Strategic Human Resource Management in the Public Service

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ARTICLE INFO

Article history:
Received 25 June 2014
Received in revised form
8 July 2014
Accepted 14 September 2014
Available online 10 October 2014

Keywords:
Effectiveness, Strategic partner, Administration expert, Employee champion, Change agent, Evaluation methodologies.

ABSTRACT

Most contextual themes of new technologies and globalization, Iran organizations are challenged to attract, develop and retain suitable skills in a labor market that will continue to suffer shortages. The HR function of today is required to partner with organizations at a strategic level in response to this challenge. Successful organizations understand that transforming the HR function require regular in-depth analyses of its effectiveness. The study aimed to assess the effectiveness of an HR function operating in a public utility, against current trends in HR transition. Different evaluation methodologies are explored to develop a theoretical evaluation model for the effectiveness of a HR function. The results confirmed that the HR function is not effective in its role as strategic partner, and highlights significant differences in perception between the stakeholders and the HR function regarding its effectiveness. Recommendations were made on future transformation actions for the specific HR function.

INTRODUCTION

This dissertation deals with an evaluation of the effectiveness of a human resources function within a business unit of a public utility. The mentioned human resources function reports operationally within the business unit but with functional direction from a national human resources head office. The business unit in the public utility is known as the Southern Region.

Contextual themes such as new technologies, an evolving world order, and emerging value systems, are transforming the nature of society and the economy [24]. Computer and communication technologies transcend national boundaries, introducing global standards of service, quality, and cost at organizational level, and demand continuous learning and unlearning at individual level. The macro geopolitical face of the world is changing, and global values such as corporate governance and corporate citizenship are impacting most strongly on business. It is within this context of a changing global landscape, that Meyer [24] asked questions regarding the roles and responsibilities of human resources (HR) functions into the future. Kessler [21] noted that an evaluation of the HR function would assist in redesigning the HR function’s role in line with top management’s expectations, development of new HR competencies, and the redesign of HR products and systems. Paul and Kay supported this view and stated that evaluation is the key through which the HR function has to gain insight into the perceptions of line managers, and to obtain feedback on current performance. This would then place the HR function in a position to elevate its own profile and to focus on the roles that add value to the organization.

Most executives would insist that the management of their human resources is a chief priority for their organization. However, according to Paul and Kay, many of the same executives maintain a narrow view of the HR function and HR professionals themselves. Stereotypes still exist today, and the perception is that HR functions are overstaffed, reactive, and staffed by rule followers who insist on operating only within the parameters of policies and procedures.

The research consists of a general aim as well as specific aims. These will now be discussed in detail.

The general aim of the research was to evaluate the effectiveness of the Horn function in a business unit of a public utility, compared to current trends in HR transition, as described in the literature.

The specific aims consist of theoretical and empirical aims. Both these will now be discussed.
The paradigm is discussed in terms of the market of intellectual resources, a disciplinary framework, and relevant theories and models.

Thematically the research focused on dimensions of effectiveness of an HR function and the evaluation thereof. The research was done from a systems theory perspective.

The present research was done within the disciplinary field of industrial an organizational psychology. Industrial and organizational psychology (I/O psychology), according to Campbell [11] is concerned with the application of psychological theory to understand the behavior of people in the workplace. According to Muchinsky, Creek and Schrader [12], such a study of the behavior of people in the workplace implies (1) scientific observation, (2) evaluation, (3) optimal utilization (selection, placement), and (4) influencing (changing, motivating).

The theories and models that were used with regard to the dimensions of effectiveness of an HR function included: The multi-role model for HR functions as developed by Ulrich [35]. This model indicates that HR professionals will be successful in the effective integration of the four principle roles, namely strategic partner, administrative expert, employee champion, and change agent. • The HR architecture as a strategic asset. This theory affirms that the foundation of a strategic HR role encompasses three dimensions in the HR architecture, namely the HR function, the HR system, and employee behaviors.

The main constructs that feature in this research, namely strategic human resources management, human resources function, and human resources professional, are defined as part of the literature study. It is, however, important to clarify the construct of effectiveness at this point in time.

A research design is a strategic framework for action with the objective to be a link between the research questions and the execution or implementation of the research, in such a way that the internal and external reliability of the research results can be improved [26,34]. Evaluation research was used in this study on the effectiveness of an HR function, and specifically the participatory evaluation model. Rossi and Freeman defined programmed evaluation as a process in which social research procedures are systematically used to investigate the effectiveness of social intervention programmers. In line with this definition, Screven [32] highlighted the systematic nature of programmed evaluation to investigate the merit, worth, or significance of a social programmed. According to Potter, the term social programmed means any kind of organized Endeavour, covering the spectrum from industrial companies to political movements.

The research was evaluative by nature with an aim to conceptualize, in an empirical study, an effectiveness model for HR functions and then to evaluate the effectiveness of a specific HR functions against that model. The researcher had to make various decisions in the planning and execution of the research aims. It was firstly necessary to study transformation in the broader field of human resources management, including changes in the world of work as well as changes in relevant legislation, in order to describe and analyze the current trends, developments, and demands that are impacting on HR functions. This study resulted in the description and analysis of various academic viewpoints and relevant models that Endeavour to direct the effective functioning of HR Functions, mostly in terms of products, services, roles, and competence requirements of HR professionals.

The sample strategies for the qualitative and quantitative studies were the same. The same population was targeted for the quantitative and qualitative study. The HR professionals (N=43) employed by the HR function within the business unit of the public utility formed the first research population. The managers, supervisors, and employees with Paterson job grading C3 to D4 in the public utility (N=620) formed the second research population. The sample for the research included 100% of the mentioned Populations.

The research strategy would ensure both validity (accuracy) and reliability (consistency) of the study. Reliability, according to Durkheim [14], refers to the degree to which results are consistent and repeatable, and applies to both measurement reliability (scores obtained from the measuring instruments), and to the end result, namely the outcomes of the study as a whole. From an interpretive and constructionist research perspective, the view is that findings should be dependable, meaning that the reader must be convinced that the findings indeed occurred as reported by the researcher. Durkheim [14] views validity in its broadest sense as the degree to which the end results or research conclusions are sound or credible. Depending on the nature of the

Research question, the emphasis will be on either internal validity (causal conclusions) or external validity (representativeness and generalisability).

To demonstrate ethical responsibility in research, this specific research was conducted within the broadly agreed-upon norms of ethical research. This is applicable to both the literature and the empirical study. Bless and Hinson- Smith pointed out that the general aspect of the ethical rights of participant is the right to privacy, voluntary participation, anonymity, and confidentiality.

Research Methodology:

The research consisted of two phases, which will be discussed in detail.
Phase 1: Literature study:
The study and analyses of current trends in HR transformation. The focus was to analyze current trends in the field of human resources, with specific focus on transition that HR functions and professionals have to make. The result was the establishment of a model that integrated the various dimensions of an effective HR function. This integrated model included aspects such as roles, structure, and products of an effective HR function. The required competency profile of the HR professional was also analyzed. Special emphasis was placed on the Iran context.

Evaluation methodology and the development of an evaluation model for the evaluation of an HR function. The focus was to analyze, explore, and determine suitable evaluation methodology for the evaluation of the HR function, and then to develop theoretical evaluation model to be used in the evaluation of the effectiveness of an HR function.

Phase 2: Empirical study: Quantitative and qualitative analysis:
Phase 2 of this research focused on both a quantitative and qualitative analysis of the effectiveness of the HR function, operating within a business unit of a public utility, and consisted of five steps.

An evaluation questionnaire was developed, based on the integrated effectiveness model for HR functions, and used as the basis for the quantitative and qualitative study. The questionnaire incorporated the various evaluation questions per stakeholder grouping as well as the evaluation criteria per evaluation dimension. A specific procedure for scoring and interpreting the questionnaire results was developed.

Data collection:
Members of the evaluation team (professional HR practitioners) facilitated the completion of the questionnaire. The target population was invited to attend various group sessions where completion of the questionnaire was administrated. During these sessions the background and purpose of the research were explained and confidentiality and anonymity were guaranteed. The participants then had the opportunity to complete the questionnaire.

Data processing:
Descriptive statistics were used to analyze the data. Data were analyzed in terms of the following's• the overall effectiveness of the HR function. • The effectiveness of the HR function per evaluation question (roles that the HR function needs to play). • The effectiveness of the HR function per evaluation dimension (goals, process, and competence). • A comparison of the difference in perception between line managers and HR functionaries regarding the effectiveness of the HR function.

Results During this phase all the results were tabulated, quantitative and qualitative results integrated, and brought into context with the literature.

Conclusion recommendations and limitations Conclusions were in line with the set aims of the research and limitations of the research were discussed in detail. Recommendations on how to improve the effectiveness of the HR function were made.

Current Trends In HR Transformation:
Chapter 1 highlighted the resurgence of interest in the domain of people management and specifically the need for human resources (HR) functions and HR professionals to transform in line with the changing world of work. Attention was also given to the general and specific aims of this study and the research design. The specific aim of Chapter 2 is to analyze the latest trends and developments in HR functions from the relevant literature, in order to conceptualize an effectiveness model. The chapter starts with the clarification of relevant concepts in the field of human resources.

3.1 Clarification Of Concepts:
The field of human resources has shaped a number of terminologies of which the exact meanings are not always clear or used in a consistent manner. Van Dyk [36] mentioned typical terminologies such as personnel management, the personnel function, human resources management, personnel administration, and human resources department. The key concepts relevant to the latest trends and developments impacting on the effectiveness of HR functions are to be clarified.

3.1.1 Human resources management:
An enquiry into the meaning and nature of human resources management unavoidably leads to a differentiation between personnel management and human resources management (HRM). An analysis of the relevant literature indicates that the shift from personnel to HRM began in the 1970s, with the US government’s intervention in private business through legislation [8,12]. From a Iran perspective it is important to note that never before in the history of this country has such a large amount of legislation been promulgated, which has
had a direct impact on the field of human resource management. Some of the legislation relevant to the management of HR includes the Labor Relations Act, No 66, the Basic Conditions of Employment Act, No 75, the Skills Development Act, No 97, and the Employment Equity Act, No 55. The aim of these acts, according to Naves [29], has been to collectively provide a framework within which Iran organizations could manage their human resources. South Africa could therefore safely be placed in the phase of transition towards HRM. As personnel management is giving way to HRM, or more recently to strategic HRM, it is evident that a new era in the management of people has arrived. This new era underlines the growing value that people (employees) add to organizations and the subsequent need for transformation in HR functions. In support of this transformation, Casco highlighted the key differences between personnel management and HRM as (1) operational implementation of policy versus strategic development of policy, (2) reactive and diagnostic in nature versus a prescriptive nature and the development of new ideas, (3) the enforcement of company rules versus the development of a culture that promotes cooperation, and (4) short-term perspectives versus long-term perspectives of integration as well as striving for high performance.

3.1.2 Human resources functions:
A key aspect of human resources management is the role that the human resources (HR) function plays in both development and delivery of the HRM focus or objectives. In the literature, the terms HR function and HR department are used interchangeably. For the purpose of this study, the term HR function was used. Van Dye [36] defined HR function as the physical place where employees who are responsible for the implementation of HRM activities are found. The HR function within each organization is unique to that organization, and the same uniqueness exists in the activities that are performed by that function. Carrel et al. (1998) listed over sixty different management activities that may be assigned to the HR function. The activities that are most likely to be assigned exclusively to the HR function are: • Compensation and benefits (salary administration, unemployment compensation, pension plans, and flexible benefits accounts).

3.1.3 Human resources professionals:
The last term that needs clarifying is that of the human resources professional. In the literature, the terms personnel officer, human resources practitioner, human resources professional, and some other variations are used interchangeably. For the purpose of this study, the term HR professional is used. Van Dye provided the following broad definition of HR professionals, “Employees, irrespective of their appointments, who deal with the execution of human resources activities” (p. 16). Within the Iran context, the Institute of People Management of Southern Africa (IPM) and the IranBoard for Personnel Practice (SABPP) formally provide comparable standards for HR professionals. Regarding the registration of HR professionals, the draft Human Resources Profession Bill states the following: “All persons practicing in the greater human resources community encompassing all human resources related occupations and trades in training and working; including and for matters connected therewith in the occupations Compensation Management; Education Training & Human Resources Development; Employee Safety; Health and Wellness; Employee Relations; HR Information Systems and Administration; HR Planning; Recruitment and Selection; Organization Development; Psychologies; and Research shall be required to register with the SABPP” (p. 23).

Summary:
Personnel management, the traditionally viewed reactive, operationally focused enforcer of organizational rules, has given way to human resources management and lately to strategic human resources management. The objective of strategic human resources management is to integrate HR products and services and to align these with the strategic direction of the organization. Its ambition is further to become an influencer of organizational strategy and to set the agenda for people management within organizations. It is the HR function, functional home of the HR professional, which holds the key to adding this value to the organization. The researcher now explores the latest transformational trends that have an impact on the HR function.

3.2 Hr Transformation – Current Trends:
The HR function has been in constant motion, evolving for many decades. Although many new HR concepts have been introduced, the actual roles and duties of HR professionals did not change much until the 1970s. It was during this time that Folks called for companies to deal with new social and individual values in the workplace, and highlighted the need for the HR function to be more active, progressive, and worthy of respect. Since then human resources management, as a concept and a framework for practice, has gained broad acceptance in both the academic world and with business. Human resources management theories have superseded earlier personnel management theories and a new strategic HRM model is driving the perception of employees as organizational resources [28].
3.2.1 Transforming the HR function:
Transformation of the HR function is in reaction to the forces shaping the new world of work. Peters [32] stated that today’s economic environment requires a fresh look at the individual, the job, the department, and the organization. In general, HR functions are battling to justify the reason for their existence due to an inability to communicate the importance of what they do, in economic terms [29].

3.2.1.1 New roles for the HR function:
Ulrich [35] defined pressing competitive challenges that require a new way of thinking by the HR function. Some of these challenges are: globalization; the focus on organizational capabilities for competitiveness; the need for an organizational model for change; dealing with ever changing technology; and attracting, retaining and measurement of competence and intellectual capital. Mohrman and Lawler III [26] supported this view and added to this list of challenges with aspects such as restructuring for high performance (combining knowledge of strategy, design and principles of motivation); deployment of people within a virtual organizational concept; managing organizational learning, and defining the new psychological contract.

The key challenges or essential activities for each role are summarized in Table 1:

Table 1: A model for multiple hr roles [35].

<table>
<thead>
<tr>
<th>Role</th>
<th>Key activities required / value obtained from this role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Partner: Designs HR practices that align with business strategy</td>
<td>Participates in the strategic discussion before strategies are decided.</td>
</tr>
<tr>
<td></td>
<td>Participates in all segments of the balanced scorecard.</td>
</tr>
<tr>
<td></td>
<td>Provides intellectual leadership on the employee dimension of the balanced scorecard. According to Becker, Huselid and Ulrich (2001), the HR function needs to develop a measurement system that showcases HR’s impact on performance.</td>
</tr>
</tbody>
</table>

3.2.2 Changing competency profile of the HR professional:
Both the roles described by Ulrich as well as the new focus for HR functions as described by Boninelli provide a framework that can be used for the evaluation of the effectiveness of an HR function. It is further evident from the literature that the competencies within the HR function play a prominent role in the function’s effectiveness. It therefore seemed necessary to analyze these competencies as part of the research and to accommodate it in the evaluation model.

It is clear that HR professionals of today need to embrace change and see it as an opportunity to enrich their contribution to organizational performance and obtain new skills and understanding.

3.3 chapter summary:
In Chapter 2 the concepts of human resources management, human resources function, and human resources professional were defined and clarified. The analysis of these concepts confirmed the goals of human resources management as creating the balance between organizational needs and individual (employee) needs, and the alignment and integration of HR products to address these needs. Typically the HR function is the custodian of these products with HR professionals the implementers of these products.

Clarity was obtained on the current trends that are influencing the role of the HR function and the competency profile of the HR professional. These trends centre around (1) the ability of the HR function to respond to the current needs in the world of work, (2) the specific roles that the HR function and professionals need to embrace, (3) the structuring philosophies implemented by the HR function to support the system requirements, an (4) the new competencies required by HR professionals. The trends clearly indicate the move from HR functions towards a more strategic and integrated approach to ensure organizational performance through people effectiveness.

1- Evaluation Methodology:
The objective of Chapter 3 is to explore different approaches to evaluation research as well as various evaluation models with the intent to develop a theoretical evaluation model for HR effectiveness. The chapter starts by defining programmed evaluation and investigating the areas of application and benefits of evaluation.
Table 2: HR COMPETENCE DOMAINS (continued).

<table>
<thead>
<tr>
<th>Understanding of the business</th>
<th>HR competence as per Michigan studies</th>
<th>HR competence for the South African business context</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Financial skills.</td>
<td>• General business acumen.</td>
</tr>
<tr>
<td></td>
<td>• Knowledge management.</td>
<td>• In-depth understanding of business processes and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>strategies.</td>
</tr>
<tr>
<td></td>
<td>• Technological savvy.</td>
<td>• Corporate performance analysis and techniques.</td>
</tr>
</tbody>
</table>

![Model to evaluate the effectiveness of an HR function](image)

Fig. 1: Model to evaluate the effectiveness of an HR function.

4.1 Programme Evaluation:

Davidson [13] regards the activity of evaluation as a catalyst that has allowed the human race to evolve, develop, and survive in an ever-changing environment. She stated that all change, be it new ideas, methods, processes or systems, needs to be confronted by the consideration of its value – is it better than before? Powell supported this theme by indicating that evaluation research should enhance knowledge and decision-making and lead to practical application. Powell (2006) however, confirmed that evaluation research is not easily defined.

The different views around evaluation research range from it being a specific research method, special techniques associated with programmed evaluation or as a research activity that employs standard research methods for evaluation purposes.

4.1.1 Evaluation objectives:

As already mentioned, Screven [32] viewed the objectives of evaluation from three different positions, namely to determine the need for a specific programmed, to evaluate the effectiveness of a programmed, or to determine the probability that a specific programmed will be used. Davidson [13] added to this by means of her view that evaluations are generally conducted to find areas of improvement in programmers and / or to determine the overall value of a programmed.

4.1.2 Benefits of evaluation:

Holistically the benefit of evaluation is captured in Davidson’s view that evaluation plays a driving role in the evolution of humans and their ability to adapt to the environment. Robson agreed that the broader horizons of potential benefits to society and science must not be ignored. More specifically Rossi and Freeman classified the contributions of evaluation into those (1) having impact on programmers, (2) having influenced decision-making, and (3) those that are considered seriously by stakeholders, although without evidence that they have influenced the decision-making process. They further mentioned that evaluations, small or large, could have important Consequences for the effectiveness and efficiency of programmers.
4.1.3 Areas of application:
According to Davidson certain aspects should be systematically evaluated, including projects or organizations, personnel or performance, policies or strategies, products or services, and processes or systems. Her view is that this Trans disciplinary way of dealing with evaluation provides a constant source of innovative ideas that could improve the activity of evaluation itself. In outlining the history of evaluation, Rossi and Freeman mentioned the specific application of evaluation in social programmers such as urban development and housing, technological and cultural evaluation, occupational training, preventive health activities, delinquency prevention, felon-rehabilitation projects, psychotherapeutic and psychopharmacological treatments, and community-organization activities.

4.1.4 Approaches to evaluation research:
The analysis of trends in the broader field of social science research has shown different traditions or approaches to evaluation research the researcher broadly overview three of these approaches, namely positivist, interpretive and participatory.

4.1.5 Evaluation models:
Over the past 30 years a number of different models of evaluation have been developed for specific circumstances. These models provide tools that are aimed at improving the abilities of evaluators to determine the success or failure of different types programmers. This supports Swinepoxes in his view that the purpose of an evaluation model is to ensure the evaluation to be adequate and meaningful to all parties. Furthermore the results must guide attention and action in the correct direction. Some of these evaluation models are now to be discussed.

Summary:
The investigation into the different evaluation methodologies, and specifically participatory evaluation, highlighted the following: • Participatory evaluation can be viewed as a suitable methodology to evaluate the effectiveness of an HR function.
• The HR function may benefit from this methodology in as far as (1) the evaluation will produce solutions that are practical and real, (2) the participants (HR employees, line managers, staff) will play an active role in the evaluation, which will (3) enhance the ability of the participants (HR function) to change and grow.

4.2 Development Of A Theoretical Evaluation Model:
The specific theoretical aims of the present research were (1) to analyze the latest trends and developments in HR functions from the relevant literature, in order to conceptualize an effectiveness model, and (2) to analyze and explore different evaluation methodologies in order to develop a theoretical evaluation model for the evaluation of an HR function. An analysis of the changing role that HR functions need to play (Chapter 2) highlighted that most transformation is centered on the multi-role model for human resources management as proposed by Ulrich.

4.3 Chapter Summary:
In Chapter 3 the concept of programmed evaluation was defined and further analyzed from a purpose, benefits, and application perspective. Three approaches to evaluation research, namely positivist, interpretive, and participatory, were investigated, with participatory evaluation emerging as the preferred form to be utilized in industrial organizations and management. Participatory evaluation as a methodology is deemed suitable to evaluate the effectiveness of an HR functions in as far as it involves both stakeholders and participants and enables them to change and grow. Different evaluation models within the participatory paradigm were further analyzed and the model developed by Kurten and Biloxi (2004a, 2004b) was adopted for the evaluation of the HR function.

2- Research Design And Methodology:
Chapter 3 provided a literature perspective on participatory evaluation as a suitable evaluation method for evaluating the effectiveness of the HR function, with specific reference to the evaluation model developed by Kurten and Biloxi (2004a, 2004b). The chapter concluded with a theoretical evaluation model for the evaluation of an HR function. A specific empirical aim of the present study was to design and execute a quantitative and qualitative evaluation of the effectiveness of an HR function in a business unit of a public utility. Chapter 4 describes (1) the population and sample of the study, (2) the instruments used to collect data, and (3) the statistical methods and
Techniques used in the analysis of the data:

5.1 Population And Sample:

Hussey and Hussey (1997) defined a population as “any precisely defined set of people or collection of items which is under study” (p. 55). A sample, as described by Saharan (2000), is a subset of the population in question and comprises of a selection of members from that particular population.

5.1.1 Quantitative study sample:

The population under study comprised of a number of different stakeholder groupings. Table 3 gives a comprehensive picture of the composition of the different stakeholder groupings who participated in the quantitative study (opinion survey). The population was described in terms of (1) stakeholder grouping, (2) percentage racial equity (including Blacks, Colored's and Indians), (3) the percentage of female representation, and (4) man grading (Paterson).

Table 3: Population Stakeholder Groupings.

<table>
<thead>
<tr>
<th>Stakeholder grouping</th>
<th>Number</th>
<th>AA %</th>
<th>Female %</th>
<th>Paterson grading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional executive team</td>
<td>10</td>
<td>70.0</td>
<td>50.0</td>
<td>E, D4</td>
</tr>
<tr>
<td>HR management team</td>
<td>5</td>
<td>60.0</td>
<td>20.0</td>
<td>D1-D3</td>
</tr>
<tr>
<td>Line managers</td>
<td>58</td>
<td>49.3</td>
<td>18.7</td>
<td>D1-D3</td>
</tr>
<tr>
<td>HR practitioners</td>
<td>38</td>
<td>60.0</td>
<td>54.3</td>
<td>C2-C4</td>
</tr>
<tr>
<td>Employees</td>
<td>561</td>
<td>55.6</td>
<td>31.4</td>
<td>C1-C4</td>
</tr>
</tbody>
</table>

For the purpose of this study, the entire population (n = 672) of employees was targeted for the quantitative study. This decision was made due to the structuring of the business unit, which provided ease of access to the total population.

5.2 Development Of A Customised Model For The Evaluation of an hr function:

This section deals with the procedure that was followed in the development of the customized evaluation model and opinion survey (quantitative instrument) for the evaluation of the effectiveness of the HR function. It is important to note that programmed evaluation methodology requires the researcher to take a number of specific steps, in order to ensure an effective final evaluation. In this specific evaluation the researcher took various steps (doing “mini” research) before the specific research aim of the empirical study was attempted. The steps taken, namely (1) identifying key stakeholders, (2) identifying stakeholder needs – through interviews and focus groups, (3) data analyses – as input to the quantitative questionnaire, and (4) a customized evaluation model, will now be discussed in some detail. Focus groups Focus groups were conducted to collect data from line managers (customers) and employees (customers). According to Berg focus-group interviews are either guided or unguided discussions addressing a topic of relevance to the group and the researcher. This is supported by Stewart and Shamdasani whose view it is that the common purpose of a focus group is to stimulate an in-depth exploration of a specific topic. The focus group is uniquely suited for quickly identifying qualitative similarities and differences amongst customers. In this study the researcher induced themes from the data (both interviews and focus groups), through a bottom-up approach, by organizing the data according to the dimensions identified in the theoretical model of effectiveness for HR functions. The recorded data from the interviews with the REC member's war transcribed in full text. The procedure for data analysis as Described by Giorgio was broadly followed for both the analyses of the Interview data and the focus group data:

Step 1: The researcher read though the total text in order to obtained a broad, holistic understanding.

Step 2: The researcher read through the text again, slower, and identified individual elements that (1) could be linked to the identified dimensions in the theoretical model, or (2) elements related to the phenomenon of HR effectiveness.

Step 3: The researcher reflected on the identified elements and clustered it into related themes.

Step 4: The researcher put the captured themes through a process of elaboration in order to capture the finer nuances of meaning, tensions, and contradictions from the data.

Step 5: The captured themes were used to enhance and customized the existing theoretical model.

5.4 Analyses Of Data Obtained From The Opinion Survey:

Once the researcher had received the responses, the data were captured into a Microsoft Excel spreadsheet. Statistical analyses were carried out on the quantitative data by using the SPSS 11.0 package. The data were
checked and described using frequency tables and descriptive statistics. Descriptive statistics are utilized to summaries or display quantitative data, enabling patterns and relationships to be discerned, which are not apparent in the raw data [19]. Frequency tables for each question in the questionnaire were produced in order to check the data for consistency and errors. The researcher then calculated the sample sizes, means, and standard deviations, for each of the questions. Saharan (2000) described the mean of a sample as a measure of central tendency that offers a general picture of data without unnecessarily inundating one with each of the observations in the data set. The standard deviation of a sample is further described as an index of the spread of distribution or the variability in the data.

5.5 Reporting:

The results of the evaluation were presented to both the management of the HR function and the members of the regional executive committee. The format for reporting was aligned with the suggestions by Kurten and Biloxi (2004a, 2004b). The report therefore included (1) an executive summary, (2) a description of the methodology used in the evaluation, (3) the context of the evaluation, (4) a description of the stakeholders, (5) the process that guided the evaluation, (6) results presented according to the dimensions of the evaluation, and (7) recommendations.

5.6 Chapter Summary:

The main focus of this chapter was to describe the population and sample of the study, the instruments used to collect data, and lastly the statistical methods and techniques used in the analysis of the data. The population of the study consisted of different stakeholder groupings and the total population was targeted for the evaluation study.

Results:

Chapter 5 focuses on both the quantitative and qualitative analyses of the data gathered by a structured questionnaire. The quantitative results gave an overall view of the effectiveness of the HR function. The results further offered detailed information on the effectiveness of the HR function with regards to (1) goals, (2) process of delivery, and the competence of the HR professionals. The qualitative findings provided more depth to and insight into the quantitative results. The chapter is structured to provide descriptive statistics of the sample, the reliability and validity of the opinion survey, results of the Quantitative analyses and findings of the qualitative analyses.

6.1 Reliability Of The Opinion Survey:

The researcher developed the opinion survey, with input from the various Stakeholder groupings. The reliability of the opinion survey was not known at the time of data collection. Reliability refers to the attribute of consistency in measurement, and is best viewed as a continuum ranging from minimal consistency of measurement to near perfect repeatability of results. Internal consistency of the questionnaire was determined by calculating the Cranach alpha coefficient. The Cranach alpha can be viewed as the average of the reliability coefficients that would result if all possible split-half analyses were performed. The results of the Cranach Alpha are presented in Table 4.

<table>
<thead>
<tr>
<th>Questionnaire label</th>
<th>Count</th>
<th>Cronbach alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part B: completed by regional executive team and HR managers</td>
<td>12</td>
<td>0.815</td>
</tr>
<tr>
<td>Part C: completed by regional executive team, HR managers, line managers, and HR practitioners</td>
<td>63</td>
<td>0.907</td>
</tr>
<tr>
<td>Part D: completed by regional executive team, HR managers, HR practitioners, and employees</td>
<td>234</td>
<td>0.931</td>
</tr>
<tr>
<td>Part E: completed by regional executive team, HR managers, HR practitioners, and employees</td>
<td>234</td>
<td>0.940</td>
</tr>
</tbody>
</table>
6.2 Interpretation of data:
Question 1.6 and question 1.17 received the lowest ratings. Question 1.6 is a specific “process of delivery”- criteria question and question 1.17 a general question that was not classified under the three main evaluation criteria.

<table>
<thead>
<tr>
<th>Number</th>
<th>Question</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.6</td>
<td>HR provides inputs timeously / proactively for the strategic planning process.</td>
<td>7</td>
<td>2.43</td>
<td>0.79</td>
</tr>
</tbody>
</table>

Two qualitative themes supported this low rating. The first described the general reactive nature of HR inputs. The underlying tone to this theme is that the HR function only reacts to requests for information, and that little to no information is provided out of own initiative. The second theme was that the credibility of HR information was under question.
Both the reporting and the interpretation of data regarding the evaluation question on the role of administrative expert are provided in this section.
Both the reporting and the interpretation of data regarding the evaluation question on the role of employee champion are provided in this section.

5.9 The Role Of Change Agent:
Both the reporting and the interpretation of data regarding the evaluation question on the role of change agent are provided in this section.
One of the mayor barriers to the transformation of an HR function is the possible difference in perception between line representatives and HR with regards to the effectiveness of the HR function. Paul and Kay (2002) highlighted such differences in perception by means of the results of a research study that was conducted at Cornell. The results of the Cornell study indicated in all dimensions that line representatives rated HR lower than Himself.
The results emphasized that the strategic partner role played by the HR function is below the acceptable level of effectiveness. This result is supported by the relevant theory in that the move towards a more prominent strategic contribution is the key transformational challenge for HR functions. The results, again aligned to the theory, confirmed that the HR function is effective in its role as administration expert and that this strength might be the platform from which the role of strategic partner can be developed. Specific needs raised by stakeholders in general received noticeable lower ratings. The central themes are around the inability of the HR function to respond to
Business needs reactive behavior and rigid policies and procedures. The results further highlighted the significant differences in perception between the stakeholder groupings and the HR function. It is clear that the HR function holds a much more positive perception of their own effectiveness than the rest of the business unit. This can be a mayor barrier to transformation and growth Chapter 6 will deal with conclusions, recommendations, and limitations.

Conclusions:
This chapter will focus on the key conclusions, recommendations to the HR function on possible strategies to improve effectiveness and limitations of the study.
The aim with the research was to evaluate the effectiveness of the HR function in a business unit of a public utility. The HR function was evaluated against the current trends of transition within the world of HR management, as described in the literature. A further specific aim was to analyze and determine the most suitable evaluation methodology for the evaluation of an HR function.
Building on the conclusions, it can be recommended that the HR function commit to an annual evaluation process, in partnership with key stakeholders. The benefit of such process is underlined by Paul and Kay (2002) in that successful companies understand that transforming the HR function and processes require regular in-depth analyses. HR can improve effectiveness and efficiencies by identifying existing problems, creating detail solutions and reinventing HR structure. The recommendation of regular evaluation implies the obvious in that the HR function, in this evaluation, needs to work through the results of this evaluation and develop a plan of action to address the highlighted issues. Detail recommendations per HR role will now follow.
Three main limitations to the study were identified. Firstly, the limited scope of the study, being only one HR function, in one business unit of a much larger utility, does not promote generalization of the findings. Secondly, the scope of the evaluation could have been increase to include evaluation criteria such as cost and benefit realization. HR needs to ask questions with regards to its cost effectiveness. At what point is outsourcing of the function a viable option. The evaluation could further have included data or evidence from organizational
records. The evaluation could typically have included a comparison of the HR function’s vision, values and products with that of the broader HR community within the utility and specifically with that of the Divisional HR direction.

REFERENCES


