriptions usually provide a list of job duties, and sometimes document expected results. Thus a job description constitutes a direct statement of how the role is perceived to contribute. We hypothesised that:

1. That job descriptions would conform to “best practice”, with clearly stated “Key Result Areas” (KRAs) and “Key Performance Indicators” (KPIs).
2. That KRAs would cover the main functional areas of HRM described in texts
3. That KPIs would provide clear measures of performance in terms of the guidelines provided by Cooper & Schindler (2006) and Mackey & Johnson, (2000)

4. That, given the nature of HR work, there would be an emphasis on process rather than results

We approached members of the HR Institute of NZ and asked them to submit their job descriptions (see appendix 1). By this means we obtained over 100 job descriptions, and analysed 53 senior job descriptions (reporting to the CEO).

We coded the parts of the job descriptions that provided descriptions of duties and key results areas (KRAs), identifying 29 distinct sets of responsibilities. For each of the 11 most frequently mentioned KRAs, we then examined the measures of performance (KPIs), deriving 12 categories of measurement.

In conclusion, we found that:

1. Only 20 of the job descriptions distinguished clearly between KRAs and KPIs.
2. KRAs and job duties were generally clear and similar to the lists of HR functions contained in HR texts.
3. However, KPIs were generally unclear, subjective and not amenable to measurement. The dominant forms of measurement are “reputation” (whether an HR manager has a good reputation) and “documentation” (whether procedures are well-documented and follow “best practice”).
4. Overall, there is a strong emphasis on process rather than results in HR work.

I conclude that the contribution of HR will continue to be questioned while there is so much emphasis on process and so little emphasis on measurement and results.

Key words: HR Manager, Job Descriptions, Key Result Areas, Key Performance Indicators, Expected Outcome, Process and Results, Means and Ends, HR Contribution, and Add Value.

TABLE OF CONTENTS

	Page
DEDICATION.....	i
ACKNOWLEDGEMENTS.....	ii
ABSTRACT.....	iii
TABLE OF CONTENTS.....	vi
LIST OF TABLES.....	xii
LIST OF FIGURES.....	xiii
CHAPTER 1- INTRODUCTION.....	1
1.1 BACKGROND.....	1
1.2 RESEARCH OBJECTIVES.....	2
1.3 METHOD OF INVESTIGATION.....	3
1.4 MAIN FINDINGS.....	3
1.5 THESIS STRUCTURE.....	3
CHAPTER 2- LITERATURE REVIEW.....	5
2.1 DEFINITION OF HUMAN RESOURCE MANAGEMENT.....	5
2.2 PEOPLE.....	6
2.3 HR PEOPLE ADD VALUE IN AN INDIRECT WAY.....	7
2.4 RADICAL CHANGES FOR EMPLOYMENT RELATIONS.....	8
2.5 ROLE CONFUSION AND RESPONSES.....	10
2.6 CONTINGENCY VIEW.....	12

2.7 MEANS AND ENDS IN HRM..... 13

2.8 MEASURES OF HR PERFORMANCE..... 16

2.9 SUMMARY, CONCLUSION, RESEARCH QUESTION,
AND HYPOTHESES..... 18

CHAPTER 3- METHODOLOGY..... 20

3.1 INTRODUCTION..... 20

3.2 QUALITATIVE METHODOLOGY IN MANAGEMENT
RESEARCH..... 20

3.3 DATA COLLECTION..... 22

3.4 DATA ANALYSIS..... 23

 3.4.1 Key Result Areas..... 23

 3.4.2 Measures..... 23

 3.4.3 Content Analysis..... 23

CHAPTER 4- RESULT..... 28

4.1 INTRODUCTION..... 28

4.2 MAIN CONTENT OF HUMAN RESOURCES WORK..... 28

 4.2.1 People..... 29

 4.2.2 HR Strategy..... 30

 4.2.3 Recruitment and Selection, Induction..... 31

 4.2.4 Legislation, Policies, Procedures and
Compliance..... 32

 4.2.5 Training, Capability and Competencies
Development..... 32

 4.2.6 Health and Safety, Risk Management..... 33

 4.2.7 Performance Measurement and Management,
Quality..... 34

4.2.8 HR Programs, Service, Systems, Frameworks and Processes.....	35
4.2.9 Records and Database, Human Resources Information System, Reporting.....	36
4.2.10 Organisation Development, Change Management.....	37
4.2.11 Remuneration, Payroll, Reward, Benefits, and Compensation.....	38
 4.3 KEY PERFORMANCE INDICATORS.....	 39
4.3.1 Result Meet Expectation.....	39
4.3.2 Compliance and Risk Minimisation.....	40
4.3.3 Surveying.....	40
4.3.4 Reputational Measures.....	41
4.3.5 Staff Performance.....	42
4.3.6 Training Provision.....	42
4.3.7 Documentation.....	43
4.3.8 Financial Measures.....	43
4.3.9 Cultural Measures.....	44
4.3.10 Staffing Movement and Statistical Data.....	44
4.3.11 Quality Measures.....	45
4.3.12 Maintenance of Good Relationship.....	45
 4.4 LINKS BETWEEN KEY RESULT AREAS AND KEY PERFORMANCE INDICATORS.....	 47
4.4.1 People.....	48
4.4.2 HR Strategy.....	49
4.4.3 Recruitment and Selection, Induction.....	50
4.4.4 Legislation, Policies, Procedures and Compliance.....	50

4.4.5 Training, Capability and Competencies	
Development.....	51
4.4.6 Health and Safety, Risk Management.....	52
4.4.7 Performance Measurement and Management, Quality.....	52
4.4.8 HR Programs, Service, Systems, Frameworks and Processes.....	53
4.4.9 Records and Database, Human Resources Information System, Reporting.....	54
4.4.10 Organisation Development, Change Management.....	54
4.4.11 Remuneration, Payroll, Reward, Benefits, and Compensation.....	55
 CHAPTER 5- DISCUSSION.....	56
5.1 INTRODUCTION.....	56
5.2 BEST PRACTICE IN JOB DESCRIPTIONS.....	56
5.3 KEY RESULT AREAS.....	58
5.4 MEASUREMENT/KEY PERFORMANCE INDICATORS.....	60
5.4.1 Reasons why HR Managers do not measure their own Performance.....	64
5.5 PROCESS ORIENTATION AMONG HR MANAGERS.....	67
5.5.1 Reasons why HR Managers focus on process rather than results.....	68
5.6 SUMMARY.....	69

**CHAPTER 6- CONCLUSION AND AREA OF
FURTHER RESEARCH..... 70**

6.1 INTRODUCTION..... 70

6.2 CONCLUSION..... 70

6.3 LIMITATIONS AND AREAS OF FURTHER
RESEARCH..... 73

REFERENCES..... 75

APPENDICES..... 79

APPENDICES

	Page
APPENDIX ONE: Request for Job Descriptions.....	79
APPENDIX TWO: Five Samples of Job Descriptions.....	80
APPENDIX THREE: Key Result Areas.....	103
APPENDIX FOUR: Description of Key Result Areas.....	104
APPENDIX FIVE: Measures/Key Performance Indicators for 11 most frequent mentioned Key Result Areas.....	107
APPENDIX SIX: Chi-Squared Test Result.....	120

LIST OF TABLES

	Page
2.1 Factors involved in resistance to change.....	10
2.2 Three Phases that emphasis the Philosophy and Theory underlying Strategic HR Planning.....	10
2.3 Different Types of HR Users.....	13
2.4 Characteristics of Measurement.....	17
3.1 Distribution of Measurement.....	22
4.1 Main Key Result Areas.....	29
4.2 Distribution of KPIs for each KRA.....	47
5.1 A Comparison of HRINZ Competencies and KRAs identified in NZ Job Descriptions.....	58
5.2 A Comparison between Performance Measurements (Macky and Johnson, 2000) and KPIs Categories.....	66

LIST OF FIGURES

	Page
2.1 Four Result Domains.....	12
4.1 Proportion of total KPIs by Category.....	46
4.2 KPI Distribution for KRA1- People.....	48
4.3 KPI Distribution for KRA2- HR Strategies.....	49
4.4 KPI Distribution for KRA3- Recruitment, Selection, and Induction.....	50
4.5 KPI Distribution for KRA4- Legislation, Policies, Procedures, and Compliance.....	50
4.6 KPI Distribution for KRA5- Training, Capability, and Competencies Development.....	51
4.7 KPI Distribution for KRA6- Health and Safety, Risk Management.....	52
4.8 KPI Distribution for KRA7- Performance and Quality Management.....	52
4.9 KPI Distribution for KRA8- HR Programs, Services,	

Systems, Framework, and Processes..... 53

4.10 KPI Distribution for KRA9- Record and Database,
Human Resource information System, Reporting..... 54

4.11 KPI Distribution for KRA10- Organisation Development
and Change Management..... 54

4.12 KPI Distribution for KRA11- Remuneration, Payroll,
Reward, Benefit, and Compensation..... 55

Chapter One: Introduction

1.1 Background

Traditionally, HRM has been defined in terms of activities focused on personnel related issues such as job design, human resource planning, performance management systems, recruitment, selection, staffing, compensation and benefits, employee assistance programs, and labour relations (Marquardt, Berger et al., 2004). Most of these functions overlap and impact on every aspect of workplace learning and performance.

However, in spite of this clear domain of HR activity, HR managers have long been concerned by the question of how they add value to organisational life (Cascio, 1991). That is, they have been concerned to identify the results, outcomes or ends to which HR contributes. As a staff function, where their primary role is to provide advice and guidance, it can be difficult for HR managers to demonstrate the unique contribution that they make to organisational success. Hence, for a long time, members of the HR profession have been concerned that their credibility is low, that they are marginalised, that they suffer from role ambiguity and have low status.

Besides, HR people add value in an indirect way. For example, the outcomes attributed to HR management are broad and not always obvious, and always overlap with the domain of their line managers (Hartog and Verburg, 2004). In fact, there is a “staff role” for every manager, not only HR people but also other line managers. Managers contribute by providing support and giving advice to their people. The “indirect” nature of the HR role causes further uncertainty among HR people.

There is also an argument that the HR people fail to add value because they concentrate on process rather than results. Drucker (1999) believes that a fundamental way in which managers add value is by helping people to focus on results, particularly as the organisational environment becomes more complex. Under such circumstances, it is important for people to understand why certain things happen, rather than just knowing what to do.

1.2 Research Objectives

The objective of this study is to explore how HR managers perceive that they add value to their organisations through an examination of HR job descriptions. This study is based on the assumption that HR job descriptions contain an implicit theory of how the HR role adds value to their organisations. More specifically, the aims of this study are to investigate the propositions that:

1. Job descriptions would conform to “best practice”, with clearly stated “Key Result Areas (KRAs) and “Key Performance Indicators” (KPIs)
2. KRAs would cover the main functional areas of HRM described in texts.
3. KPIs would provide clear measures of performance in terms of the guidelines provided by Cooper & Schindler (2006) and Macky & Johnson (2000)
4. There would be an emphasis on process rather than results.

1.3 Method of Investigation

The overall objective of this research is to explore how HR managers add value to their organisation through the examination of HR job descriptions. A letter was sent to members of the HR Institute of NZ and asked them to submit their job descriptions. We obtained over 100 job descriptions, and analysed 53 senior job descriptions. The most senior job descriptions were taken because we want to reflect the emphasis on HR as a strategic partner in organisation, and as generalist roles they covered a broad spectrum of HR functions which would cover a range of HR duties or functions. Basically, we used both qualitative and quantitative approaches for this study and analyse the job descriptions by using content analysis.

1.4 Main Findings

29 key result areas were identified and the 11 mostly frequently mentioned are chosen for this study. Based on the measures, I developed 12 sets of key performance indicators. The results indicated that the HR managers are clear about their roles and know what they need to do, but they do not appear to measure their own performance. They primarily focus on process and reputational measures, which tend to be unreliable and probably low in validity.

1.5 Thesis Structure

This research consists of six chapters. Chapter one provides an overview of this study, which includes the background of the study, research objectives, and main findings. In chapter two, I summarise the relevant literature for this study, including definitions of HRM, how HR people add value in an indirect way, radical changes for

employment relations, role confusion among HR people, means and ends in HRM, and ways to measure HR performance. In chapter three, I describe how the research was designed and conducted using a mixture of qualitative and quantitative methods. In chapter four, I will present the results I found in this study, including the key result areas and the key performance indicators categories. Then in chapter five, I discuss the main findings and explore linkages between KRAs and KPIs categories. Lastly in chapter six, I present a conclusion, with limitations and opportunities for future research.

Chapter Two: Literature Review

2.1 Definitions of Human Resource Management

There have been extensive debates about the meaning of HRM. According to Boxall and Purcell (2003), human resources management is basically about management of the employment relationship. HRM is concerned with the management of all employee groups in the workplace. However, as well as being a specialist function, it is also an aspect of all management jobs.

The main focus of Human resource management (HRM) is management of the employer-employee relationship, to ensure the productive use of people in achieving the organisation's strategic business objectives while satisfying individual employee needs (Stone, 1998). According to Stone, modern HR Managers need to understand more than the traditional HR curriculum. They are as likely to deal with marketing, management information systems, production, research and development, and accounting and finance.

Traditionally, HRM has been defined in terms of activities focused on personnel related issues such as job design, human resource planning, performance management systems, recruitment, selection, staffing, compensation and benefits, employee assistance programs, and labour relations (Marquardt, Berger et al., 2004). Most of these functions overlap and impact on every aspect of workplace learning and performance.

In addition, there is an expectation that modern HRM will contribute directly to the overall strategic direction of an organisation. To this end, (Leopold, Harris et al., 1999) suggest that HRM refers to all managerial activity beyond that traditionally included in personnel management, and involves the development of higher commitment from employees while giving them greater task discretion.

2.2 People: the key resource

A mantra of HR professionals (and many CEOs) is that “people are the key resources in any organisation”. Through careful attraction, selection, motivation, and retention of valued employees (Park, Gardner et al., 2004), HR managers (those charged with looking after the “key resource”) are in a prime position to add significant value to organisational life. To do this, most human resource managers share a set of beliefs in the value of “high commitment work practices” such as employment security, selectivity in recruiting, high wages, incentive pay, employee ownership, information sharing, participation and empowerment, teams and job design, and cross training. People are believed to be the key to organisational success or failure (Baron and Kreps, 1999). A considerable amount of research has attempted to show that such HRM policies have an impact on organisational performance and there is a strong belief in “scientific HR management” - that putting the right person in the right place (under the right conditions) will lead to effective organisational performance (Farnham and Stevens, 2000).

2.3 HR people add value in an indirect way

However, there is an enduring suspicion by critics (and perhaps by HR managers themselves), that their activities may not add as much value to organisational life as they claim. Indeed, they may sometimes distract people from their work, and subtract value. There has been a long tradition (Legge, 1978; Cascio, 1991) within HR concerned about whether and how the HR function adds value to organisational life. This is a debate unique to the HR function. Such questions (about whether the function adds value or not), are not usually faced by production, marketing or finance managers. In general, the value *they* add is undisputed, while the HR profession has long been concerned that they are not sufficiently valued by their organisational peers. There are at least two reasons for the ongoing soul-searching and uncertainty among HR professionals:

- First, there is the fact that managerial roles in general contribute indirectly to the work of an organisation, and managerial salaries in many organisations are considered indirect costs. That is, managers do not add value by directly producing revenues, products or services. Instead they contribute by guiding, supporting and influencing those who do the work. Indeed, Drucker (1999) notes that successful managers do themselves out of a job – they contribute most when they set up systems and create an environment where people can get on with their work on their own. This is a role with which many managers (especially new managers) struggle – to understand how they contribute without actually doing the work themselves.
- Second, if managerial roles in general are indirect costs, the HR role is an indirect, indirect cost. That is, along with finance managers, legal advisers and other internal consultants, theirs is a “staff” role – they contribute by providing support

(guidance, mentoring, advice...) to other “line” managers who, in turn provide support to their people.

The result of these concerns has been a protracted effort to demonstrate the utility of “best practice” HR management. There has been significant research devoted to measuring HR practices, and demonstrating how such practices can contribute directly to overall organisational performance. However, “outcomes” attributed to HR Management are broad, not always obvious, and will always overlap with the domains of other “line” managers. For example, outcomes *may* include financial performance, firm productivity, employee commitment, absenteeism, customer satisfaction, all of which are also the domain of finance managers, production managers and marketing managers (Hartog and Verburg, 2004). And because theirs is a “staff” role, HR managers are often unable to pinpoint how their contribution adds value directly to the organisation (Wright, Gardner et al., 2005). Christensen (1997) notes that leadership about people issues comes primarily from line managers, not from those in the HR department. For example, finance managers focus on downsizing in order to reduce the labour cost. Quality managers create their own team to deal with quality control. In such cases HR managers are not directly involved in downsizing or team formation. Rather, their role is to support others in their endeavours.

2.4 Radical changes for employment relations

Rasmussen and Lamm (1999) (cited in Macky and Johnson, 2000) point out that the New Zealand context for employment relations has changed radically since the 1980s. These changes include:

- Major developments in legislation impacting on employment relations
- The deregulation of the economy
- Increasingly radical shifts in the balance of labour supply and demand
- A marked decline in the trade unions membership
- The withdrawal of the government from direct involvement in industrial relations matters
- Demographic changes in the composition of the labour force
- Shifts in managerial practices towards those that favour individualism rather than collectivism

(Macky and Johnson, 2000)

Traditionally HR has been performed as an administrative function, and provides assistance for such things as staff recruitment. However, due to these complex changes, HR managers in New Zealand firms are more likely to act as strategic players, and effective human resource management will be considered more important if organisations are to be successful. However, some HR managers may have felt reluctant to adapt to these changes due to some of the factors described by Moorhead and Griffin, (1995):

<i>Factors</i>	<i>Descriptions</i>
Habit	Managers may prefer to do the same job everyday rather than adapt. If a job is repeated over and over, the job becomes easier
Security	Some managers like the comfort and security of doing things the same old way. In this case, they gain safety in knowing that some things stay the same despite all the change going around them
Economic Factors	Some may fear that change will make their jobs obsolete
Fear of the unknown	Some managers fear anything unfamiliar.

Lack of Awareness	Some managers may not recognise the changes and may continue their current practice
-------------------	---

Table 2.1: Factors involved in resistance to change

2.5 Role confusion and Responses

For these and a range of other reasons, HR people often seem confused about their role, perplexed about how they do and should add value to organisational life, and there is an extensive literature exploring the ways in which HR people contribute (Legge, 1978). There have been several “waves” of thinking in response to these uncertainties.

Ulrich (1987) argued that HR has progressed through three phases that emphasize the philosophy and theory underlying strategic HR planning (see Table 2.2).

Phase	Concept Guiding HR planning	Goal of HR Planning
I	Regulation	Compliance with regulation and policies
II	Control	Match HR practices with strategies
III	Shape	Create a competitive advantage through HR

Table 2.2 (Ulrich, 1987)

Phase I: Traditional HR frameworks emphasized the regulatory role of HR planning. In this approach HR managers emphasised compliance and rule-based activities. With regulation as the primary focus, HR planning emphasized operational rather than strategic practices.

Phase II: The role of HR manager shifted from regulating behaviour to matching HRM with strategies. Control occurred as HR plans encouraged individual to behave in ways consistent with organisational strategies. These views were popular in the 1980s, during which HR practices were modified to encourage strategic behaviour.

Phase III: More recently, HR managers have begun to believe that HR planning and practice can be used to shape strategy; to create competitive advantage. This approach requires managers to shape rather than to respond, to regulate or to control. In this phase, HR managers become more focussed on results.

During the restructuring of the 1980s through to the late 1990's, one approach was to try to measure the value added by effective HR practices in financial terms. Thus, Cascio (1991) and others showed how HR policies and practices affected the costs of labour, and there was an important move to accounting for human resources.

One recent approach has been the work on High Performance Work Practices (Wright, Gardner et al., 2005). This approach has been to demonstrate how "best practice" in HR activities is related to overall organisational performance.

More recently, with the restructuring of the 1980's and 1990's, HR activity has been increasingly outsourced and a new cycle of HR insecurity has emerged. One response in this cycle has been to seek to show how HR activities contribute to overall firm performance, and how HR can play a strategic role (Pfeffer, 1994). Writers seek to show how HRM can have an impact on organisational effectiveness in terms of strategic decision-making, corporate ethics, operational decision-making, interpersonal conflict, quality of working relationships, career choice and progression, and employee motivation and commitment (McDonald and Gandz, 1991; Mak and Akhtar, 2003).

Given this strategic emphasis, there is some evidence from the late 80s and early 90s that there have been changes in HR management practices (Hope-Hailey, Gratton et al., 1997). Factors such as globalisation, technological change, and corporate restructuring have influenced the need for HR managers to adopt more strategic roles (Langbert, 2000). Given these changes, HR managers are believed to need more flexibility and adaptability, and (Meshoulam and Baird, 1987) note the need for HR

jobs to be flexibly defined. They argue that narrowly defined jobs and role outputs may act against achievement of strategic objectives. Ulrich suggests that when environments are constant and there is little change, HR practices probably have little impact on business results. However, in a high change environment, HR practices can have a substantial impact on business results (Ulrich, 1997).

2.6 Contingency views

Pursuing Ulrich’s theme, in more recent times, contingency views of HR activity have been advanced. These approaches say that there are different ways in which HR can add value to organisations, and the particular model chosen depends on the conditions pertaining at the time

Ulrich (1997) cited in Buyens and Vos (2001) has developed a framework for describing the ways in which the HR function may add value (see Figure 2.1). The four roles are described as four result domains - different ways in which the HR function creates value for organisations.

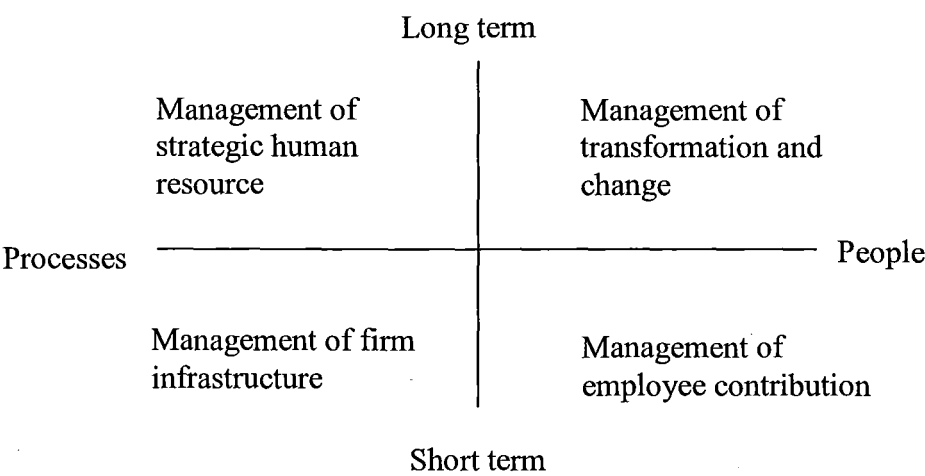


Figure 2.1: Four Result Domains (Ulrich, 1997 in Buyen & Vos, 2001)

Ulrich (1997) then argues that there are different types of HR users, as shown in Table 2.3.

Types of HR users	
<i>Comprehensive HR</i>	<i>These firms incorporate the full spectrum of HR practices</i>
<i>Traditional HR</i>	<i>These firms use HR practices for hierarchical monitoring and control of employees</i>
<i>Involvement HR</i>	<i>These firms use HR practices to increase skill levels, involve workers in jobs, and increase feelings of personal achievement</i>
<i>Identification HR</i>	<i>These firms use HR practices to increase employee identification with the firm</i>
<i>Little HR use</i>	<i>These firms pay little attention to HR practices</i>

Table 2.3: Different types of HR users (Ulrich, 1997)

2.7 Means and Ends in HRM

A central theme running through this literature deals with the extent to which HR managers add value by concentrating on process or means, as distinct from outcomes or results. One argument is that it is difficult to be both rule-based and regulatory, *and* innovative and strategic. Basically, if the results are inherently difficult to measure, we tend to focus on the *means* rather than *results*.

In this project I draw attention back to a more fundamental debate first addressed by Weber. Weber noted that in bureaucratic systems of organisation, people tend to focus on the means rather than the result itself. This has been referred to in HRM in the context of “rule based systems”. In order to reduce uncertainty for managers, HR people create processes, manuals, policies - ways of giving managers a “cookbook” for action (Leopold, Harris et al., 2005). This may be one way in which attention is focused on means rather than on ends. However, Drucker (1999) believes that a fundamental way in which managers could add value is by helping people to focus on

results. The need to focus on results rather than means becomes more important as organisational environments become more complex. Systems complexity and the concept of equifinality mean that results may be achieved in many different ways. That is, as systems become more complex “best practice” may become an illusory concept. Therefore, says Drucker (1999) all managers must be able to identify *why* certain things happen, and be able to reason from first principles, rather than simply have a set of rules about how to perform their job.

A similar point is made by (Truss, Gratton et al., 2002). In their view, if the HR manager’s primary role is concerned with rules and regulations then this probably militates against strategic thinking in HR. They argue that HR managers should focus more on the strategic role, which involves long term decision making, environmental scanning, forward planning, integrating HR with the business plan and trying to concentrate on organisation performance. They suggest that there are two types of HR managers. Type A HR managers are more focussed on organisation effectiveness and performance. Type B HR managers, on the other hand, rely more on their duties and are concerned about the process.

Barney and Wright (1998) also suggest that a rule-based focus for HRM means that HR managers will find it more difficult to facilitate innovation, so necessary to develop sustainable competitive advantage. If the role of human resource managers is to enhance organisational performance and create sustained competitive advantage (Huselid, 1995; Hartog and Verburg, 2004) or to use human capital to gain competitive advantage, then HR managers must have a deep understanding of their roles and of how they “add value” and be flexible enough to adjust their strategy to

conform to the existing business environment (Richard and Johnson, 2004). For Barney and Wright (1998), in order for the workforce to become a source of sustainable competitive advantage, HR managers must understand how their human resource can become valuable, rare, inimitable, and non-substitutable. Wintermantel and Mattimore (1997) note that organisations must move beyond a focus on administrative activities and focus on building competitive advantage for the organisation. However, and paradoxically, in this debate the emphasis has been on what HR managers do, and what might constitute “best practice”, rather than on understanding of how HR practice can become “valuable, rare, inimitable, and non-substitutable”.

Ultimately, in this debate, any contingency model must contain a theory of how different HR activities can be valuable under different circumstances. To date there is extensive coverage of HR roles, but little development of models explaining how and why HR practices contribute to organisational results.

The result is that HR managers may focus on practices such as selection, incentive pay and profit sharing, the use of job redesign and task analysis, information sharing and employee autonomy, performance appraisal, teamwork, training, internal promotion and management development, without necessarily understanding how such activities may or may not contribute to overall organisational effectiveness. That is, their focus may be on *what* they do, rather than on *why* they do it. Many studies measure the practices without taking into account the organisation, its requirements and circumstances (Hartog and Verburg, 2004).

In addition, the teaching of HRM tends to be practice oriented rather than results-oriented. In MBA courses (popular among the HR managers), HR is presented as a function that deals with administrative tasks (Wright, McMahan et al., 2001). Learners are more likely to focus on functional issues such as compensation and training rather than considering such things as managerial competencies and how they can impact on overall organisation performance. Further, Langbert (2000) argues that MBA graduates do not have the interpersonal and problem solving competencies to contribute to overall organisation performance.

2.8 Measures of HR Performance

Measurement in research consists of assigning numbers to empirical events, objects or properties, or activities in compliance with a set of rules (Cooper and Schindler, 2006). There are two favourite mantras of HR people; one is “WHAT YOU MEASURE IS WHAT YOU GET (WYMWYG)”, and another one is “YOU ONLY GET WHAT YOU MEASURE (YOGWYM)”. It is important to determine what is going to be measured because:

- It can tell us how well the task is performed.
- It also allows us to compare the measurement against some standard of performance.
- It allows us to communicate the strategy and plans of the business and align employees' goals with the strategy
- It allows us to identify problem areas
- It allows us to guide the line managers in developing future strategies and operations

It is not easy to measure constructs like opinions, leadership, or lifestyle because these are not able to be measured directly. Further, the quality of the measures depends on the measures selected and how they fit the circumstances. There are 4 characteristics of measures (see Table 2.4):

<i>Characteristics of measurement</i>	<i>Description</i>
Classification	Numbers are used to group
Order	Numbers are ordered
Distance	Differences between numbers are ordered
Origin	The number series has a unique origin indicated by the number zero

Table 2.4(Cooper & Schindler, 2006)

As we see in this project, it is not always easy to measure the performance of HRM. However, (Macky and Johnson, 2000) identified a few ways to measure the performance of an HR function:

- i. Practice reviews: these are descriptive examinations of the procedures followed in a human resource function. This is in a checklist format usually associated with an overall HR audit. For example, have job descriptions been periodically reviewed?
- ii. Statistical data: these are quantitative measures that can be presented in a variety of formats, such as absolute numbers, averages or medians, percentages, and ratios. However, each statistic only has meaning when it is compared with benchmark data. For example, the time taken to fill a vacancy is meaningless unless we know the average time it takes for competitors or by the firm over time.
- iii. Turnover and absenteeism: These are often treated separately, although they are also statistics. Turnover refers to the permanent departure of individuals

while absenteeism is defined as failure to appear for work. These may be interpreted as signs of how well human resources are managed.

- iv. Cost and utility data: these are further quantitative data that consider the costs of human resource activities.
- v. Survey data: These are currently popular methods used to assess managers' or employees' perceptions of the human resource function among other things. For example, surveys may be conducted of the level of co-operation, effectiveness, employees' trust and confidence in the organisation generally or in the HR function more specifically. The quality of HR service, information and advice, and effectiveness of response to questions and request may also be used as a performance benchmark.

According to Boxall and Purcell (2003), it is hard to measure HR performance by considering overall firm profitability because this is a global measure that can be affected by many factors including such things as the exchange rate. However, this is not a reason for HR people to ignore the overall performance of the firm as such considerations also weigh on production, marketing and finance managers. However, say Boxall and Purcell, HR managers should focus on such things as labour productivity - the ratio of labour outputs to the cost of labour inputs - as measures of HR performance.

2.9 Summary, Conclusions, Research Question and Hypotheses

In summary, there is enduring uncertainty about how HR professionals contribute value to organisational life. This uncertainty has progressed in waves. In recent times there is a belief that HR professionals should be contributing at a strategic level, and

concern that this is not happening sufficiently. However most of this work is prescriptive in the sense that writers (mainly academics) prescribe and encourage HR practitioners to embrace “best practice”. Little of this writing has been informed by what HR professionals actually do. Accordingly, this project explores the ways in which HR professionals perceive that they add value. We do this by examining HR job descriptions. In HR writing there are various best practice prescriptions, including prescriptions about how job descriptions should be written. These include the ideas (originating from Drucker’s work in the 1950s) that job descriptions should include a set of “Key Result Areas” (KRAs – functional areas or job duties where HR is believed to contribute), and Key Performance Indicators (KPIs – ways in which performance is to be measured and evaluated in each KRA)

The overall research question is this: “from an examination of HR job descriptions, in what ways does the HR role contribute to organisational performance?”

Specifically, from the literature we expected to find:

1. That job descriptions will conform to “best practice”, with clearly stated KRAs and KPIs.
2. That KRAs will cover the functional areas of HRM covered in texts
3. That KPIs will provide clear measures of performance in terms of the guidelines provided by Cooper & Schindler (2006) and Mackey & Johnson (2000)
4. That there will be an emphasis on process rather than results.

Chapter Three: Research Methodology

3.1 Introduction

This chapter describes the research methodology used to study and evaluate the HR manager job descriptions. In this research, I targeted at the high level HR roles including HR directors and HR managers who report directly to the CEO. I chose these senior positions because as generalist roles they covered a broad spectrum of HR functions.

3.2 Qualitative Methodology in Management Research

This research is primarily a qualitative piece in which I take written transcripts (job descriptions) and subject them to content analysis. However, to the extent that I have provided a set of hypotheses, and provide frequency counts of the various categories, there is also a quantitative and deductive component to the research. The aim of the research is to analyse job descriptions in order to identify how HR managers perceive that they add value to their organisations. This study is based on the assumption that HR job descriptions contain an implicit theory of how the HR roles add value to their organisations. It is an approach that focuses on naturally occurring, ordinary events in natural settings in order to obtain an understanding of what “real life” is like.

Qualitative and inductive approaches are useful for data that consist mainly of words and providing “thick descriptions”(Miles and Huberman, 1994) . Job descriptions are in this category. A job description refers to descriptions of the responsibilities associated with a given job and is a written statement usually listing the elements of

HR managers' jobs, such as purpose, duties, qualifications, training, working conditions, etc. As such, a job description is often the foundation of an employment contract.

Qualitative approaches are useful for data that are collected over a sustained period and powerful for studying any social process (Miles and Huberman, 1994). Such approaches allow the researcher to go beyond the “what” to understand “how” and “why” things happen. In this research, the study of job descriptions allows me to know *what* is important in HR work, as well as *how* they measure performance. Focussing on measurement - the level of measurement, and whether it is primarily means or ends oriented – enables some understanding of *how* HR work is enacted (the process) and *why* some things are considered more important than others. However, the second section of the analysis (focus on measures; KPIs) was more difficult because the key performance indicators were not always explicitly noted.

Data reduction is another important part of qualitative research (Miles, and Huberman, 1994). It is a process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in transcripts. Rich description is a crucial step before conclusions can be drawn, therefore it is important to “reduce” the data in the job descriptions so that conclusions can be more easily drawn and verified. Finally, qualitative research often uses literature in a different way, often introducing the appropriate literature *during* the analysis of the data.

My research can be considered a mixed qualitative-quantitative approach, and because of this I depart from a strictly qualitative approach in a number of ways:

1. I have used the literature review in a deductive fashion, setting up both a research question and a set of hypotheses.
2. While using content analysis, I have done so partly in order to obtain counts of the various categories.

3.3 Data Collection:

The first task was to collect current job descriptions. To do this we enlisted the support of the Human Resources Institute of New Zealand (HRINZ). A letter was sent to all HRINZ members asking for their participation (see Appendix 1). In response, 110 HR professionals submitted their job descriptions. In this research, 53 senior job descriptions are included (those reporting directly to the CEO).

<i>Level of seniority</i>	<i>Number</i>
Senior Position (direct link to CEO)	53
Middle Management (2 links to CEO)	39
Junior role (3 links to CEO)	7
Not a generalist HR role (Training, ER)	8
Not in NZ	1
Unclear	1
Total	110

Table 3.1: Distribution of HR roles

Five sample job descriptions are contained in the Appendix 2. These are disguised to ensure that neither companies nor respondents’ can be identified. The decision to analyse only the most senior job descriptions was taken for two reasons:

1. First I wanted to reflect the emphasis on HR as a strategic partner in organisations. We chose the job descriptions of people most likely to be involved in a strategic HR role.
2. Second, by choosing senior, generalist HR roles I was able to ensure that each job dscription would cover a range of HR duties or functions. This

would allow me to explore a range of different KRAs and their associated KPIs.

3.4 Data Analysis:

The objective of data analysis in this study was two-fold:

3.4.1 Key result areas: to identify the ways the HR roles contribute to organisational performance. To do this, we analysed the job descriptions and identified Key Result Areas. Following Drucker's call for managers to be evaluated in terms of their contribution to business results, it is now commonplace for managerial job descriptions to list key result areas. Where this terminology was not used, it was generally still possible to identify the primary areas of responsibility for each incumbent.

3.4.2 Measures: to identify the ways in which the performance of HR managers is to be measured or evaluated. This section of the analysis was more difficult because key performance indicators were not always explicitly noted. From the 53 job descriptions, only 20 explicitly included sections on key performance indicators. However, as shall be seen, measures were always implicit in the job descriptions. However, content analysis to identify KPIs was a more subjective task than identification of KRAs.

3.4.3 Content analysis. The data were content analysed. Content analysis is a research technique for the "...objective, systematic, and quantitative description of the manifest content of a communication (Cooper and

Schindler, 2006)”. It is a systematic process for coding and drawing inferences from texts. There are two types of content analysis - conceptual analysis and relational analysis (Busch, Flynn et al., 2005)

Conceptual Analysis – This form of analysis is also known as thematic analysis. Conceptual analysis is a process of examination of topics or terms contained within texts. These topics or terms represent higher level abstractions inferred from the text and its context (Cooper, and Schindler, 2006). The terms in the text may be implicit as well as explicit. Normally the explicit terms are easy to identify, while coding for implicit terms and deciding their level of implication is more complicated. Conceptual analysis usually involves quantifying and tallying the presence of these terms and topics.

Relationship Analysis – This is similar to conceptual analysis, and begins by identifying concepts present in a given text. The difference is that relationship analysis then seeks to go beyond the simple presence (or absence) of concepts, and explores the relationships between the concepts identified. There is no particular meaning attributed to individual concepts. Rather, meaning lies in the relationships among concepts.

In this research, I used conceptual analysis in which we explored the meaning involved in the concepts present in the job descriptions. To

do this, I simply counted the number of times that the themes, topics or concepts were presented.

In order to analyse the job descriptions, the first step was to develop a coding system – a way of classifying each job description, and statements within job descriptions in terms of variables of importance to this study. Establishment of a coding system proceeded in two steps:

(1) Key Result Areas:

The first step was to code the job descriptions in terms of Key Result Area (KRA). While different language was employed in different job descriptions, some common themes emerged. To derive the themes, I began with the first job description, and listed the areas of duties or KRAs. I then did the same with the next job description, while comparing and contrasting the different areas mentioned. Areas that were clearly the same were grouped together. Those that were different formed the basis for a new category. A brief description of each KRA is provided in Appendix 4. Overall, 29 key result areas were identified in this research (Appendix 3).

(2) Measures:

From the list of key result areas, the 11 most frequently mentioned were selected, and for each, a list was compiled of all the ways in which that KRA was to be measured or evaluated (Appendix 5). For

each Key result area, the researcher asked “how is performance to be measured in this area?” We then developed a number of measurement or key performance indicator categories in the same manner as for Key Result Areas. These are listed in Appendix 5. Thus, I began with the first job description and developed a set of measurement categories. As I considered each new measure I asked:

- Is this the same as a previous category?
- If different, what kind of new category does it form?

In this way I developed 12 categories of measures. Following a consideration of the reliability of coding (see section below), each measure was then classified in terms of each category.

(3) The unit of analysis

A word is in order about the unit of analysis. In reading any job description it will be clear that a single statement or sentence may contain reference to several measures. The first step in classifying measures was to identify, for each sentence or statement, the number of discrete evaluative phrases or components. Each was coded separately.

(4) Reliability

In order to test the reliability of the categories that we developed, 5 job descriptions were chosen randomly from the 53 senior job descriptions. My supervisors and I independently classified the measures of these 5 job descriptions. In our first attempt, most categories were easy to identify and code. However, categories 1, 4 and 7 proved more

difficult and there were some disagreements. Through discussion we then refined the categories on which we disagreed, and reached consensus on the coding of all measures on the five job descriptions. Subsequently, as I re-coded the job descriptions, differences of opinion were discussed with my supervisors, and for the most part, consensus was achieved.

(5) Key Performance Indicators within KRAs

Finally, I should note that Key performance indicators (KPIs) were associated with the eleven dominant *key result areas*. That is, I am able to identify the measures that are used for each of the main KRAs (see Table 4.2).

Chapter Four: Results

4.1 Introduction

This section presents the primary results including descriptions of the key result areas and the frequency with which they are mentioned, and similarly for the key performance indicators. Throughout the chapter, I include sample quotes from the job descriptions. Finally, I explore the extent to which different kinds of measures are used for the different Key Result areas.

4.2 Main content of Human Resources Work

Classification of the 53 job descriptions yielded 29 key results areas (see Appendix 3 for full list). Examination of the full list shows that the categories are not mutually exclusive – some overlap. However, rather than further combining and collapsing the categories I have included the full list, but base my analysis on the 11 most frequently mentioned KRAs. The 11 includes (see Table 4.1):

This table presents four columns. First column is the key result areas identified. Column 2 is the frequency with which each KRA was mentioned. Column 4 expresses the frequency as a percentage of total KRAs, while column 3 expresses the frequency as a percentage of total job descriptions (N=53)

Table 4.1: Main Key Results areas

Key Result Area	Frequency (Out of 53 Job Description)	Proportion of total job description	Proportion of total Key Result Areas (n=361)
1. People (Staff, Employee Relations)	46	86.79%	12.74%
2. HR Strategies	29	54.72%	8.03%
3. Recruitment, Selection, and Induction	26	49.05%	7.2%
4. Legislation, Policies, Procedures, and Compliance	25	47.17%	6.92%
5. Training, Capability, and Competencies Development	24	45.28%	6.65%
6. Health and Safety, Risk Management	22	41.51%	6.09%
7. Performance Measure and Management, Quality	20	37.74%	5.54%
8. HR Programs, Services, System, Framework, and Process	19	35.85%	5.26%
9. Record and database, HR Information System, Reporting	18	33.96%	4.99%
10. Organisational Development, Change Management	18	33.96%	4.99%
11. Remuneration, Payroll, Reward, Benefits, Compensation	16	30.19%	4.43%

4.2.1 People (46, 86.79%)

46 of the 53 job descriptions noted that the primary concern of the incumbent was with “people issues”. As distinct from the normal functional descriptions of HR, this category has more to do with the “process” of employment. HR managers are expected to have an impact on employee participation, involvement, staff relations, and communication. HR managers are expected to ensure that the staff are participating and involved in their roles. The managers are also expected to maintain good relationships with them and obtain feedback from them.

Examples from job descriptions:

- *Coach staff in acquisition of new skills and performance improvement*
- *Counsel staff on personal grievances and facilitate resolution between complainants and alleged offender*
- *To ensure staff disciplinary procedures are legally robust and procedurally fair*
- *Effective communication systems operated between all staff*

4.2.2 Human Resources Strategy (29, 54.72%)

About 55% of job descriptions assert that the HR managers should act as a strategic player. This category implies that the HR manager is responsible for linking corporate strategy with human resource issues. In this process HR managers are expected to help establish their organisation's long-term direction, and to set specific HR objectives and strategies to achieve the broader objectives. HR managers would define the HR vision and objectives so that staffs are clear about how their work adds value to organisation.

Examples from job descriptions:

- *Develop annual Human Resource Plan supporting business objectives*
- *To identify strategic skill shortages within the company and create strategies to proactively address these deficiencies*

- *Defining the HR vision for company in line with its strategic direction*
- *To develop and manage an effective succession plan to ensure that future management needs are met*

4.2.3 Recruitment and Selection, Induction (26, 49.05%)

Nearly 50% of job descriptions mention the recruitment, selection, and induction role. This involves a process of seeking, attracting, and identifying a pool of qualified candidates to fill current and future workforce needs. HR managers are to ensure there is a pool of suitable applicants for vacant positions and that the best candidates are selected. They support, guide, and assist other Directors and Managers with staff planning, recruitment and retention in accordance with best HR practice.

Examples from job descriptions:

- *Review recruitment policies and procedures*
- *Manage recruitment plan and selection for all professional and support staff*
- *To ensure best practices recruitment and selection methods are adopted for the routine needs of the company*
- *To manage the company recruitment process to ensure that strategic and operational requirements are met*

4.2.4 Legislation, Policies, Procedures and Compliance (25, 47.17%)

25 of the job descriptions explicitly include legislation, policies, procedures, and compliance. This activity is to ensure that the firm acts within legislative, policy, and procedural constraints. This involves advising other managers about legislation, what to do, and, to help reduce uncertainty for them. In this function, HR managers emphasize compliance and rule-based activities.

Examples from job descriptions:

- *Manage and coordinate HR policy development and develop and implement action plans to ensure HR policy initiatives are implemented and applied consistently*
- *Ensure that Human Resources within organisation complies with all relevant legislation, statutory requirements, regulations and standards so risk to the company is reduced or eliminated*
- *Providing senior managers with the policy tools and process to enable them to identifying, evaluating and develop the work performance of their staff in line with organisational objective*
- *Minimise risk through the provision of accurate and timely advice to managers and staff on relevant aspects of employment legislation*

4.2.5 Training, Capability and Competencies Development (24, 45.28%)

Training and development roles are covered in 24 of the 53 job descriptions. This category refers to specific learning activities

intended to improve employees' performance. HR managers are expected to plan, design and deliver appropriate training for support, professional, and management staff, and to evaluate training effectiveness and modify as necessary.

Examples from job descriptions:

- *Conduct organisational training analysis to determine skill gaps*
- *Plan, design and supervise orientation process for all new staff*
- *Support line managers to assess capability levels and implement plans to develop their team skills and abilities to match the job requirements*
- *Ensure the provision of appropriate, cost effective training and development resources to meet the needs of the business*

4.2.6 Health and Safety, Risk Management (22, 41.51%)

About 42% of the companies (n=53) emphasise health and safety as an important KRA. HR managers are expected to help to maintain a safe working environment, safe use of equipment, and have sufficient knowledge or skills to avoid harm. HR managers are also expected to assess the organisation in terms of legal impact and risk, monitoring workplace practices and implement safety policies firm-wide.

Examples from job descriptions:

- *Ensure that health and safety is complied with and that injuries and lost time are minimised through effective and wellness program*
- *Ensure all statutory requirement are met*
- *Monitor and implement safety policies firm-wide*
- *To ensure continuous improvement and implementation of health and safety policies and best practices, including effective employee participation*

4.2.7 Performance Measurement, Management, Quality (20, 37.74%)

20 job descriptions include performance management as a KRA. Incumbents are expected to design, develop, recommend and implement performance management strategies, plans, processes and systems to complement and support the achievement of business strategies and objectives. Balanced scorecards are mentioned several times. They will also provide advice and support to line management over performance management systems including disciplinary processes, personal grievance and dispute management. From the job descriptions, the managers are involved in communicating performance expectations, including ensuring that job descriptions are updated, and that training is in place to help to overcome resistance to performance management.

Examples from job descriptions:

- *Develop, review and if necessary, enhance the performance management process to ensure the individuals have clear performance management and receive regular feedback*
- *Ensure performance measurement processes are measured and managed*
- *Create and support a culture of dialogue between leaders, managers and employees around what is to be achieved in the business and in work roles*
- *Provide ongoing coaching to managers on performance management issues*

4.2.8 HR Programs, Services, Systems, Frameworks and Processes,

(19, 35.85%)

About 36% of the job descriptions mentioned existing HR programs, services, systems, framework, and processes. For example, HR managers may be expected to provide an efficient administrative service to the organisation, and the expectation is that HR managers will provide timely, accurate and well formatted information and reports for leaders and managers in these areas. This will enable managers to anticipate, plan and monitor HR capability in developing their business strategies. This is distinct from the following section (HR information) in that it refers to reporting on and maintaining already established programs.

Examples from job descriptions:

- *HRM system and framework are responsive to changes in internal and external conditions or environment*
- *Ensure the provision of a high quality and timely HR Administration service to all Leaders, Managers and Employees within organisation*
- *To monitor human resources practices for each division and maintain a consistency of advice and implementation*
- *To direct and coach executive managers to ensure that each division in New Zealand and overseas develops and implements sound human resource management practices and functions*

4.2.9 Records and Database, Human Resources Information System

(HRIS), Reporting (18, 33.96%)

18 of the 53 job descriptions include responsibility for HR information Systems. The HR managers are expected to determine what employee information the organisation requires, and provide information as required to enable high quality decision making, while complying with legislative requirements. They will also ensure the CEO is kept informed of the HR issues.

Examples from job descriptions:

- *Ensure the timely provision of management information to managers, including reports and statistics, involving the use of the Human Resources Information Database*

- *To develop HR management information to meet operational needs*
- *Maintain data and keep abreast of modern trends and development*
- *Making available and utilising HR data to assist the organisation in the effective management of its human resources*

4.2.10 Organisational Development, Change Management (18, 33.96%)

34% of the job descriptions deal with Organisational Development and Change Management. The HR managers are expected to assist the line managers with organisational development planning, taking account of the organisation's short term and long term needs. They will identify and recommend changes to structure, staffing, systems and culture necessary to meet ongoing organisational needs. In addition they also support managers in implementing and communicating changes in the organisation to maintain effective change and motivated employees.

Examples from job descriptions:

- *Lead implementation of new people management practices to support company strategic goals*
- *Support the development of a high performance culture with a strong customer focus and employee engagement*
- *To take leadership role in change activities by working with managers and staff to create the capacity to change*
- *To evaluate and improve change management process*

4.2.11 Remuneration, payroll, reward, benefits, and compensation (16,

30.19%

16 of the 53 job descriptions expect the HR managers to be responsible for remuneration, payroll, rewards, benefits, and compensation. This relatively low proportion was somewhat surprising, but I had no information about where in the organisation the remuneration functions were located.

Examples from job descriptions:

- *To advise the CE on appropriate remuneration and incentives strategy for all company position*
- *To keep contact with one or more external provider of market remuneration data*
- *Develop and maintain effective and cost efficient remuneration strategies*
- *Payroll services are supported, provided with timely and accurate information and payroll systems continue to be developed and maintained*

In summary, I identified 29 KRAs and have presented the 11 most frequently cited KRAs for further scrutiny. Overall, the most frequently mentioned KRA is people, which cover the general area of human processes, including employee relations, staff management, communication, etc. It represents 86% of total Key result areas, followed by organisation strategy, representing 54% of total key result areas. From

these results, most of the key result areas are process-oriented and administrative roles except people and organisation strategy.

4.3 Key Performance Indicators

In this section I identified 12 different categories of measurement used in evaluating the performance of HR managers. All measures, whether explicitly mentioned or implicit in the job description were classified into these 12 categories. The measurement categories are summarized below. The full list of measures for each of the KRAs is summarised in Appendix 5.

For each of the KRAs, we classified each measure of performance (KPIs) into one of the following categories:

4.3.1 Results meet expectation (6.26%):

In these cases a measure is not provided per se. Instead, job descriptions stated that performance would be evaluated in terms of whether performance “met expectations”. In other words, there *are* expectations, which remain unspecified in the job description. There is also an assumption that these expectations will be defined and measured in the future.

Examples from job descriptions:

- *To manage recruitment process to ensure that requirements are met*
- *Queries responded to within agreed timeframes*
- *Milestones are established and achieved*

- *To work closely with General Manager to achieve the objectives of the position*

4.3.2 Compliance and risk minimisation (7.38%):

This section reflects the identification of undesirable events and attempts to minimise them. This includes any events where the organisation could be at risk of prosecution. This section is potentially easy to measure because hazards and risks can be specified and events counted. This includes general statements to the effect that performance will be evaluated in terms of “risk minimisation”.

Examples from job descriptions:

- *Impact and legal risk is minimised*
- *Incidents and actions are promptly resolved*
- *Compliance with HR related legislation*
- *Ensure the company has effective policies and programmes to comply with legislative requirements*

4.3.3 Surveying (2.44%):

This category involves explicit mention of survey methods – collection and analysis of questionnaire data including formal surveys and 360-degree reviews. Measures included here are any mention of HR managers being measured by a survey methodology. Examples include staff and customer surveys.

Examples from job descriptions:

- *Manage company staff satisfaction survey*
- *Conduct local remuneration surveys on regular basis*
- *Achieve agreed levels on staff climate survey*
- *AN quarterly staff survey is implemented and monitored*

4.3.4 Reputational measures (30.97%):

This category includes measures (if they are measures at all) which indicate someone else's opinion of the person's performance. This category is different from category 1 (results meeting expectations) in that there is no indication that the expected results would be formally defined or negotiated at some time in the future. Indeed we assume that formal definition of the measure and targets will probably not occur. Instead, HR people would be informally assessed. So, for example, when a KRA involves the HR person acting as an expert on legal matters, a KPI might be stated as whether they have a "reputation" or are respected as an internal consultant. These are likely to be hard to attach numbers to. In the main this category includes statements about respect, acceptability of performance etc.

Examples from job descriptions:

- *To communicate and share information openly and honestly with team members*
- *Senior team is kept informed and advised*
- *Ensure staff are aware of their responsibilities*
- *Manager and staff see the value in HR policies and practices*

4.3.5 Staff performance (0.77%):

In these cases, the HR manager is evaluated in terms of the performance of other people, sometimes their own HR staff, but sometimes line staff. Sometimes direct measures of staff performance are included. These may depend on an existing performance management system. The “measures” cited can include statements about “optimising” or “maximising” staff performance

Examples from job descriptions:

- *Ensure that service and efficiency of staff are not compromised*
- *Schedule and monitor work and review results of HR team*
- *Establish performance targets for staff and review attitudes and performance*
- *Monitor and evaluate performance and efficiency of staff and procedures*

4.3.6 Training provision (5.08%):

These are measures of the provision of training including number of courses, availability of courses, people attending, and satisfaction with training. These are a combination of survey and statistical data.

Example from job descriptions:

- *Initiate development and training programmes for staff*
- *Maintaining and further developing personal skills and effectiveness in relevant managerial and professional practice*
- *Ensure effectiveness of apprentice training programmes*

- *Conduct analysis of training programmes*

4.3.7 Documentation (33.19%):

This represents an emphasis on documentation and undertaking “best practice” procedures – job descriptions, job evaluations, etc. These are usually “checklist” measures – they tap whether the HR manager can ‘tick off’ that activity or not. A scorecard is a count of whether that activity has been done or not. This also involves any documentation issues such as reviews and reports.

Examples from job descriptions:

- *Prepare and negotiate individual employment agreements*
- *Staff receive regular formal appraisal*
- *Develop and implement company HR strategic plan*
- *Ensuring that all documentation is updated appropriately*

4.3.8 Financial measures (2.30%):

These measures include statements about budgets, cost effectiveness, and any other items to which a financial value can be assigned. “Cost effectiveness” may be mentioned.

Examples from job descriptions:

- *To recommend to staff members suitable training course and arrange same within training budgets*
- *Projects completed within budget*
- *Control recruitment budget*

- *The budget is to be agreed and managed within the agreed sums*

4.3.9 Cultural measures (1.88%):

These “measures” explicitly mention attempts to influence and tap cultural dimensions of the organisation. Sometimes the term “fit” or “cultural fit” may be used. Can be associated with mention of organisation development (OD).

Examples from job descriptions:

- *Measuring, monitoring, and developing organisational culture*
- *Level of fit*
- *Deliver and support key change initiatives within organisation with regard to values, culture, leadership, behaviours and performance*
- *Apply initiatives to develop a culture which supports strategic priorities and creates an environment that enables staff to deliver*

4.3.10 Staffing movements and statistical data (2.51%):

This involves indicators of HR activity to which “hard” numbers can be attached. One such is labour turnover. Other measures include absenteeism, vacancies and retention statistics.

Examples from job descriptions:

- *Positive HR indicators such as low turnover, absence*
- *Achieve agreed levels of staff turnover, absenteeism*
- *All positions are filled by suitably qualified and competent staff*
- *Number of staff actively involved in safety and wellness initiatives*

4.3.11 Quality measures (1.81%):

These represent the “buy-in” of HR people to the quality movement. One indicator is reference to “continuous improvement”.

Examples from job descriptions:

- *Final quality control checks on work output to ensure it meets the required standards*
- *Seek, investigate, and research opportunities to improve and enhance HR systems and procedures*
- *Quality standards met*
- *Continuously improve and innovate the HRM frameworks*

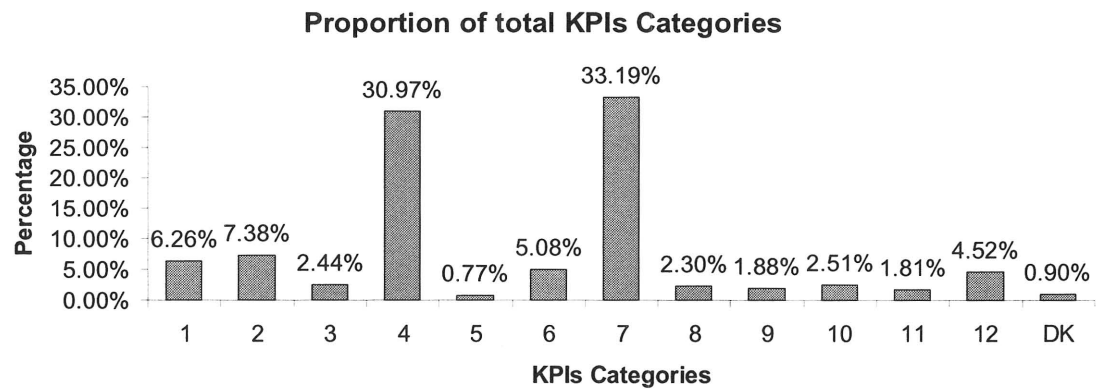
4.3.12 Maintenance of good relationships (4.52%):

These measures refer to the need for HR people to maintain good relationships with various stakeholder groups. These tend to be reputational measures, and can be self-referencing in that the measure of whether good relationships exist is whether good relationships are deemed to exist.

Examples from job descriptions:

- *Develop and maintain internal communication strategies to enhance alignment between stakeholders*
- *Maintain strong link with training providers*
- *Improve working relationships within the organisation by developing effective safety, health and welfare programs*

- *Maintaining good working relationships with internal and external individuals and groups*



1	Results Meet Expectation	8	Financial Measures
2	Compliance and Risk Minimization	9	Cultural Measures
3	Surveying	10	Staffing Movements and Statistical Data
4	Reputational Measures	11	Quality Measures
5	Staff Performance	12	Maintenance of Good Relationship
6	Training Provision	DK	Unclear
7	Documentation		

Figure 4.1: Proportion of total KPIs by Category

Figure 4.1 above summarises the distribution of KPIs across categories. From the graph above, we can see that the reputational measures and documentation are most frequently used for measurement, followed by compliance measures and results meet expectation category. Surprisingly, statistical data, and financial measures are not frequently mentioned.

4.4 Links between Key Result Areas and Key Performance Indicators

In the previous section, we classified the KRAs and KPIs from the job descriptions.

In this section of the analysis, I worked through each of the 11 main KRAs and identified the distribution of KPIs associated with each. The question posed here is:

to what extent are different kinds of measures used in different KRAs?

Table 4.2 summarises the distribution of KPIs for each KRA. In the following section I then consider the main differences between Key Result Areas in terms of the approaches to measurement

	Key Performance Indicators												
	1	2	3	4	5	6	7	8	9	10	11	12	DK
Key Result Areas													
People	12	24	11	115	5	12	53	9	3	9	4	25	0
HR Strategies	19	5	2	75	0	3	57	3	6	2	2	8	1
Recruitment , Selection, and Induction	5	4	3	42	1	9	70	2	3	9	1	5	0
Legislation, Policies, Procedures, & Compliance	8	24	3	33	0	2	46	0	2	1	3	1	1
Training, Capability, and Competencies Development	9	0	0	24	0	35	29	3	1	1	1	7	1
Health and Safety, Risk Management	6	29	0	22	0	1	32	1	0	4	2	4	2
Performance Measure and Management, Quality	6	1	4	34	3	6	41	3	5	2	4	4	2
HR Program, Services, Systems, Frameworks, and Processes	16	15	3	43	0	1	61	6	1	3	6	3	3
Record and Database, Human Resource Information System, Reporting	2	1	1	8	0	0	35	2	0	3	1	2	0
Organisational Development and Change Management	5	2	2	31	2	4	24	2	5	0	2	4	0
Remuneration, Payroll, Reward, Benefits, and Compensation	2	1	6	18	0	0	29	2	1	2	0	2	3
Total	90	106	35	445	11	73	477	33	27	36	26	65	13

Table 4.2: Distribution of KPIs for each KRA

In analysis of this table I first simply examined the frequency with which each type of measure was used for each KRA. These are reported in the figures below. For each graph I report the three dominant forms of evaluation. Second, I computed a chi-squared statistic for the KRA by KPI frequency matrix (Appendix 6). This enabled me to see whether certain KPIs were under or over-represented for particular KRAs. Chi-squared requires that the expected values in each cell should not fall below 5. However, to meet this restriction I had to ignore the results for some of the little used KPIs. So, for example, I had to drop from consideration KPIs 3 (Surveys), 5 (Staff Performance), 8 (Financial measures), 9 (Cultural measures), 10 (Staffing movements) and 11(Quality measures). Discussion of the possible reasons why these measures are so little used is covered in chapter 5. The chi-squared statistic ($\chi^2 = 390$) was highly significant ($P \geq 0.000$) indicating that some forms of KPI were much more or less likely to be used for certain KRAs than expected by chance. In the following analysis I report the existence of those approaches to measurement that are used more or less than expected by chance. In reporting these results I use an arbitrary decision rule, reporting only those where the ratio of the squared differences between actual and expected values to expected values exceeded 10.0.

4.4.1 KRA1: People

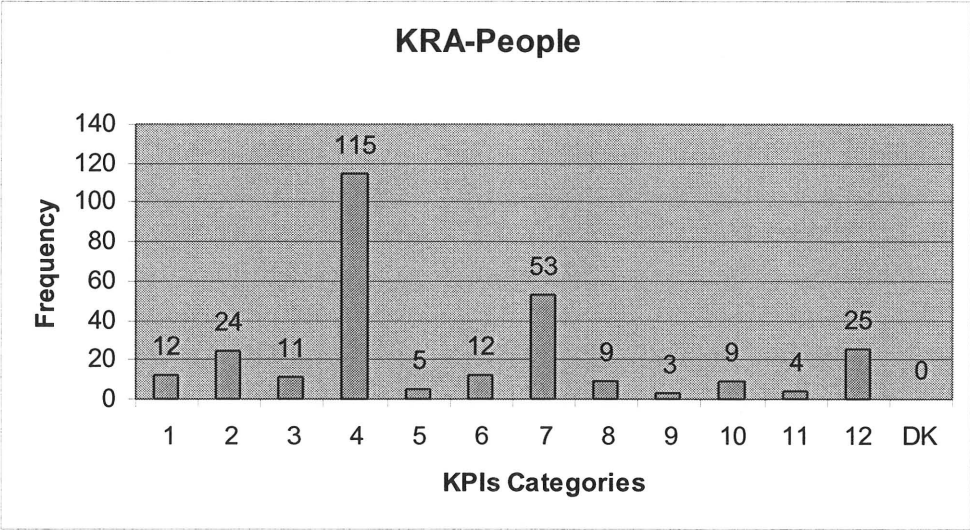


Figure 4.2: KPI distribution for KRA1-People

This is the most frequently mentioned KRA and, not surprisingly includes the greatest number of KPIs. In order of significance, KPIs are:

- 1: Reputation
- 2: Documentation
- 3: Maintenance of good relationships

Comment: There are three points of interest here. First, both reputational and Maintenance of Good relationships measures are used *more* than expected. However, Documentation is used *less* than expected,

4.4.2 KRA2: HR Strategies

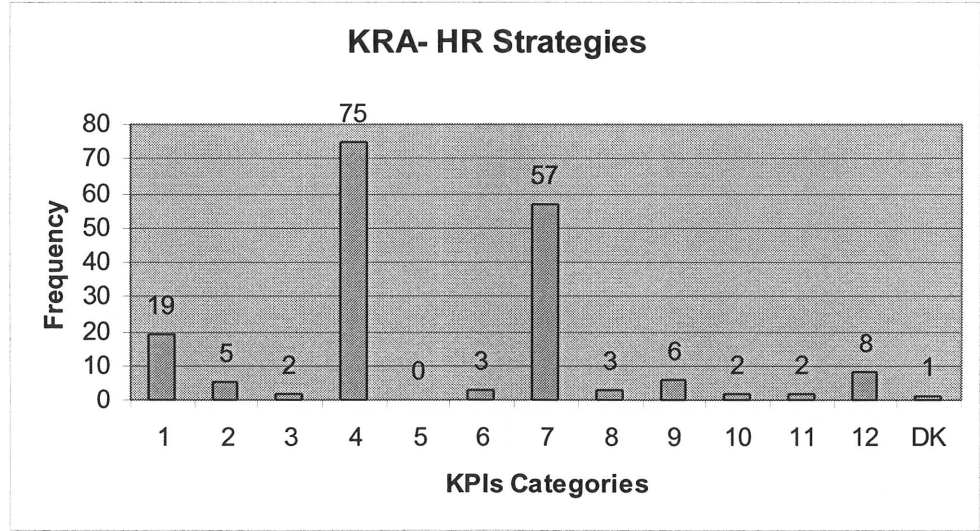


Figure 4.3: KPIs distribution for KRA2-HR Strategies

- 1. Reputation,
- 2. Documentation
- 3. Results meet Expectations

Comment: There was no indication for HR strategy that any one form of measure was used more or less than expected.

4.4.3 *KRA3: Recruitment, Selection, and Induction*

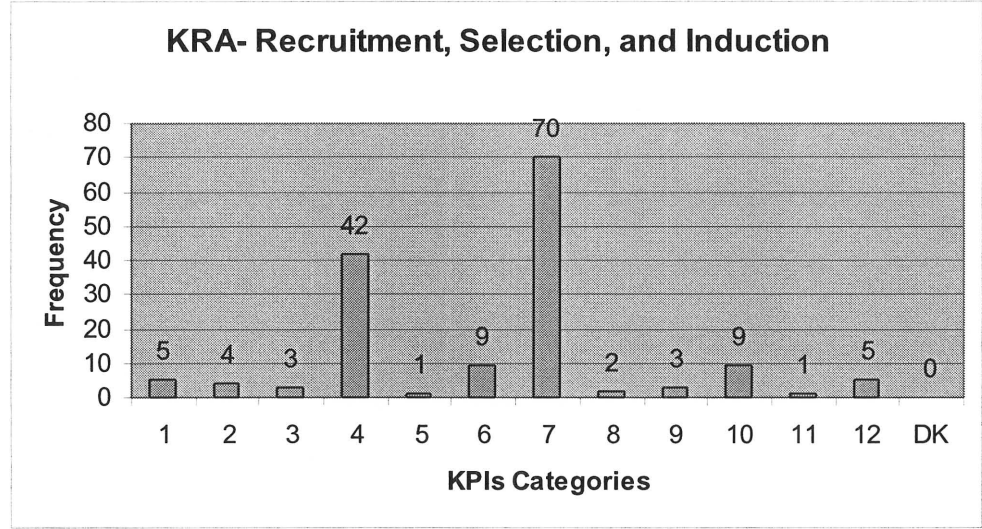


Figure 4.4: KPI distribution for KRA3 - Recruitment, Selection, and Induction

1. Documentation
2. Reputation

Comment: Again, as with KRA2, there is no indication of any over or under-use of any particular KPI.

4.4.4 *KRA4: Legislation, Policies, Procedures, and Compliance*

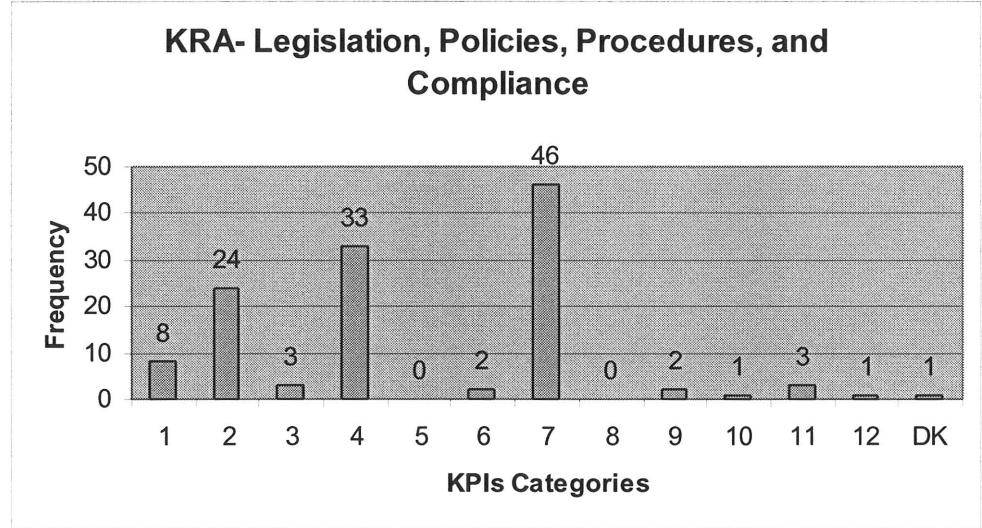


Figure 4.5: KPI distribution of KRA4 - Legislation, Policies, Procedures and Compliance

- 1. Documentation
- 2. Reputation
- 3. Compliance

Comment: In this case, compliance is used as measure for this particular KRA, which is reasonable. Other than that, documentation and reputation are used for measuring as well

4.4.5 KRA5: Training, Capability, and Competencies

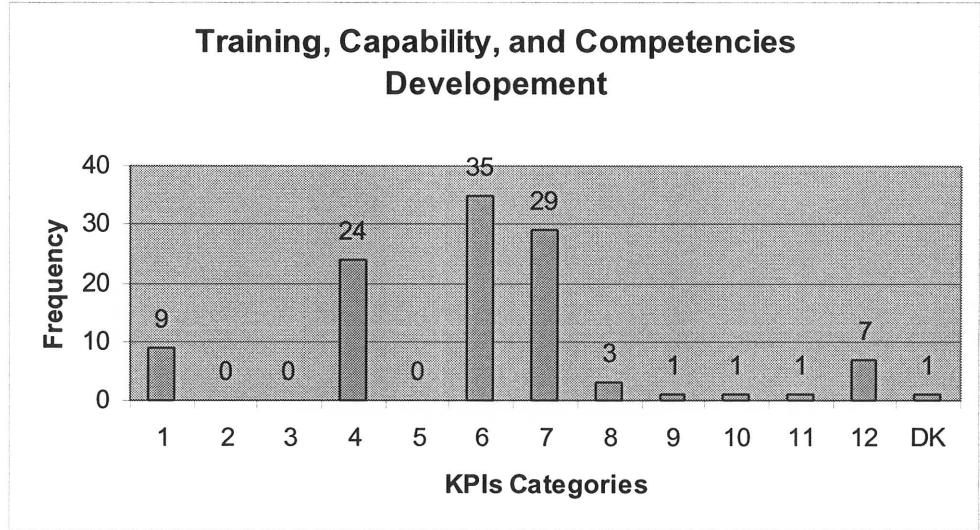


Figure 4.6: KPIs Categories distribution of KRA5 -Training, Capability, and Competencies Development

- 1. Training Provision (measures of whether training is or iss not provided)
- 2. Documentation
- 3. Reputation

Comment: In the case of training as a KRA, it is not surprising that “training provision” (measures that check off whether training has or has not been provided) are used much more frequently than expected by chance,

4.4.6 *KRA6: Health and Safety, Risk Management*

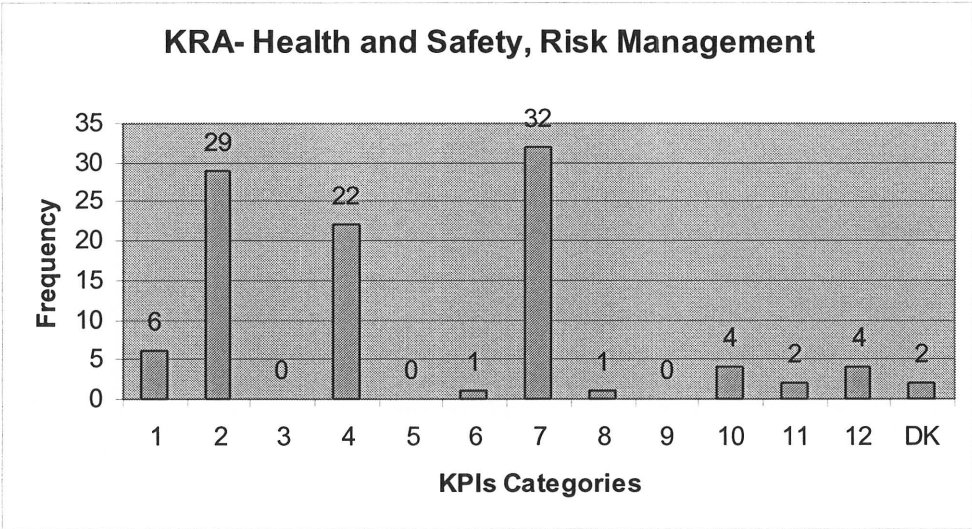


Figure 4.7: KPI distribution for KRA6 - Health and Safety, Risk Management

1. Documentation
2. Compliance
3. Reputation

Comment: These results show that most uses of compliance and risk minimisation measures occur in the field of health and safety

4.4.7 *KRA7: Performance and Quality Management*

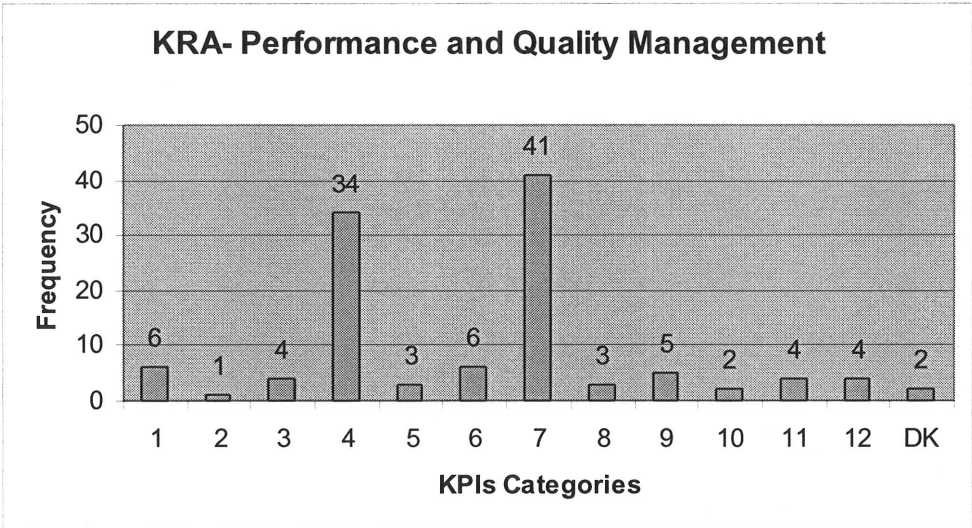


Figure 4.8: KPI distribution for KRA7 - Performance and Quality Management

- 1. Documentation
- 2. Reputation

Comment: There were no deviations from expected results here.

4.4.8 KRA8: HR Program, Services, System, Framework, and Processes

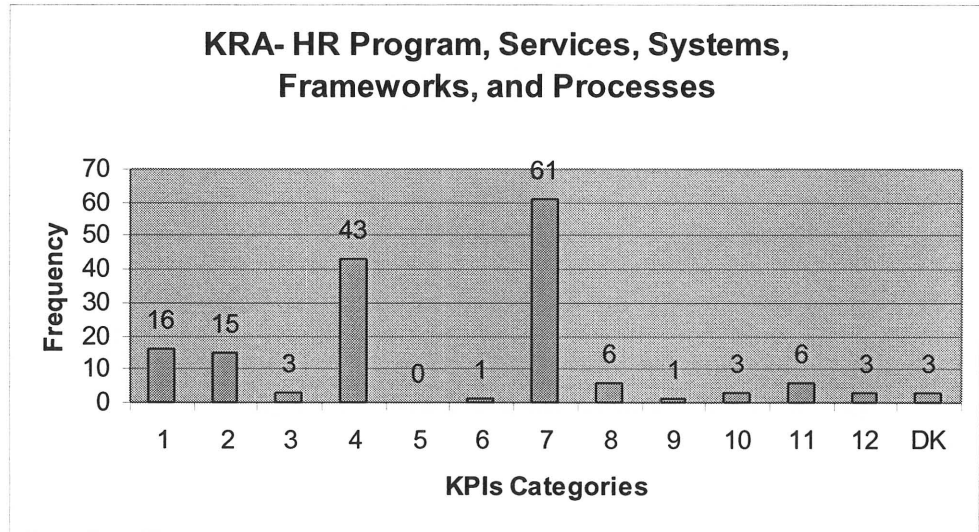


Figure 4.9: KPI distribution for KRA8 -HR Program, Services, Systems, Framework, and Processes

- 1. Documentation
- 2. Reputation
- 3. Results meet expectations
- 4. Compliance and risk minimisation

Comment: Once more, there were no strong deviations from expected values.

4.4.9 *KRA9: Record and Database, Human Resource Information System, Reporting*

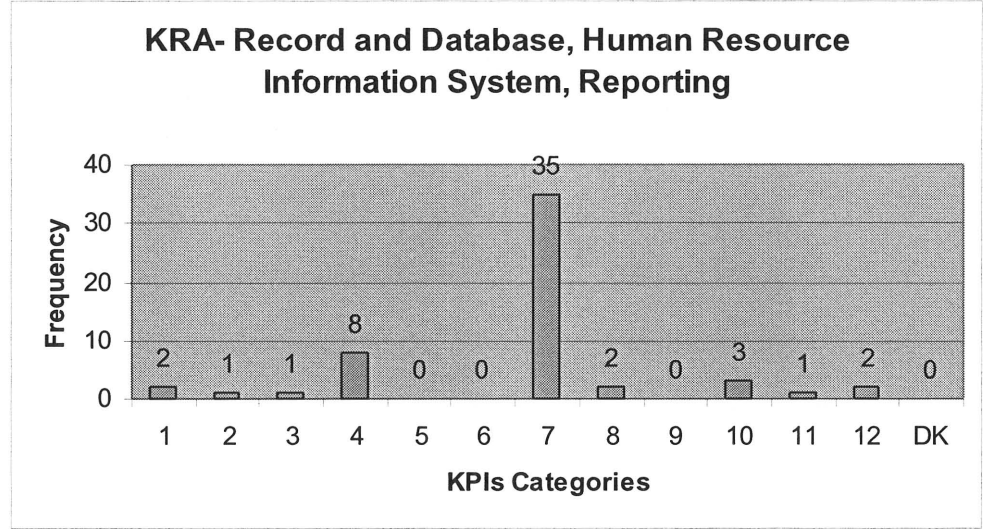


Figure 4.10: KPI distribution for KRA9 - Record and Database, Human Resource Information System, Reporting

1. Documentation

Comment: Perhaps not surprisingly, documentation is used considerably more than might be expected as the main way in which the HRIS function is evaluated.

4.4.10 *KRA10: Organisational Development and Change Management*

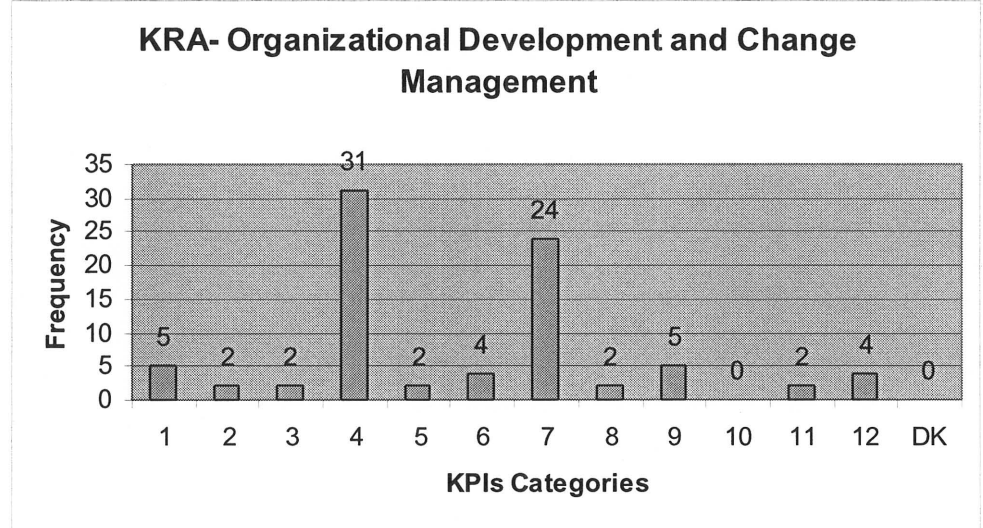


Figure 4.11: KPI distribution for KRA10 - Organisational Development and Change Management

- 1. Reputation
- 2. Documentation

Comment: While these two forms of measure dominate this KRA category they are neither more nor less represented than expected.

4.4.11 KRA11: Remuneration, Payroll, Reward, Benefit, and Compensation

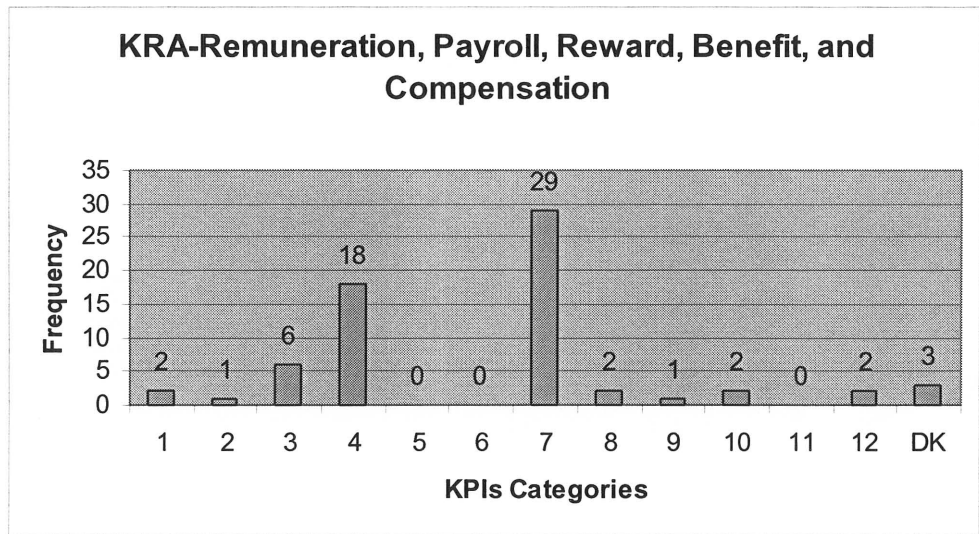


Figure 4.12: KPI distribution for KRA11 - Remuneration, Payroll, Reward, Benefit, and Compensation

- 1. Documentation
- 2. Reputation

Comment: Finally this KRA, as for others is mainly evaluated in terms of whether HR managers follow best-practice and have effective documentation, and secondly in terms of their reputation. No form of measurement is either over or under-represented in this category

In conclusion, most of the key result areas are measured by using documentation and reputational measures. Financial measures and statistical data are surprisingly under-represented for all Key Result Areas..

Chapter Five: Discussion

5.1 Introduction

In this chapter, I will discuss the four hypotheses in light of the results from the 53 job descriptions of senior HR managers, and the literature. The four hypotheses were that:

1. Job descriptions will conform to “best practice”, with clearly stated KRAs and KPIs.
2. KRAs will cover the functional areas of HRM covered in texts
3. KPIs will provide clear measures of performance in terms of the guidelines provided by Cooper & Schindler (2006) and Macky & Johnson (2000).
4. Given the nature of HR work, there will be an emphasis on process rather than results.

5.2 Best practice in job descriptions

The primary function of a job description is to give the job incumbent a clear idea of what is expected of them. HR best practice suggests that job descriptions should contain Key Result Areas, and KPIs. That is, a job incumbent should be clear about their job duties, and should know how they will be evaluated. As we shall see later, Key Result Areas are generally clearly defined.

However, only a minority of job descriptions presented measures of performance in an explicit way. Of the 53 job descriptions, only 20 explicitly included sections on KPIs. In discussion with members of HRINZ, one person suggested that this was

because, in addition to a job description, HR managers may also have a performance agreement, and that “measures” may be contained in that document.

However, while the form of the job descriptions may not conform to “best practice”, the language of the job descriptions is full of allusions to “best practice” and uses jargon borrowed from various sources. For example, in job description 1 (Appendix 2), the incumbent is:

“Responsible for establishing, developing and leading a professional Human Resources team to ensure that ‘best practice’ Human Resource processes are embedded across the business”.

These kinds of general statements are widely used. That the job descriptions tend not to conform to “best practice” but contain many references to “best practice” may suggest that “form” counts ahead of substance in HR work.

The explicit allusions to “best practice” may also reflect uncertainty among the HR managers. That is, their uncertainty about the nature of their roles may make them particularly susceptible to fads and fashions. This may also be reflected in a tendency for HR job descriptions to focus on process rather than results, a point discussed later. As noted in the literature review, in order to reduce uncertainty, HR people may focus on processes as a way of giving managers a “cookbook” for action.

5.3 Key Result Areas

From the key result areas that I developed, (particularly the top 11) there are remarkable similarities to the present HRINZ competency model (Table 5.1). Competency models are used by HR Institutes throughout the world to identify the primary areas of responsibility for HR professionals. The HRINZ model provides a set of competencies in 9 areas, and in table 5.1 below, these are mapped onto the KRAs derived for this study.

Table 5.1: KRAs compared with HRINZ Competency Model

HRINZ Competency Model:	Key Result Areas (the top 11)
<ul style="list-style-type: none"> Managing the human Resource Function- developing HR strategy, showing an understanding of “best practice” in HR, managing and determine the best way of providing a HR service 	<ul style="list-style-type: none"> HR Strategies (54.72%) HR Programs, Services, System, Framework, and Process (35.85%)
<ul style="list-style-type: none"> HR Planning and Staffing 	<ul style="list-style-type: none"> Recruitment, selection, and Induction (49.05%)
<ul style="list-style-type: none"> Learning, training, and development 	<ul style="list-style-type: none"> Training, Capability, and Competencies Development (45.28%)
<ul style="list-style-type: none"> Employee relations 	<ul style="list-style-type: none"> People (86.79%) Legislation, Policies, Procedures, and Compliance (47.17%)
<ul style="list-style-type: none"> Remuneration and benefits 	<ul style="list-style-type: none"> Remuneration, Payroll, Reward, Benefits, Compensation (30.19%)
<ul style="list-style-type: none"> Safety, Health, Welfare, and Support 	<ul style="list-style-type: none"> Health and Safety, Risk Management (41.51%)
<ul style="list-style-type: none"> System and Information Management 	<ul style="list-style-type: none"> Record and database, HR Information System, Reporting (33.96%)
<ul style="list-style-type: none"> Performance Management 	<ul style="list-style-type: none"> Performance Measure and Quality Management (37.74%)
<ul style="list-style-type: none"> Change Management 	<ul style="list-style-type: none"> Organisational Development, Change Management (33.96%)

This indicates that the HR managers are clear about their duties, and understand their functional responsibilities. They know where and what they need to do make an impact and add value to organisation.

However, there is one main exception that I have called “People”. This covers the general area of human processes, including employee relations, staff management, communication, etc. Based on the frequency with which this is mentioned it is seen as the most important aspect of the HR role. HR managers know that they will be called on when human relationships become difficult and it is their job to “oil the wheels” of human interaction. It is perhaps surprising that this “function” is not explicitly mentioned in the HRINZ competency model. Examination of any other HR Institute models covers this essential set of duties (Dakin, 2005)

The current rhetoric about the strategic roles of HR is reflected in the fact that 54% of the job descriptions cover Strategy as a key HR responsibility. In this case, mainly what they do is to form a HR strategy that supports the overall strategy, and business objectives. For example, to quote from one job description- “Ensure human resources strategies exist to safeguard the organisation’s legal obligation in the employment context and promote good employment relationship”.

For the rest, the relative priority of different functions is not surprising.

The main role for HR managers is to recruit, induct and retain the capable staff in the organisation and represents 49% of the HR roles in this study. Training is another important role for HR managers, represented in 45% of HR roles.

What is a little surprising is that the remuneration, change management, HR information system, and HR Program Management are mentioned by only 30%, 33%, 33%, and 35% of the HR jobs respectively. This suggests that the emphasis is more strongly on administrative, compliance, and process-based activities such as recruitment, legislation, and health and safety roles.

Overall, however the KRAs are clear and consistent with the competency models of HR Institutes and cover the functional areas of HRM described in texts. However, as we discuss more fully later, the emphasis tends to be on process and administrative activities, rather than results as found by Wright et al. (2005)

5.4 Measurement/Key Performance Indicators

The most significant issue in this research is basically about how performance is measured in each of the key result areas. The common view in modern management practice is that, if something is important then it should be measured, and this is reflected in the current interest in balanced scorecards. Two quality mantras that express this idea clearly are: WYMWYG (“what you measure is what you get”), and YOGWYM (“you only get what you measure”), both emphasising the importance of measurement in work. However, even though they are clear about their role responsibilities, HR managers do not appear to measure their own performance well. In this section I explore the measure advocated in job descriptions for evaluating HR performance.

We have already seen that performance management and measurement is one of the KRAs for HR people. We might expect therefore, that in measuring their own performance, they would employ the highest of measurement standards. Let's first consider some broader issues surrounding measurement. Measurement implies that a number can be attached to a phenomenon. Measures can be evaluated in terms of several criteria (Cooper and Schindler, 2006):

- Ease of measurement: how easy is it to attach a number to it?
- Reliability of measurement: can we rely on the numbers or are they likely to be wrong?
- Validity of measurement: how well do the numbers represent what we are really interested in?

First, a measure is a quantitative manifestation of something. In other words, we cannot consider something a "measure" unless we can attach a number to it. Some things are easy to quantify and other things are harder. However, most of the reputational measures (30.97%) mentioned in this study (for example, whether someone has a reputation as an internal consultant) are hard to attach numbers to. Hence, their function as "measures" is suspect. Some HR people try to solve this problem by engaging in such things as 360-degree reviews. However, such attempts are still fraught with measurement problems (more particularly the problem of validity) since they are asking people to attach numbers (ratings) to opinions or attitudes. We then end up evaluating HR people in terms of the weight of opinion about their performance, rather than their "objective" performance.

Second, any measure must be evaluated in terms of its reliability. Reliability refers to whether the measure is stable or consistent. Thus some measures (the number of people attending training for example) are likely to be reliable, while others are notoriously unreliable. For example, job satisfaction surveys can be quite variable depending on the time of year, the stage in the contract negotiation cycle, etc.

Third, any measure is worthless unless it is valid. Validity refers to whether the measure actually captured what it intends to or not. So, for example, the number of vacancies is likely to be reasonably valid as an indicator of recruitment effectiveness. However, whether someone has *written* a recruitment strategy or not is likely to be (at best) an indirect (low validity) measure of recruitment effectiveness.

In this study, the two most used measures are Documentation and Reputational measures. *Documentation measures* emphasise documentation and undertaking “best practice” procedures, such as job descriptions, job evaluation, etc. These are “checklist” measures which are easy to compile, but which may not be particularly meaningful. They generally represent a concern to be seen to be engaging in “best practice” HR activities. The popularity of such measures (everyone has a current job description; everyone has completed an annual appraisal) reflects an emphasis on process rather than results. In turn this emphasis on process is further evidence that HR people are confused and uncertain about how they add value – the results they contribute.

Reputational measures are the most widely used category of measures in this study. Here is an example of a reputational measure from job description 1:

“Bringing people issues into focus at every opportunity. Working with managers to ensure that people initiatives are understood, supported and implemented”

These measures have no “objective” referent, and indicate someone else’s opinion of the person’s performance. They may be considered at the level of a “popularity contest”. According to Cooper and Schindler (2006), measurement is a process of assigning numbers to empirical events, objects or activities. Reputational “measures” are hard to attach numbers to, and it is questionable whether they should be considered measures at all.

Perhaps most telling in this study is the relative lack of statistical or evidence-based measures of HR performance. Statistical data including turnover, labour stability, absenteeism, etc represented only 2.5% of all KPIs. Such measures are the most appropriate indices of HR performance. Their absence is the central puzzle in this study: why *don’t* HR managers measure their performance?

5.4.1 Reasons why HR manager do not measure their performance

From the previous section, we know that the HR managers are clear about the areas they need to perform, but they are not measuring their own performance. Somewhat surprisingly, performance is described in terms of process and “best practice”, not in terms of results.

There are several possible reasons for this situation. First, HR managers may not believe that it is important. In this study, HR managers appear to believe that such things as training provision, reputation and documentation of “best practice” are the most important indicators. Should more objective measures of results be important, then we would have expected them to be mentioned. That they are not mentioned suggests that they don’t matter much to HR professionals.

Another reason may be that they lack the professional knowledge to undertake such measurement - perhaps they are unaware of how to do so. However, objective measurement has been widely promoted in NZ (Cascio, 1991) and it is likely that HR professionals have knowledge of the importance of such measures.

A third possibility is that HR managers do not have the capacity to do so. It might be time-consuming and costly to measure performance. Because they have neither the time or budget to do so, they rather choose to perform other tasks. However, most of the established measures of HR performance

(Bowey, 1976) are easy and inexpensive to obtain. Most (turnover and stability for example) are based on data that should already be available through the payroll function, or could easily be calculated.

A fourth possibility is that HR managers may lack the motivation to do so, and do not wish to collect the data. Maybe it is more comfortable not to be measured. They may fear that if performance is poor, they might be blamed (Bedi, 1994).

We do not have the information to answer the questions posed above. All we can conclude is that the approaches taken by HR people to measurement of their own work are suspect, and are hard to measure. The measures are also likely to be unreliable and invalid, especially reputational measures which are used frequently by HR people.

From the literature review, Macky and Johnson (2000) identified a few ways to measure the performance of an HR function. These include practice reviews, statistical data, turnover and absenteeism, cost and utility data, and survey data. It is useful to consider the extent to which Macky and Johnson's measures are reflected in the KPI categories that I developed. Table 5.2 summarises the performance measurement categories developed by Macky and Johnson and compares them with those identified in this research.

Performance Measurement (Macky & Johnson, 2002)	KPI Categories	Comments
<p>Practice Reviews These are descriptive examinations of the procedures. This is in a checklist format associated with on overall HR audit.</p>	<p>Documentation (33.19%) This category emphasises documentation and undertaking “best practice” procedures. These are checklist measures. This involves issues such as reviews, report, etc.</p>	<p>These are “process” measures, which rely on procedures, and established steps. This approach may militate against strategic thinking in HR (Truss, Gratton, Hope-Hailey, Stiles, & Zaleska, 2002), and may make it difficult to facilitate innovation (Barney & Wright, 1998).</p>
<p>Statistical Data, turnover and absenteeism These are quantitative measures that can be presented in a variety formats, such as absolute numbers, average or medians, percentages, and ratios. Turnover and absenteeism generally accepted statistical data in evaluating HR</p>	<p>Staffing movement and statistical data (2.51%) This is the “hardest” data in the job descriptions, and most likely to represent the results expected of HR managers</p>	<p>These are direct measures of HR performance, and are probably the easiest to measure. However, this method is not frequently mentioned in this research, and only represents 2.51% of all KPIs identified.</p>
<p>Cost and utility data This in another quantitative data set that considers the expenses (and benefits) involved in human resource activities.</p>	<p>Financial measures (2.30%) These measures include statements about budgets, cost effectiveness, and any other items to which a financial value can be assigned.</p>	<p>These are also quantitative data but might be affected by many factors such as the exchange rate. Perhaps for these reasons, financial data is largely ignored by the HR managers in our sample. See similar conclusions by Boxall & Purcell, (2003).</p>
<p>Survey data These are popular methods used to assess managers’ and employees’ perceptions of HR functions.</p>	<p>Surveying (2.44%) These involve collection and analysis of questionnaire data including formal surveys and 360 degree reviews</p>	<p>These measures are little used by HR managers in our samples.</p>

Table 5.2: Comparison between Performance Measurement (Macky and Johnson, 2002) and KPIs Categories

In summary, despite the enthusiastic endorsement of the importance of measurement by the HR Profession, despite exhortations by HR academics for HR people to measure their own performance (Cascio, 1991), HR professionals do not measure their own performance. We further explore some of the reasons for this omission.

5.5 Process orientation among HR managers

In support of the fourth hypothesis – that HR roles would be mainly process-oriented, both KRAs and KPIs are heavily weighted towards process.

From the previous section, we know that, with the exception of the two most frequently mentioned KRAs (“People” and “HR Strategy”), the key result areas are mainly administrative and process-oriented.

In terms of key performance indicators, there is heavy emphasis on documentation (33% of total KPIs). As discussed previously, documentation mainly includes process measures, which reflect reliance on procedures, and established steps. Although there are ways to measure HR performance (results) directly (financial measures, statistical data, surveying), such measures are surprisingly under-represented.

From the literature review, it appears that a rule based system or process orientation will make it more difficult to facilitate innovation, and is less likely to create a competitive advantage. Therefore it is important for HR people to go beyond administrative activities and understand why such activities may or may not contribute to overall organisational effectiveness.

5.5.1 Reasons why HR managers focus on process rather than results

One of the reasons is that the results are difficult to measure. Therefore they tend to focus on means rather than results. This may happen because there are several steps in the chain from action to results. Value is defined through the eyes of the end consumer (Ravald and Gronroos, 1996). In another words, the closer we are to the consumer, the easier we can see the value we add. For example, it is easy for us to see the importance of sales in business, but it is hard to see the importance of margin and also utility of HR activities. Therefore if there are several steps in the chain from action to results, people might find it hard to understand the links. According to Richard and Johnson (2004), such links are hard to identify and therefore it can be hard to demonstrate the value added by those who are distant from the end consumer.

Another reason is that the timeframe between action and result is long. HR roles tend to have longer time frames compared to other management roles. For example, it would take a long time to build a skilled workforce, and this may promote a process orientation.

Equifinality and the law of unintended consequences is another reason why HR managers may focus on process rather than results. This is related to the previous point. In any complex system, the notion of equifinality means that there are always many different ways of achieving any particular goal. Hence, it is difficult to identify a set of HR “best practices”. What might work in one situation may not work in another. Furthermore, because organisations are not deterministic (the results of any action cannot be predicted perfectly) we need

people in managerial roles who can tolerate uncertainty. Those who require structure and certainty in their lives will tend to focus on the things they can control in their present work activities and will insist on following “best practice”. Again, this may result in people concentrating on means and ignoring results.

5.6 Summary

In this section I have noted that, while HR managers are clear about their functional responsibilities, they do not measure their performance in a robust way. I have explored some of the reasons for this, although I cannot form clear conclusions from this data. Further, there is a strong tendency to focus on process rather than results. Again I have suggested some reasons for this finding.

Chapter Six: Conclusion and Areas of Further Research

6.1 Introduction

This study has examined the job descriptions of senior HR managers in an effort to develop a better understanding of how HR managers are thought to “add value” to their host organisations. In this section I note that acceptance of HR managers as professionals is inextricably linked to their ability and willingness to measure their performance. I then further explore some of the reasons why HR managers focus on process rather than result and may not measure their performance. Finally, I explore some of the possible limitations and areas of further research.

6.2 Conclusion

This research was conducted to explore how HR managers perceive that they add value to their organisation through an examination of HR job descriptions. To do this, we approached members of the HR Institute of New Zealand and asked them to submit their job descriptions. In this research, 53 senior job descriptions are included.

From the job descriptions, we identified 11 most frequently mentioned Key result areas (KRAs) and examined the measures of performance (12 categories of key performance indicator) associated with each key result areas.

On a positive note, this project indicates that the HR managers are clear about the areas of responsibility they have, and these are similar to the existing HRINZ

competency model. HR managers believe that addressing “people” matters is the main way in which they add value to their organisations.

However, it is surprising that HR people are primarily focussed on “process” measures (Documentation) and on Reputation. They appear to rely on evidence that they can tick off tasks, and that they undertake “best practice” procedures as the primary evidence of their performance. The difficulty for them is that in an uncertain and changing world, there may be no such thing as “best practice”. In adopting “rule based” systems, HR people are in danger of undermining their own search for legitimacy. Reasons why they are more likely to focus on process rather than result include:

1. Results are difficult to measure
2. Timeframe between action and results is long
3. Equifinality and the law of unintended consequences

The strong tendency to rely on opinion to evaluate the HR function is another indication that HR people are uncertain about precisely how they add value. Reputational “measures” are hard to attach numbers to, would tend to be unreliable, and their validity would be suspect.

There are two issues here:

1. Why do HR people not use the “hard data” readily available to them?
2. What are the implications of failing to measure performance?

“Hard” data” are readily available for HR people to use to measure their performance. For example, few HR people measure themselves in terms of labour turnover. Other than that, there are other useful measures that are not mentioned at all in this research. These include labour productivity (measures of performance), selection ratio, selection validity, loss to induction (useful measures of staff acquisition), and labour stability (standard indices of retention).

HR managers have been exhorted, at a minimum, to measure their ability to:

- Recruit (Selection ratio)
- Select (Validity)
- Induct new staff (Loss to induction)
- Get people to perform (Labour productivity)
- Retain key staff (Turnover, Labour stability)

Given these exhortations, and given the enthusiasm with which HR managers endorse the need to measure, their failure to measure themselves is a puzzle. Reasons why they may not measure their own performance include:

1. They do not believe it is important
2. Lack of professional knowledge – perhaps they are unaware of how to do so
3. Lack of capacity to do so – perhaps the gathering of such information is difficult to achieve
4. Lack of motivation – perhaps HR managers do not wish to collect the data. It may be more comfortable not to be measured, especially since measurement means accountability (Giuliani, 2002).

These are hypotheses that I am not able to answer in this project. I am left with a conundrum: HR managers endorse the importance of measurement but they do not apply it to themselves.

Finally, I address the implications of a failure to measure performance. As Saul (1997) notes, we live in a world where the values of rationality are universally promoted. In management this means that the ability to measure and control is a primary value. The battle of HR people to be recognised at a strategic level (implicit in their adoption of “Strategy” as a primary KRA) depends on their ability and willingness to measure their own performance. Until they can show:

- How critical HR indicators are trending
- How those indicators contribute to business results as measured by the Profit & Loss, cash flow and balance sheet, then

Their ability to contribute to strategic debate will be limited, they will continue to be marginalised and their status will be suspect. Effective measurement lies at the heart of the desire of HR professionals to be recognised as adding value to their organisations.

6.3 Limitations and areas of further research

The purpose of this research was to determine how HR managers add value to organisations by studying their job descriptions. However, there are some limitations to the research:

1. These conclusions are based solely on my interpretation of written documents – the job descriptions. It would be helpful (and a next step) to get opinions or comments directly from HR managers. This could be done through a follow-up questionnaire.

2. There is more information available in the job descriptions not analysed in this study, including person specifications, budgets, etc. Such information might be useful for further research. For example in the person specifications, we could explore whether the kind of person HR managers are looking for is a good match for the role.

3. Third, it would be valuable to explore differences between different industries, and by organisation size. Unfortunately the sample size did not permit such comparisons

The primary directions for future research lie in finding answers to the question posed above: why do HR people fail to use the “hard data” so readily available to them?

REFERENCES

- Barney, J.B. and P.M. Wright (1998). "On Becoming A Strategic Partner: The Role of Human Resources in Gaining Competitive Advantage." Human Resource Management Vol.37 (No.1)
- Baron, J. N. and D. M. Kreps (1999). Strategy Human Resources: Frameworks for General Managers, John Wiley & Sons, Inc.
- Bedi, H. (1994). "Support is Crucial to Performance." Asian Business Vol. 30(No.11): Pg 18.
- Bowey, A (1976). The Sociology of Organisations. Hodder and Stoughton
- Boxall, P. and J. Purcell (2003). Strategy and Human Resource Management. New York, Palgrave Macmillan.
- Buyens, D. and A. D. Vos (2001). "Perception of the value of the HR function." Human Resource Management Vol. 11 (No.3): Pg.70.
- Busch, C., T. Flynn, et al. (2005). "Content Analysis." Retrieved 10 Oct, 2006, from <http://writing.colostate.edu/guides/research/content>.
- Cascio, W. (1991). Costing Human Resources (3rd Edition). Boston, MA, PWS Kent.
- Christensen, R. (1997). "Where is HR?" Human Resource Management Vol. 36(No. 1): pg. 81.
- Cooper, D. R. and P. S. Schindler (2006). Business Research Method, McGraw-Hill Companies, Inc.
- Dakin, S. R. (2005). Competencies in Human Resource Management: A Review of 10 competency models for HR Institutes. Wellington, HRINZ.

- Drucker, P. (1999). Management Challenges for the Twenty-first Century. Oxford, Buterworth-Heinemann.
- Farnham, D. and A. Stevens (2000). "Developing and implementing competence-based recruitment and selection in a social services department: A case study of West Sussex County Council." The International Journal of Public Sector Management Vol. 13(Iss. 4).
- Giuliani, R. (2002). Leadership, London: Time Warner.
- Hartog, D. N. D. and R. M. Verburg (2004). "High performance work systems, organizational culture and firm effectiveness." Human Resource Management Journal Vol. 14(Iss. 1): pg. 55.
- Hope-Hailey, V., L. Gratton, et al. (1997). "A Chameleon Function? HRM in the '90s." Human Resource Management Journal Vol. 7(Iss. 3): pg. 5.
- Huselid, M. A. (1995). "The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance." Academy of Management Journal Vol. 38(No.3): pg 635-672.
- Langbert, M. (2000). "Professors, managers, and human resource education." Human Resource Management Vol. 39(Iss. 1): pg. 65.
- Legge, K. L. (1978). Power, Innovation, and Problem-solving in Personnel Management. Maidenhead, McGraw-Hill.
- Leopold, J., L. Harris, et al. (1999). Strategic Human Resourcing: Principles, Perspectives and Practices, Pearson Education Limited.
- Leopold, J., L. Harris, et al. (2005). The Strategic Managing of Human Resources, Prentice Hall.

- Macky, K. and G. Johnson (2000). The strategic Management of Human Resources in New Zealand. New Zealand, McGraw-Hill Book Company New Zealand Limited.
- Mak, S. K. M. and S. Akhtar (2003). "Human resource management practices, strategic orientations, and company performance: A correlation study of publicly listed companies." Journal of American Academy of Business Vol. 2(Iss. 2): pg 510.
- Marquardt, M., N. Berger, et al. (2004). Human Resource Development in the age of globalization. New York, Basic Books.
- McDonald, P. and J. Gandz (1991). "Identification of values relevant to business research." Human Resource Management Vol. 30(No. 2): pg. 217.
- Meshoulam, I. and L. Baird (1987). "Proactive Human Resource Management." Human Resource Management Vol. 26(No. 4): Pg. 483.
- Miles, M. B. and A. M. Huberman (1994). Qualitative Data Analysis, SAGE Publications.
- Moorhead, G. and Griffin, R (1995). Organisational Behaviour: Managing People and organisations. Boston: Houghton Mifflin
- Park, H. J., T. M. Gardner, et al. (2004). "HR practices or HR capabilities: which matters? Insights from the Asia Pacific region." Asia Pacific Journal of Human Resources Vol. 42(No. 3): pg 260-273.
- Pfeffer, J. (1994). "Competitive Advantage through People." California Management Review Vol.9(No.28).
- Ravald, A. and C. Gronroos (1996). "The value concept and relationship marketing." European Journal of Marketing Vol.30(Iss.2): Pg.19.

- Richard, O. C. and N. B. Johnson (2004). "High Performance Work Practice and Human Resource Management Effectiveness: Substitutes or Complements?" Journal of Business Strategies **Vol. 21**(No. 2): pg 133.
- Saul, J. R. (1997). The unconscious civilisation. Ringwood, Vic: Penguin Books.
- Stone, R. J. (1998). Human Resource Management (3rd Edition), John Wiley & Sons Australia.
- Truss, C., L. Gratton, et al. (2002). "Paying the piper: Choice and constraint in changing HR functional roles." Human Resource Management Journal **Vol. 12**(Iss. 2): pg. 39.
- Ulrich, D. (1987). "Strategic Human Resource Planning: Why and How?" human Resource Planning **Vol. 10**(No. 1): Pg. 37.
- Ulrich, D. (1997). "Measuring human resources: An overview of practice and a prescription for results." Human Resource Management **Vol. 36**(No. 3): pg. 303.
- Wintermantel, R. E. and K. L. Mattimore (1997). "In the changing world of human resources: Matching measures to mission." Human Resource Management **Vol. 36**(No. 3): pg. 337.
- Wright, P. M., T. M. Gardner, et al. (2005). "The Relationship Between HR Practices and Firm Performance: Examining Causal Order." Personnel Psychology **Vol. 58**(No. 2).
- Wright, P. M., G. C. McMahan, et al. (2001). "Comparing line and HR executives' perceptions of HR effectiveness: Services, roles, and contributions." Human Resource Management **Vol. 40**(Iss. 2): pg. 111.

Appendix 1: Request for job descriptions

Wanted: Job Descriptions for Senior HR Professionals in a wide range of sectors and industries.

HRINZ is conducting a “Results Study” which is part of a larger HR Competencies Project. The Results Study is considering the result expectations of HR professionals, with a particular concentration on the most senior HR roles in organisations.

Those of you who were at our Conference last week and attended the membership forum will have heard about what we are doing with this project. In short, there are three areas of investigation in the Results Study: a quick overview of current literature on results expected of HR professionals, a study of job descriptions of the most senior HR people in organisations, and interviews with CEOs and senior line managers to gain their views on HR results.

The study will benefit all members, as “results” will be made available, and will inform how we develop and use our HR competency framework. The findings will no doubt provide useful information for members at individual and organisational levels, as we all seek to raise the bar on professionalism.

This is a request for help with the job descriptions study. Our researcher, Dr Stephen Dakin, is looking for job descriptions from senior HR Managers from a wide variety of organisations, sectors, industries.

The job descriptions will be held in confidence and examined for the following:

- * To identify the range of tasks for which HR people are held responsible – the content of HR roles.
- * To identify statements describing the results for which HR people are held accountable.

If you are willing to assist with this research, please forward a copy of your job description to:

Dr Stephen Dakin,
Human Resource Systems Design,
176 Otahuna Road, Tai Tapu,
RD 2 Christchurch

sdakin@hrd.co.nz

For those who contribute their job descriptions, Stephen would appreciate a return address so that we can later solicit responses to a short questionnaire and circulate them with the results of the study.

Thank you for your support with this.

Beverley Main
HRINZ Chief Executive

PS Special thanks to the people who have already forwarded copies of their job descriptions to Kris Cooper, who is the National Councillor convening the Competency Project. Kris is forwarding the job descriptions to Dr Dakin.

Appendix 2: Five samples of Job Descriptions

Job Description 1

Position:	Human Resources and Development Manager
Sub Process:	HR&D and Business Management
Business Process:	HR&D and Business Management
Date:	18 th March 2005
Region/ Division:	Head Office, HR&D
Responsible To:	X Manager
Responsible For:	Senior HR&D Advisor Learning & Development Advisor Payroll/HR&D Assistant
Position Grade:	Exec 3

Vision

- To be the recognised global leader in the XYZ market – recognition will be based on leading financial performance, customer satisfaction and staff engagement.

Division Objective

- To provide wide ranging strategic direction, focused Human Resource and Development initiatives, to enable staff engagement, customer satisfaction and financial profitability..

Purpose of Position

Responsible for establishing, developing and leading a professional Human Resources team to ensure that 'best practice' Human Resource processes are embedded across the business.

Contributes to strategic decisions from an HR&D perspective, and leads the development of wide HR&D strategy by articulating a clear and compelling vision and providing coaching and support to (business) operations when driving and implementing the required change and people related initiatives.

Position in the Company

(Refer to the attached organisation chart.)

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
	Strategy Leads, devises and implements wide HR&D strategy and policy development.	<ul style="list-style-type: none"> Provides the vision and leadership in the development and implementation of HR&D strategies, policies and projects across the full range of HR&D functions and service areas. Ensure organisational and people strategies are aligned to strategies and that they directly contribute to the achievement of broader goals and objectives. Ensure HR&D policies and practices are in place to support strategies and objectives. Develops an integrated strategic HR&D plan and provides the policies, framework and environment for implementation, while overseeing, monitoring and reviewing the progress of the HR&D team in the implementation phases. 	<ul style="list-style-type: none"> HR&D strategies and objectives are aligned with business strategies, goals and objectives HR&D strategies, policies and projects are executed in the most appropriate and efficient manner and are viewed as being worthwhile to other areas of the business Managers and team members are supported, and motivated through HR&D practices, and are able to achieve efficiencies that improve performance, enhance customer satisfaction, and teamwork across all areas of the business.
	Senior Executive Team Participates in senior executive strategy decision-making and prioritisation across the organisation, informing key decisions with HR&D implications.	<ul style="list-style-type: none"> Represents the HR&D function on the senior executive team and fully participates in company strategy and decision making. Proactively seeks to create win-win opportunities by working in partnership with the senior executive team to ensure transparency in dealings, and any benefits gained are enjoyed by all. Contributes to the growth and success of the Company as a member of the senior executive team through critical evaluation and constructive input into the decision making process. Drives the change process, clearly articulating the importance of the change goals and objectives. Monitors the ongoing progress of change initiatives and establishes and builds relationships across the wider business. Minimise the company's exposure to risk and litigation by ensuring compliance with all legislative and regulatory requirements and prudent management of all resources 	<ul style="list-style-type: none"> HR&D strategic plan is closely aligned with and actively supports business plans and strategies. Milestones are established and achieved Good communications with senior executive team Support from senior executive team for implementation of initiatives Bringing people issues into focus at every opportunity. Working with managers to ensure that people initiatives are understood, supported and implemented. Senior Executive team is kept informed, and advised of how people initiatives could assist/hinder them in achieving their overall objectives.

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
		<ul style="list-style-type: none"> • Maintain a business process improvement focus by developing, prioritising and implementing improvements as part of the team responsible for the business processes. • Ensure optimum utilisation of the company's resources by establishing and maintaining reporting systems and business performance standards, measuring the results and taking corrective action where appropriate. 	
	HR&D Functions Develops, leads and implements initiatives to continuously improve the performance and value added by the HR&D team.	<ul style="list-style-type: none"> • Articulates the expectation, provides the support and creates an environment to ensure that the level/quality of service provided by the HR&D team both appreciates and meets business needs, equality and diversity. • Develops the commercial and business acumen of the HR&D team by creating an environment where the team can provide sensible/flexible innovative approaches and solutions to maximise efficiencies and meet business/customer needs. • Leads the transformation of the HR&D function, ensuring the creation of a highly motivating work climate that enables the HR&D team to perform as internal consultants delivering services that meet the needs of the business environment. • Manages the HR&D and Payroll budgets and ensures the annual budget accurately reflects requirements, expenditure is within budget, and variances are explained and delivered within the established timeframes. • Maintains a sound and applied knowledge of employment, industrial and payroll legislation and ensures compliance within the organisation. • Contributes to and provides advice, counselling and support to all line managers on all people related issues. • Manages the payroll function. 	<ul style="list-style-type: none"> • Organisation HR&D team is viewed by the rest of the business as a business partner that adds value to their area. • HR&D policies and practices are aligned to, and integrated with Organisation strategic and business plans, and contributes to organisation capability improvements. • A professional consultancy service on HR&D issues is provided to the senior executive team, business, and line managers to ensure policies and practices are implemented consistently. • Management is informed of all legislative changes and requirements and their impact upon organisation and legal risk is minimised. • Support provided is timely and accurate, legislative requirements are met and good practices are maintained. • All colleagues are paid to schedule. Legislative requirements are adhered to and all problems are addressed promptly, with minimal cost and impact upon the company and colleagues. • Efficient and effectively delivery of HR&D

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
		<ul style="list-style-type: none"> • Ensures all Health and Safety regulations are met as related to people issues. • Actively participates in HR&D initiatives and projects contributing to organisation. • Ensures staffs are recruited, cared for, motivated, trained, developed and remunerated in a manner, which will ensure the company continues to function successfully and meets its objectives. • Ensures the organisational development needs are identifies, analysed and met through an ongoing process of effective planned change management and development training. • Provides training HR&D related topics as identified. 	<p>and payroll functions for all colleagues.</p> <ul style="list-style-type: none"> • Communication throughout the company on people matters is concise and effective. • Reporting is prompt and within established guidelines and procedures. • Colleagues are provided with the training in HR&D topics to complete their job effectively. • All policies and procedures are adhered to. • Contributes to ensuring company is a safe working environment in which to work.
	<p>Staff Engagement A key to achieving sustained growth is to have committed and motivated employees. The HR&D Manager must ensure an environment conducive to high performance is developed whilst ensuring the many statutory requirements are adhered to.</p>	<ul style="list-style-type: none"> • Provide leadership within a high performing team of employees to achieve team objectives by establishing common goals and performance standards, delegating, coaching and encouraging the team, sharing information, removing barriers and providing regular feedback to the team. • Seeks and correctly identifies staff potential, sets example by delegating appropriate challenges and proactively promotes self management, ownership and empowerment throughout Organisation; coaches others and actively promotes continual learning and growth. • Ensures optimum development and allocation of people and resources to support an effective service provision, utilising business performance standards, measuring results and recommending corrective action. • Plans and implements effective succession plans and development models to ensure the long-term sustainability of the company and the growth and development of the team. 	<ul style="list-style-type: none"> • Establishes performance targets for staff and regularly reviews performance and attitudes and provides leadership in line with the company's philosophy. • Works with both managers and the HR&D team to initiate the development of training and development programmes for staff, ensures a safe work place is maintained and that staff are performing at an optimum level. • Ensures the optimum use and development of staff is attained through the establishment of effective training and development programmes, meeting the company's succession and recruitment/retention plans, effective communication of company policies and procedures, the provision of a safe work environment, early resolution of disputes and maintaining an environment conducive to high performance and morale.

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
C.13.1	Liaises and develops empathic relationships with Organisation leaders and colleagues that facilitate the superior delivery of services to our internal and external customers.	Empathic and constructive relationships are developed and maintained. Work groups work constructively and effectively together.	
C.13.2	Provides assistance, guidance, leadership and support to work group/s to facilitate the superior delivery of customer services to our clients.	Resolution to queries/customer complaints is prompt and effective. Colleagues are well equipped to discharge their position activities and responsibilities.	
C.13.3	Provides guidance, motivation and direction to colleagues achieving a productive and cohesive work group.	Highly motivated and productive work group achieving their position deliverable outcomes and KPI's.	
C.13.4	Facilitates the effective introduction of a new colleague to the work group by undertaking the induction program and providing the required on the job training.	All job specific training is provided within a planned induction program. Initial Performance Review objectives are established. Completion of the company induction program and evaluation form.	100% of new colleagues complete the company's induction activities within two weeks of joining.
C.13.5	Undertakes regular performance reviews with colleagues, providing them with feedback on their performance and contribution, together with identifying their career aspirations and training needs.	Six monthly and Annual performance reviews are to be completed within established timetables.	100% completion to established timetable.
C.13.6	Completes the day-to-day personnel management for specific to their work group, as	Employment documentation and forms are completed and forwarded to Personnel as prescribed within the employment policy and procedures manual.	

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
	delegated by their leader.		
C.13.7	Identifies local process improvement opportunities and implements as appropriate.	Revised procedures documented and advised as appropriate.	
C.15.1	All exceptions to the achievement of the KPI's are documented for discussion in performance reviews.	All parties have a clear understanding of the exceptions for consideration in the performance review meeting.	
C.15.2	Actively demonstrates and promotes the company vision and values.	Demonstrates the behaviours required achieving and supporting Organisation vision and values.	
C.15.3	Actively demonstrates and promotes XYZ Leadership techniques and relationships in all dealings with leaders and colleagues throughout the company.	Creates & maintains empathic relationships with all colleagues. Uses the XYZ techniques accurately.	Company ABC survey of 80%+
C.15.4	Undertakes all activities within Organisation's policies and procedures.	All policies and procedures are adhered to.	100% compliant with established policies and procedures.
C.15.5	Understands and implements the Health, Safety and Environment policies and procedures.	All policies and procedures are adhered to. Contributes to ensuring Organisation is a safe environment in which to work.	100% compliant with established policies and procedures.
C.15.6	Reports all work-related accidents and 'near miss' accidents.	Reporting is prompt and within established procedures.	100% compliant with established policies and procedures.
C.15.7	Identifies potential hazards within the work environment and participates in the management of hazards.	Hazards are promptly identified and addressed contributing to a safe work place.	100% compliant with established policies and procedures.

<u>Global Number</u>	<u>Duties and Responsibilities</u>	<u>Deliverable Outputs</u>	<u>KPI</u>
C.15.8	Undertakes extra duties, as and when requested, as agreed with your leader.	All duties are completed timely and accurately.	

Competencies

<p>Specific:</p> <ul style="list-style-type: none"> • Ability to think strategically and logically. • Ability to show diplomacy and tact at all times. • Ability to maintain confidentiality at all times. • Ability to delegate. • Flexibility. • Ability to work unsupervised. • Be a self-motivator. • Ability to show initiative. • Willingness to undertake extra duties. • Patience and a sense of humour. • Ability to develop and implement both short and long term strategies. • Well-developed business and commercial acumen and the ability to interpret market intelligence and develop effective strategies. • Strong analytical and reasoning skills • A participative approach to problem solving and process change • Results and profit oriented with ability to balance other business considerations, a strategic focus. • Ability to relate well to individuals, building relationships and partnerships, understanding customer needs across all levels of organisations. • Ability to work under pressure and to deadlines. 	<p>Generic:</p> <ul style="list-style-type: none"> • Knowledge of Organisation products and services • Customer Focus – internal & external • Proven computer literacy as required for the role • Strong numeracy skills • Honest and trustworthy • Action oriented/sense of urgency • Perseverance and follow through • Ability to plan and prioritise tasks • Ability to communicate well, both verbal and written • Professional attitude to work and colleagues, even when under pressure • Enjoy working as part of a team & ability to form effective working relationships with others • Personal and professional integrity • Ability to adapt and change
---	---

Qualifications:

Secondary School Qualifications, ie Higher School Certificate
Tertiary Qualification, with particular emphasis on HR&D Management.

Experience:	<p>Demonstrated experience in organisational development/change initiation to improve capability and performance.</p> <p>Demonstrated experience across the full range of human resources functions, e.g. recruitment, staff development, industrial relations, payroll, and remuneration and performance management.</p> <p>Sound knowledge of contemporary management methods.</p> <p>Proven experience in managing staff.</p> <p>Relevant experience in developing appropriate people strategies.</p> <p>Proven experience in managing performance and risks.</p> <p>Extensive knowledge of human resources policies, practices and relevant employment legislation.</p> <p>Ability to develop and maintain effective working relationships particularly at senior levels.</p> <p>Ability to manage and run a cost centre efficiently including setting strategic and operational plans.</p> <p>Ability to work with and develop a leadership profile with a wide range of managers.</p>	
Authorities:	Revenue Controlled:	\$0.00 p/a
	Expenses. Budget Controlled:	\$3,136 m NZ Dollars p/a
	Expenses/ Budget Influenced:	\$0.00 p/a(eg payroll, cost centre budget)
	Staff Managed:	3
Employment & Terminations:	<p>Hires and promotes employees, in conjunction with A and/or line managers and within approved procedures.</p> <p>Dismisses employees, within approved procedures.</p>	
Contractual:	Employment Agreements, Payroll System Contracts and Consultant Agreements	
Decisions:	Employment related decisions and general business management	
Key Relationships:	Leaders and Colleagues	Employment Associations
	Suppliers of training	HR&D Consultants and Specialists
	Legal Advisers	Government Agencies
	Recruitment Agencies	Unions
Prepared By:	Approved By:	

Business Acumen

- Makes requests and decisions that are responsible and compatible with the company's goals and strategic objectives. Has the ability to deal with business concepts, issues and complexities comfortably to the extent that the incumbent is able to instil confidence in others.

Change/Visionary Leadership

- Continuously seeks opportunities for different and innovative approaches to addressing organisational opportunities and issues. Advocates the need for self and others to seek a better way of addressing work process issues. Has the ability to motivate managers and team members toward appropriate business objectives and goals.

Intellectual Flexibility and Problem Solving

- Is capable of working and addressing issues on both strategic and detailed levels. Uses appropriate resources to respond to, critical issues accurately and timely. Demonstrates creativity and provides alternative options when solving problems based on logical assumptions, factual information and taking into consideration resources, affected parties, and organisational values.

Development of Self, Managers and Team Members.

- Provides challenging and stretching tasks and assignments, holds development discussions, constructs development plans and executes them. Delegates both routine and important tasks and decisions, broadly sharing both responsibility and accountability. Provides clear behaviourally specific feedback; is an effective coach and mentor and is capable of making the tough calls when all else fails. Identifies training and development experiences and opportunities to ensure the team is positioned and capable of meeting the long-term strategic objectives of the business.

Customer Focus

- Actively seeks input from both external and internal customers to achieve a better understanding of customers needs, and perceptions and in turn makes efforts to ensure that the team listens and understands customers needs and responds appropriately, thus making customer focus a driving force behind the company's primary activities.

Personal Relationships and Communication

- Uses appropriate interpersonal styles and communication methods to work effectively with managers, team members, customers and business partners to meet mutual goals and objectives. Is widely trusted; is seen by others as a direct, truthful individual. Communicates effectively by transferring thoughts and expressing ideas verbally and in written format in both group and individual settings.

Job Description 2

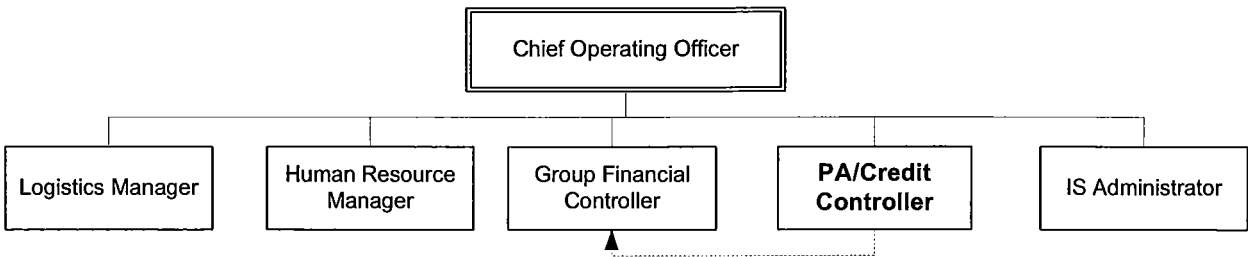
Title: Human Resource Manager

Reports to: Chief Operating Officer

PURPOSE OF POSITION:

To develop, implement and monitor an effective human resource strategy that includes policies, procedures and systems and to provide a responsive human resource advisory and consultancy service that will result in enhanced business productivity and staff satisfaction.

ORGANISATION CHART:



RESPONSIBILITY	PERFORMANCE GOALS	PERFORMANCE MEASURES
HR Strategy Develop and implement HR strategy to ensure the future business needs of the company are supported.	<ul style="list-style-type: none"> • Develop and implement a human resource strategy that: <ol style="list-style-type: none"> a. supports the future business direction of the company; b. fosters a culture of motivation, achievement orientation and cooperation through teamwork and involvement; c. rewards and remunerates staff fairly and attracts, retains and motivates excellent performers. 	<ul style="list-style-type: none"> • Have formalised, written plans for all people management practices in place by agreed dates; Achieve agreed levels staff turnover, absenteeism, staff satisfaction as measured in climate surveys; Ensure that effective and appropriate staff records are maintained.
Organisational Development Drive OD within the company to ensure the desired culture and future direction is achieved.	<ul style="list-style-type: none"> • Develop and implement OD initiatives that support the future direction of the company. 	<ul style="list-style-type: none"> • OD initiatives recommended to SMT and implemented within agreed timeframes; Achieve agreed levels on staff climate survey.
Performance Management Develop a performance-based culture by ensuring performance management practices are carried out effectively and efficiently.	<ul style="list-style-type: none"> • Develop, review and, if necessary, enhance the performance management process to ensure that individuals have clear performance expectations and receive regular and constructive feedback in order to enhance performance and personal development. 	<ul style="list-style-type: none"> • All management, supervisory, office and factory staff have an individual review at least annually.

RESPONSIBILITY	PERFORMANCE GOALS	PERFORMANCE MEASURES
Training and Development Ensure staff are equipped with skills for the future to enable the organisation to continue to grow.	<ul style="list-style-type: none"> • Develop and implement an organisation-wide training and development strategy that ensures the company has the appropriate knowledge, skills and attitudes to achieve future business plans. 	<ul style="list-style-type: none"> • Formal strategy developed and documented.
Employee Relations Promote and encourage a positive ER environment to ensure compliance with legislative requirements and enable the organisation to operate efficiently and effectively.	<ul style="list-style-type: none"> • Develop and implement employment relation practices that will result in a positive and consistent approach across the company and that will comply with all relevant legislation. • Ensure sound employment relations exist between staff and management. 	<ul style="list-style-type: none"> • Incidents and actions are promptly resolved; Desired annual negotiation outcomes are achieved; Sound employment contracts are negotiated and maintained for NZ, Australia and UK staff. • Sound employment relations are maintained.
Other HR Practices Ensure all HR practices comply with legislation and add value to the organisation.	<ul style="list-style-type: none"> • Ensure that all other human resource practices are dealt with in a professional, ethical manner, add value to the business and comply with all relevant legislation • Provide advice and support to other managers on all HR issues. 	<ul style="list-style-type: none"> • Compliance with all relevant legislation; Establish and maintain HR policies; Develop effective recruitment system; Agreed timeframes for recruitment and HR services are met • Queries responded to within agreed timeframes.

RESPONSIBILITY	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>General Management</p> <p>Actively participate as part of the management team by proactively supporting the company values to ensure the organisation's success continues.</p>	<ul style="list-style-type: none"> • Contribute to the new company culture by “selling” the new company message and acting as a positive change agent • Ensure the corporate vision, goals and other essential company information is communicated to staff members • Contribute to the management team's development of business strategies and plans • Prepare monthly management report of department progress for management team. 	<ul style="list-style-type: none"> • Acceptable results achieved on staff climate survey; Informal observations and judgments • Acceptable results achieved on staff climate survey • Active participation in process • Report completed 8 days after month end.

RESPONSIBILITY	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>Continuous Improvement/ Special Projects Actively promote ways to improve the quality and efficiency of the organisation by contributing to organisational development by undertaking special projects.</p>	<ul style="list-style-type: none"> • Prepare business reports for continuous improvement and submit to GM Operations/MD • Develop improvement initiatives and continually review existing systems and processes • Maintain awareness of current HR best practice • Carry out special projects as maybe allocated from time to time • Ensure quality standards are adhered to and specifications met • Assist with quality audits as required. 	<ul style="list-style-type: none"> • Standard business reports prepared and presented complete with sound justifications • Improvements recommended make measurable financial and efficiency gains to the organisation • Knowledge of best practice techniques maintained • Projects completed by agreed timeframes and standards and within budget • Quality standards met • Assistance readily provided when requested; Audits completed within agreed timeframe.
<p>Health and Safety Assist the organisation to fulfill its health and safety objectives by developing and implementing a safe and healthy working environment whilst ensuring the organisation complies with legislative requirements.</p>	<ul style="list-style-type: none"> • Develop, implement and review health and safety practices and procedures. • Ensure establishment and maintenance of 	<ul style="list-style-type: none"> • Health and safety policies and procedures are observed/monitored for legal compliance and improvements actively sought • Employees rehabilitated and/or returned to work in a timely and efficient manner.

RESPONSIBILITY	PERFORMANCE GOALS	<i>PERFORMANCE MEASURES</i>
	<p>sound rehabilitation and injury management practices</p> <ul style="list-style-type: none">• Maintain high housekeeping standards at all times.	<ul style="list-style-type: none">• Housekeeping to agreed standard.

Job Description 3

Position	Business Unit	Responsible to	Salary Range (optional to detail)
Human Resources Manager	Corporate Development	Group Manager, Corporate Development	Band 6
External and Internal Key Relationships	senior management team All managers and staff Human Resource consultants, contractors and external suppliers		
Staff Responsibilities	Business unit responsibility for three staff: <ul style="list-style-type: none"> ▪ HR Coordinator (two part-time receptionists report into this role) 		
Budget/Financial Responsibilities	Management of HR budget of around \$150,000		
Work Requirements	Position is based at the organisation's ABC office with some travel required from time to time		
Purpose of the Job	To develop, implement and maintain human resource frameworks (strategies, policies, processes and practices) to assist the organisation in attracting, managing, developing and retaining good people capability. Provide support and guidance to managers on people management issues.		
Person Specification	Relevant tertiary qualification in human resource management. Extensive knowledge and experience across the field of human resources management methodologies and current best practice (including recruitment and selection, remuneration and rewards, performance management, training and development and employment relations.) A high level of personal communication and facilitation skills and project leadership skills. Ability to develop and maintain relationships. Achievement and results motivated whilst being a proven and strong team player. Computer literacy in the Microsoft suite and ability to manipulate data and generate reports.		
The Mission and Values	Description of Mission		

Job Description

This information will also be the basis for the staff member's annual performance plan

Key Results Areas	Key tasks	Performance standards
What needs to be done to achieve the purpose of the job?	What needs to be done to achieve this result?	How we will know these tasks have been achieved?
Scope, develop and implement appropriate human resource strategies	<p>Identify HR strategic initiatives that will ensure the organisation has the right organisational culture and people capability to achieve its vision, mission and goals.</p> <p>Maintain, review and update annually the HR strategic plan.</p>	<p>Strategic plan developed and communicated.</p> <p>Feedback from managers.</p> <p>Employee climate survey feedback.</p>
Develop, implement and manage appropriate human resource policies, processes and practices	<p>Review all existing policies and processes to be appropriate, accurate and complete.</p> <p>Develop new policies and processes as appropriate, i.e. by investigating and implementing best practice frameworks and initiatives.</p> <p>Gain the buy-in and understanding of managers and staff to HR policies and processes.</p> <p>Ongoing management of core HR processes, e.g. annual remuneration review, performance planning and appraisal, job evaluation process, leave administration.</p> <p>Implement new policies and processes via the appropriate channel (e.g. workshops/briefing sessions, written communication or intranet).</p> <p>Schedule and manage the HR Working Party meeting process to undertake job evaluation and review HR initiatives.</p>	<p>HR policies and processes developed and successfully implemented.</p> <p>Where possible, ensure that the development and implementation of HR policies and processes seeks to gain the buy-in and understanding of managers and staff.</p> <p>Managers and staff see the value in the HR policy and/or process.</p>

<p>Provide internal consultancy to managers on functional HR matters and people management issues</p>	<p>Provide internal consultancy in specific areas such as human resource planning, change management, recruitment and selection, induction, performance management, remuneration and rewards, employment relations, organisational development, training and development, diversity and EEO.</p> <p>Support Group Managers and business unit managers by providing support and advice and act as a sounding board on people issues.</p> <p>Day to day problem solving with a focus on a fundamental solution rather than a quick fix.</p> <p>Coach, develop and role model behaviour with managers.</p> <p>Educate managers on core people management processes.</p>	<p>Feedback from managers.</p> <p>Compliance with HR related legislation.</p> <p>Employment relationship disputes kept to a minimum.</p> <p>Managers manage and take responsibility for people issues.</p> <p>Positive HR indicators e.g. low turnover, absence etc.</p>
<p>Communicate HR frameworks</p>	<p>Ensure all managers and staff are aware of and understand the HR policies and processes.</p> <p>Ensure new and existing staff are aware of relevant HR policies and processes.</p>	<p>HR Guidelines communicated and understood by all new and existing staff.</p>
<p>Manage and communicate HR information</p>	<p>Ensure that there are processes in place to collect and maintain information in the HRIS and personal files.</p> <p>Ensure managers receive regular reports and information that support them in managing their people (e.g. leave reporting).</p> <p>Provide reports to the Group Manager, Corporate Development as required.</p>	<p>Information is accurate and up-to-date.</p> <p>Strategic/organisational HR indicators are collected and trend analysis provided to Group Managers.</p>
<p>Work co-operatively with others to achieve objectives</p>	<p>Shares information, resources and ideas with team and wider organisation.</p> <p>Actively participates in the development of team goals and performance standards.</p> <p>Is open minded, listens to others' points-of-view and is able to accept direction and constructive feedback.</p> <p>Knows when to advocate and when to compromise, to arrive at a mutually acceptable solution.</p> <p>Encourages the positive resolution of conflict within the team.</p> <p>Effectively participates in and/or facilitates workshops and meetings, to achieve goals, maintain group cohesiveness and support wider organisational goals.</p>	<p>Feedback from team members and other staff.</p>

Adds value to the Organisation	Could include such things as: Seeks opportunities to improve / add value to the organisation. Responds positively to opportunities for personal development. Seeks to improve accepted ways of doing things. Constantly looks for ways to do things better. Generates creative ideas to solve problems	To be discussed and agreed with the manager.
---------------------------------------	---	--

Job Description 4

POSITION DETAILS

Title: Human Resource Manager	Division/Dept: Management
Reports to: General Manager	Location: City Office
Employee's Name:	Date: February 2000

PURPOSE OF POSITION

Responsible for the overall management and development of human resource strategy and systems in order to attract, retain, motivate and develop people who are able to positively contribute to the achievement of the firm's objectives.

KEY ACCOUNTABILITIES

1. Strategic HR Management
 - Advise management on organisational implications of decisions.
 - Examine effect of current and proposed business objective and programmes with senior management team.
 - Develop annual Human Resource Plan supporting business objectives.
 - Monitor and assess environment and recommend programmes to address specific issues.
2. Recruitment
 - Develop overall recruitment strategy firm-wide.
 - Review recruitment policies and procedures. Revise as appropriate.
 - Design recruitment plan and marketing materials to reflect organisation's desired position in marketplace.
 - Manage recruitment and selection for all professional and support staff.
 - Analyse individual and team marketing plans to determine future staffing needs.
 - Plan succession strategies with partners and managers.
 - Liase with Recruitment Committee on staff recruitment.
 - Develop and manage recruitment programme. Liase with ABC agencies.
 - Liase with recruitment agencies for short-term and permanent placements.
3. Training and Development
 - Conduct organisational training needs analysis to determine skill gaps.
 - Plan, design and deliver, or procure appropriate training for staff. Evaluate training effectiveness and modify as necessary.
 - Establish and maintain Development Programme.
 - Coach partners participating in Leadership Development Programme on application of concepts and skills to ensure knowledge transfer.
 - Evaluate and make recommendation on senior management's individual development plans.
 - Analyse team marketing plans and develop programmes to ensure staff capabilities meet future requirements.
 - Design and deliver, and maintain orientation programme, including summer clerk programme.
 - Plan, design and supervise orientation process for all new staff.
4. Risk Management
 - Research employment legislation to ensure organisational compliance.
 - Ensure all statutory requirements are met.
 - Investigate allegations of unfair employment practices.
 - Assess personnel decisions in terms of organisational and legal impact.
 - Ensure consistent application of HR policies and practices by initiating, developing and updating all human resources policies.
 - Communicate to management human resource requirements and obligations, and assist with implementation of personnel decisions.
 - Interpret and negotiate individual employment contracts and issue contracts to new staff.
 - Act as firm's Privacy Officer and EEO Officer as defined by legislation.

5. Employee Relations
 - Counsel staff on personal grievances and facilitate resolution between complainants and alleged offender.
 - Coach partners and management staff on employee relations issues.
6. Remuneration
 - Conduct salary reviews for support and professional staff.
 - Propose salary changes consistent with market rates and experience to Board.
 - Ensure organisation entire remuneration package is competitive.
 - Participate in market surveys.
7. Health & Safety
 - With Administration Manager, monitor workplace practices to ensure safe working environment.
 - Liaise with insurance provider in regard to policy and return to work practices.
 - Review and update health and safety policies.
 - Monitor and implement safety policies firm-wide.
8. General Administration
 - Monitor budget and ensure related costs remain within projected limits.
 - Update and maintain up-to-date personnel files for all staff.
 - Produce monthly report to General Manager and Board outlining recent activities, firm ratios and budget variance.
9. Floating Secretaries
 - Manage appropriate utilisation of floating staff.
10. Staff Management
 - Approve leave forms for staff, ensuring adequate staff coverage.
 - Conduct performance reviews annually and as needed.
 - Coach staff in acquisition of new skills and performance improvement.
 - Recommend appropriate training and development.
 - Manage work flow of staff and quality standards, and delegated responsibilities.

Additional duties as necessary.

RELATIONSHIPS		
External	Internal	Committees/Groups
Recruitment Agencies Health and Safety Contacts Applicants Contractors HR Community Employment Law Governing Agencies EEO Trust	Managers All Staff	Management Team Staff Liaison Committee Health and Safety Committee
PERSON SPECIFICATION		
	Essential	Preferred
Education/Achievements	<ul style="list-style-type: none"> • Tertiary degree in related field 	<ul style="list-style-type: none"> • Relevant post-graduate studies
Experience/Knowledge	<ul style="list-style-type: none"> • Minimum of five years of broad based HR experience. • Knowledge of HR employment law. • Experience managing people. • Knowledge of adult learning techniques and development concepts. • Experience in conflict resolution and employment relations. • Knowledge of and practical experience in best practice HR 	<ul style="list-style-type: none"> • Experience in professional service environment. • Previous budgetary responsibility. • Previous involvement in strategic planning process. • Experience with change management and culture change initiatives.

	initiatives.	
Specific Skills	<ul style="list-style-type: none"> • Well-developed written and oral communication skills • Computer literate • Negotiation skills • Ability to address conflict in an appropriate, win-win manner. • Ability to interact and influence at all levels • Ability to organise department responsibilities and delegate responsibility. • Ability to demonstrate initiative. • Organisational skills • Project management and implementation skills • Ability to manage budget within defined parameters. 	
Personal Qualities	<ul style="list-style-type: none"> • Adaptable/flexible • Assertive • Articulate • Diplomatic • Empathetic • Focus on self-development • Resilient • Results driven • Self-confident • Sense of humour 	

DIMENSIONS

Annual Budget: \$ XX

Team: Human Resources Assistant, Secretarial assistance (3.5),

AUTHORITIES

General Expenditure: Purchases less than \$5000.00. Amounts greater than \$5000.00 must be pre-approved by GM.

Authority to hire and fire: Direct influence over HR staff; indirect influence on all other staff (professional, support and management), excluding partners.

Prepared by: _____

Date: _____

Authorised by: _____

Date: _____

Employee's Signature _____

Date: _____

Job Description 5

Position:	Human Resource Manager	
Reports to:	Group Leader OD	
Staff Reporting to Position:	HR Coordinator	
Key Outcomes of the Job To prepare the HR business plan which will competitively position the company in the provision of employee services and to ensure the management committee is kept informed of HR issues and progress towards objectives set in the business plan. To act as an 'internal consultant' ensuring the management team and staff receive high quality advice and support on personnel training and development, employee relations, labour market recruitment and occupational safety and health issues by keeping up to date with relevant HR and employment legislation and best practice. To assist managers to ensure staff performance meets agreed standards and criteria as per legislative and regulatory requirements as well as complying with corporate policies and procedures and that professional staff performance reviews, development and training takes place. To formulate, interpret and implement appropriate HR policies and procedures which are consistent with the objectives of the company. To help develop and build a positive value based culture throughout the company which reflects best practice trends in HR management. To ensure that statutory requirements are met in relation to HR management by ensuring appropriate advice and support is made available to managers in the interpretation and understanding of the Employment Relations Act 2000, Health and Safety in Employment Act 1992, Privacy Act 1993 or any other impinging legislation and ensuring compliance with same. To ensure that all HR staff are trained, motivated and performing to the requirements of their positions by coaching and providing support to ensure their success. To act as the designated Health and Safety Leader for the company and to implement, manage and review health and safety initiatives which ensure all staff are trained in the health and safety issues and the administration of the above processes achieves a reduction in accidents, lost time and ACC charges throughout the company. To ensure compliance with Company Health and Safety requirements in relation to accident and incident reporting, hazard notification, using safety equipment when required and to take all practicable steps to ensure your own safety and the safety of all other persons who may be affected by your work. To assist in all facets of Industrial Relations providing background research and policy suggestions for negotiation.		
Functional Relationships with:	All Staff	All Managers
Primary Objective of the Job:	To ensure the human resources function achieves KPI's and business development objectives through effective 'people management' strategies in recruitment, HR planning, remuneration, employment relations, agreements, performance management, staff training and development and H&S in accordance with company values and guiding principles.	

Appendix 3: Key Results areas

Key Result Area	Frequency (Out of 53 Job Description)	Proportion of total job description	Proportion of total Key Result Areas (n=361)
1. People (Staff, Employee Relation)	46	86.79%	12.74%
2. HR Strategies	29	54.72%	8.03%
3. Recruitment, Selection, and Induction	26	49.05%	7.2%
4. Legislation, Policies, Procedures, and Compliance	25	47.17%	6.92%
5. Training, Capability, and Competencies Development	24	45.28%	6.65%
6. Health and Safety, Risk Management	22	41.51%	6.09%
7. Performance Measure and Management, Quality	20	37.74%	5.54%
8. HR Programs, Services, System, Framework, and Process	19	35.85%	5.26%
9. Record and database, HR Information System, Reporting	18	33.96%	4.99%
10. Organisational Development, Change Management	18	33.96%	4.99%
11. Remuneration, Payroll, Reward, Benefits, Compensation	16	30.19%	4.43%
12. Leadership	15	28.30%	4.16%
13. Guidance, Advice, and Support	14	26.42%	3.88%
14. Team Participation and Management	13	24.53%	3.6%
15. HR Planning	11	20.75%	3.05%
16. Company Management, Contribution to the Senior Management Group	10	18.87%	2.77%
17. HR Administration	6	11.32%	1.66%
18. Special Projects	4	7.55%	1.1%
19. Organisational Culture	4	7.55%	1.1%
20. Financial Management	4	7.55%	1.1%
21. Add on activities (Gardener, Security, Canteen, Contractor, Phone System)	3	5.66%	0.83%
22. Budgetary Management	3	5.66%	0.83%
23. Customer Focus	3	5.66%	0.83%
24. Eyes and Ears of CEO	2	3.77%	0.55%
25. Stakeholder Management	2	3.77%	0.55%
26. Mergers and Acquisition	1	1.89%	0.28%
27. Market Trends (Focus on current economic, market, and political trends)	1	1.89%	0.28%
28. Innovative	1	1.89%	0.28%
29. Physical Resources	1	1.89%	0.28%
Total	361		100%

Appendix 4: Description of Key Result Areas

Key Result Area	Description
1. People (Staff, Employee Relation)	It has something to do with employees participation, involvement, and communication
2. HR Strategies	This generally implies that human resource issues will be linked with corporate strategy. HR managers are expected to assist in establishing the organisation's long term direction and setting specific HR objectives
3. Recruitment, Selection, and Induction	This involves seeking, attracting, and identifying a pool of qualified candidates to fill current and future workforce needs
4. Legislation, Policies, Procedures, and Compliance	This covers activities intended to ensure that the firm complies with legislative requirements, internal policies, and procedural constraints
5. Training, Capability, and Competencies Development	This refers to specific learning activities to improve employees' performance.
6. Health and Safety, Risk Management	HR managers are expected to maintain a safe working environment, safe use of equipment, and ensure that employees have sufficient knowledge and skills to avoid harm
7. Performance Measures and Management; Quality Concerns	This refers to processes intended to improve the quality and quantity of work done and to identify poor performers
8. HR Programs, Services, Systems, Framework, and Process	This refers to activities involved in delivering existing HR programmes, services, systems, framework and processes
9. Record and database, HR Information System, Reporting	HR managers are expected to collate, store and disseminate information intended to support human resource management. They are charged with maintaining the confidentiality of data.
10. Organisational Development, Change Management	Organisational Development is a long-term effort to develop and mould the organization towards its vision. The emphasis is on humanistic change techniques and processes.
11. Remuneration, Payroll, Reward, Benefits, Compensation	This largely administrative function is concerned with prompt and accurate payment of employees while complying with legislative requirements.
12. Leadership	HR managers are expected to exercise leadership both in the HR function and more broadly through the organization.

13. Guidance, Advice, and Support	HR managers are expected to give specialist support and advice to other line managers. Guidance for new employees is a particular consideration.
14. Team Participation and Management	HR managers are members of a team and expected to participate fully in the life of their team.
15. HR Planning	This process involves managers in analysing their firm's needs for human resources, planning actions to meet the needs. There is a need to "size" the firm in terms of the number of employees required to get the work done
16. Company Management, Contribution to the Senior Management Group	Related to 13 and 14 above, HR managers are responsible to the senior management group and expected to contribute to SMT decisions.
17. HR Administration	HR managers have an administration role. They provide focus, direction and support to ensure the effectiveness and job satisfaction of their own staff
18. Special Projects	HR managers are responsible for special projects as directed by CEO or directors
19. Organisational Culture	This refers to the HR manager being considered the "architect" of norms of conduct, work attitudes, and the values and assumptions about relationships that govern behaviour in the organisation
20. Financial Management	HR managers play a role in managing costs and ensuring costs are within budget
21. Add on activities (Gardener, Security, Canteen, Contractor, Phone System)	HR managers also deal with other activities such as the gardener, security, canteen, contractor, phone system
22. Budgetary Management	Linked to 20 above, this category focuses on reducing overhead and labour costs in relation to personnel administration, training and development and reward. HR managers are to ensure that planned expenditure is clear, understood, and approved.
23. Customer Focus	Some job descriptions explicitly note that HR managers will be judged in terms of the satisfaction of their customers, and are expected to monitor customer satisfaction
24. Eyes and Ears of CEO	In this category, HR managers are expected to monitor employee attitudes and behaviour and provide feedback from employees to CEO

25. Stakeholder Management	Achieving good relationships with stakeholders including shareholders, management, government, community groups, and unions
26. Mergers and Acquisition	Some HR managers are charged with managing M&A activities to meld two (or more) organisations, including overcoming conflicting corporate cultures, auditing the policies and practices of the acquired company, redesigning compensation programmes, creating retention incentives for key employees. They may also be expected to explore and evaluate new opportunities for mergers and acquisitions, fitting their brands, products or business models
27. Market Trends (Focus on current economic, market, and political trends)	HR managers are expected to focus on current economic, market, and political trends in making decisions
28. Innovation	In some organizations HR is seen as the key to the competitive advantage that comes with innovation. HR managers are charged with maintaining an innovative culture.
29. Physical Resources	HR managers may be responsible for the physical resources or assets of the organization, including maintenance activities

Appendix 5: Measures/Key Performance Indicators for 11 most frequent mentioned KRAs

Most Frequent KRAs	Measures, (success when..)	Frequency
People (staff, employee relation, communication)	• Survey	• 8
	• Leadership and expertise provided	• 2
	• Staff motivated, supported, advised	• 6
	• Culture aligned with company value	• 3
	• Effective resolution	• 3
	• Relationship maintained	• 10
	• High level of competency achieved	• 1
	• Employee satisfaction	• 3
	• Turnover statistics	• 2
	• Reviewed	• 4
	• Budget	• 2
	• Personal development plans, people are monitored	• 1
	• Results meet expectation, strategies, plans, and objectives are achieved	• 12
	• Fairness	• 3
	• Managers well advised, and professional advice, assistance to CEO are provided	• 3
	• Continued improvement	• 5
	• Strategy effectiveness	• 1
	• Risk minimized	• 3
	• Grievances resolved	• 1
	• Appropriate training are available	• 6
	• Approved leave forms for staff	• 1
	• New skills for staff	• 3
	• Feedback	• 3
	• Compliance, statutory obligation are met and consistent with HR related legislation, procedures, policy	• 11
	• All documentation is updated appropriately, contract is maintained	• 4
	• Acted as an internal	

	<ul style="list-style-type: none"> consultant • Incident • Quality of product and services • Best people are retained and developed • Stability in operation • Clear job description • Performance plans completed • Complete formal assessment • Timeframe, time taken to manage staff issue • Effectiveness of communication • Customer satisfaction • Cost • Safe work place is maintained • Staff are performing at an optimum level • Department is appropriately staffed • Resourcing plan established in each business unit • Staff and management understand performance management • Appointed staff fit in organisation's culture and capability requirement • Agreed KPIs are achieved • Reputation • Good team environment exists • Employee received correct alary and entitlements 	<ul style="list-style-type: none"> • 1 • 1 • 2 • 3 • 1 • 1 • 1 • 1 • 3 • 4 • 1 • 1 • 1 • 2 • 1 • 1 • 1 • 1 • 1 • 1
HR strategies	<ul style="list-style-type: none"> • HR vision defined • Expertise provided • Strategies and plans are in place • Reputation • Company goal, strategic objectives achieved • Reviewed • Organisational value • Staff Satisfaction 	<ul style="list-style-type: none"> • 1 • 2 • 11 • 2 • 12 • 3 • 1 • 3

induction	<ul style="list-style-type: none"> • All checking processes and documentation is completed • A pool of relief staff is established • Best candidate for job recruited • Turnover • Continued improvement • Time taken to fill vacancies, timeframe • The number of vacancies at anyone time or reduced, action plan implemented in timely manner • Consistent with the requirement (policies, strategic and operational requirement), and best fit for organisation • Good employer principles are met • Unit structure is analysed • Recruitment strategy developed • Staff needs determined • Relationship with recruitment committee, consultant, and agencies • Effectiveness of recruiting are maximized • Best practice recruitment and selection methods are adopted • Updated job description, all staff have current job description • Updated person specification, all staff have current job specification • Market remuneration data obtained • Advertise role conducted • Achieved greater diversity in the workplace • Induction process are maintained and developed • Budget • Cost effectiveness 	<ul style="list-style-type: none"> • 3 • 2 • 10 • 2 • 3 • 4 • 2 • 7 • 2 • 1 • 2 • 1 • 2 • 1 • 3 • 2 • 2 • 1 • 1 • 1 • 1 • 1 • 1
-----------	---	--

	<ul style="list-style-type: none"> • Customer satisfaction • Compliance with policy/legislation • Survey • Achieved best practice outcome • New staff have basic understanding of policies, plans and processes 	<ul style="list-style-type: none"> • 1 • 1 • 1 • 1 • 1
Legislation, policies, procedures and compliance	<ul style="list-style-type: none"> • Staff aware of their requirement • Protection in working environment, maintained safe environment (Health and safety implemented) • Policies and practices implemented, consistent, updated • Complied with legislation • Business objectives, value, strategic, plan achieved • Company recognized as an innovative and progressive employer • HR strategic plan linked to the company's strategic plan • Performance management system is monitored • Policies are reviewed • Value in the HR policy and process • Maintained quality standard • Continued improvement • Risk minimized • Accurate and timely advice and support • HR resources needs are met • Effective cost policy • Statutory requirement are met • Strategic requirement are met • Positive corporate culture developed • Legislation requirement 	<ul style="list-style-type: none"> • 2 • 3 • 7 • 10 • 6 • 1 • 2 • 3 • 4 • 1 • 3 • 5 • 2 • 2 • 1 • 1 • 4 • 1 • 1

	<ul style="list-style-type: none"> are met • Induction and probationary requirement are met • Vicarious liability of management are reduced • Appropriate performance management system • Procedures and practices aligned to “best practice” • Align with company vision and values • HR practices are formally monitored • Changes made to policies and practices 	<ul style="list-style-type: none"> • 2 • 1 • 1 • 1 • 1 • 1 • 1 • 1
Training, Capability and Competencies Development	<ul style="list-style-type: none"> • Right people available • All type of leave are managed • Budget is controlled • Professional development plan is in place, effective professional training developed • Business objectives achieved • Strategic direction and training provided • Training analysis completed • Training database maintained • Satisfaction with training • Continued improvement • Staff capabilities meet future requirement • Made recommendation of individual development plan • Maintained orientation program • New staff are supervised • Complied with HR policy, compliance issues • Company and employee, resource needs are met • Competencies obtained • Regularly review 	<ul style="list-style-type: none"> • 2 • 1 • 2 • 6 • 5 • 2 • 3 • 1 • 3 • 6 • 1 • 1 • 1 • 1 • 2 • 4 • 2 • 1

	<ul style="list-style-type: none"> • Aligned with strategic and operational needs • Feedback • Information are available all the time • Cost effectiveness • Induction program conducted • Assistance in employee development • Timeframe (training needs assessment, time spent in training) • Customer satisfaction • New skills developed • Central database is maintained • Annual audit of database are developed • Relationship maintained • Met expected performance • Training requirement are met • Maximum value achieved 	<ul style="list-style-type: none"> • 1 • 3 • 1 • 2 • 2 • 1 • 1 • 1 • 2 • 1 • 1 • 1 • 1 • 1 • 1
Health and Safety, risk management	<ul style="list-style-type: none"> • Policies and practices implemented and consistent • Legal, statutory requirement are met • High level of compliance • Review • Incidents, injuries, risk minimized • Reduced absenteeism • Successful audit • Number of staff involved in safety and wellness initiatives • Working relationship achieved (insurance provider) • Unfair employment practices reduced • Acted as firm's privacy Officer • Maintained safe working environment • Continued improvement • Employee participation 	<ul style="list-style-type: none"> • 6 • 3 • 9 • 4 • 9 • 2 • 1 • 1 • 2 • 1 • 1 • 5 • 3 • 1

	<ul style="list-style-type: none"> • Housekeeping to agreed standard • Timeframe • Staff training • Use ergonomic equipment as provided • Level of cost • Annual leave • Plans updated all the time • Stress reduced • Managers feel supported and empowered • Managers are informed of current legislation and practices • Requirements on responsibilities checklist are satisfied • Reports available to staff/director/manager • Advice is provided to senior management and staff • Personal grievances have been successfully defended 	<ul style="list-style-type: none"> • 1 • 2 • 2 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 2 • 1 • 1
Performance measurement and management, quality	<ul style="list-style-type: none"> • Ability to manage performance improvement and measure • Performance feedback • Survey • Attendance on conference, meetings, and seminars • Report/ Statistical required • Staff performance met agreed standards and criteria • Compliance • Review • Knowledge of best practice techniques maintained • Projects completed by agreed timeframe • Budget • Assistance readily provided when requested • Job description updated • Staff trained in performance management 	<ul style="list-style-type: none"> • 7 • 4 • 4 • 1 • 2 • 2 • 2 • 5 • 3 • 2 • 2 • 2 • 1 • 3

	<ul style="list-style-type: none"> • Strategies, and objectives are achieved and best fit the for company • Staff receive regular formal appraisal • High level of satisfaction • Competencies are developed • Reduced in personal grievance • No litigation • Employees appropriately rewarded • HR quality manual is maintained • Safe environment • Continued improvement • Linked to business goal • Performance development program is consistent with values, strategic and business plan 	<ul style="list-style-type: none"> • 3 • 1 • 1 • 2 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1
HR programs, services, system, framework and process	<ul style="list-style-type: none"> • Actively advocated for disabled people within community • Familiarize with all program and services • High quality • Performance review • Continued improvement • Salary review • Survey • Job evaluation • Sick leave, annual leave record • Compliance • Budget • Payroll processing meet deadlines • Conflict situation reduced • Communication style • CEO and other executives are advised • Risk Minimized • Safe and healthy workplace provided • HR policies maintained • Effective recruitment 	<ul style="list-style-type: none"> • 1 • 4 • 2 • 4 • 5 • 1 • 3 • 3 • 1 • 7 • 3 • 1 • 1 • 2 • 1 • 1 • 3 • 2

	<ul style="list-style-type: none"> • Data inputted, maintained, updated • Monitoring report, statistic are developed and run • Survey • Analysis provided • Operational needs are met • Customer satisfaction • Service delivery levels achieved • Continued improvement • Effective HR system in place • Measures in place to evaluate the effectiveness of HR • Effective communication • 	<ul style="list-style-type: none"> • 3 • 5 • 1 • 1 • 1 • 1 • 1 • 2 • 1 • 1 • 1 • 1
Organisational Development, change management, value	<ul style="list-style-type: none"> • Continued improvement • Long term goal are met, business outcome achieved • Strategic plan met • Complied to policy • Access to suitable recruitment market • New people management practices implemented • Employee satisfaction • Healthcare delivered • Organisations short term and long term needs are met • Built a positive value • Survey • Implemented within timeframe • Alignment with performance excellence criteria • Regular communication • All organisational development initiatives have an explicit change management • Level of knowledge and it's utilization in developing organisation plan • Level of assistance given 	<ul style="list-style-type: none"> • 5 • 3 • 3 • 2 • 1 • 1 • 2 • 1 • 1 • 2 • 3 • 1 • 1 • 2 • 2 • 1 • 1

	<ul style="list-style-type: none"> • Customer satisfaction • Risk minimized • Productivity maximized • Team member are measured • Competencies • Optimal organisation structure obtained • Met cost target • Increased financial performance • Improved quality of work life • Recognition achieved • Met the organisation requirement • Resourcing plan/process in place • Feedback • Clear and supportive leadership are provided • Culture of innovation are achieved 	<ul style="list-style-type: none"> • 1 • 2 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1 • 1
Remuneration, payroll, reward, benefits, compensation	<ul style="list-style-type: none"> • Salary, position description review conducted • Salary changes consistent with market rates • Participated in market surveys, survey conducted • Strategic company goal are achieved, aligned with company value and marketplace strategies • Job evaluation • Updated information • Within budget • Liaised with finance, relationship • People retained, recruited, developed • People motivated • Accurate and reliable payroll services (benefit, insurance) • Staff adequately recognized and rewarded • Increase job satisfaction • Effective implemented and monitored on an ongoing 	<ul style="list-style-type: none"> • 3 • 1 • 5 • 4 • 1 • 1 • 1 • 1 • 1 • 1 • 3 • 1 • 1

	basis	• 1
	• Fairness	• 1
	• Employee are fully informed	• 1
	• Continued improvement	• 1
	• Compliance	• 1
	• Vision and values	• 1
	• Group compensation strategy in place	• 1
	• Staff turnover rate	• 1
	• No employee grievances	• 1

Appendix 6: Chi-Squared Test

Actual Frequencies	1	2	4	6	7	12	Total
1. People	12	24	115	12	53	25	241
2. HR Strategy	19	5	75	3	57	8	167
3. Recruitment	5	4	42	9	70	5	135
4. Legislation	8	24	33	2	46	1	114
5. Training	9	0	24	35	29	7	104
6. H&S	6	29	22	1	32	4	94
7. Performance Mgt	6	1	34	6	41	4	92
8. HR programmes	16	15	43	1	61	3	139
9. HRIS	2	1	8	0	35	2	48
10. OD & Change	5	2	31	4	24	4	70
11. Remuneration	2	1	18	0	29	2	52
Total	90	106	445	73	477	65	1256

Expected Frequencies	1	2	4	6	7	
1. People	17.27	20.34	85.39	14.01	91.53	
2. HR Strategy	11.97	14.09	59.17	9.71	63.42	
3. Recruitment	9.67	11.39	47.83	7.85	51.27	
4. Legislation	8.17	9.62	40.39	6.63	43.29	
5. Training	7.45	8.78	36.85	6.04	39.50	
6. H&S	6.74	7.93	33.30	5.46	35.70	
7. Performance Mgt	6.59	7.76	32.60	5.35	34.94	
8. HR programmes	9.96	11.73	49.25	8.08	52.79	
9. HRIS	3.44	4.05	17.01	2.79	18.23	
10. OD & Change	5.02	5.91	24.80	4.07	26.58	
11. Remuneration	3.73	4.39	18.42	3.02	19.75	
Chi squared significance						2

A-E	1	2	4	6	7	12	Total
1. People	1.607697492	0.65890892	10.2707565	0.287618058	16.21691473	12.58384777	41.62574347
2. HR Strategy	4.133959046	5.867759913	4.236284016	4.633451599	0.650428592	0.04776696	19.56965013
3. Recruitment	2.257929019	4.797644736	0.710713638	0.169625251	6.842542086	0.564812547	15.34326728
4. Legislation	0.003487665	21.48993669	1.352161688	3.229497212	0.169057281	4.069182203	30.31332273
5. Training	0.321460069	8.777070064	4.479285876	138.7052815	2.789671278	0.486307617	155.5590764
6. H&S	0.080349641	55.94436148	3.836867835	3.646412812	0.383285632	0.153684051	64.04496146
7. Performance Mgt	0.053226253	5.893125304	0.060514533	0.079712674	1.051239603	0.121681614	7.25949998
8. HR programmes	3.662509228	0.911019316	0.792579535	6.202602084	1.277165613	2.444605815	15.29048159
9. HRIS	0.602453409	2.29781076	4.769665307	2.789808917	15.42881019	0.094332843	25.98288143
10. OD & Change	5.0551E-05	2.584732261	1.549462637	0.001152355	0.251241266	0.039314762	4.425953832
11. Remuneration	0.799618923	2.616401505	0.009738011	3.022292994	4.334119625	0.177473335	10.95964439
Chi-squared							390.3744827