

THE PATH FROM AN ADMINISTRATIVE EXPERT TO A STRATEGIC PARTNER ROLE: A LITERATURE REVIEW

Yusliza Mohd. Yusoff
Senior Lecturer
Graduate School of Business
Universiti Sains Malaysia
11800 USM, Penang
Malaysia

Abstract

Human resource (HR) function is an important function contributing to the well-being of the organization. In the olden days, HR played the role of an *administrative expert* burdened with the responsibility to look after the day-to-day operational HR but today HR is moving towards a more strategic role whereby it plays a main role in devising strategies for the company together with other top level managers. Therefore, the purpose of this study is to provide preliminary information needed to begin theoretical or framework development and to initiate more rigorous research on HR role. A structured literature search yielded 14 relevant recent articles on this topic. It would help researchers, academicians, and practitioners to take a closer look at the findings and would provide hints for future research in HR role.

Keywords Human resource role, Administrative expert, employee champion, change agent, strategic partner

Introduction

The importance of human resource (HR) and their management remains ever more critical to organizations. Modern organizations are under relentless pressures to change. It has long been argued that organizations have to focus on the value of investments in HR as a major source of competitive advantage (Beer et al., 1984, Guest, 1990; Schuler & Jackson, 2005) in the face of structural changes in the organizations. HR is seen as the foremost intangible asset which comprises a firm's core competence and crucial to solving organizational problems and increasing performance (Rowley & Saaidah, 2007). This raises the question of how HR should be managed in the context of the innovation led economy to generate superior value including the key question of the organisational architecture of HR management (HRM) function.

In the olden days, HR played the role of an *administrative expert* burdened with the responsibility to look after the day-to-day operational HR but today HR is moving towards a more strategic role whereby it plays a main role in devising strategies for the company together with other top level managers (De Alwis, 2010). Despite these calls for a significant strategic role for HR, HRM is a relatively new area of interest in Malaysia and less is known about its people management (Rowley & Saaidah, 2007). Yet, without HR's transformation to managing the HR function strategically, the executive team may continue to regard the HR department as a drain on firm resources and not as a contributor to firm performance (Payne, 2010).

Historical Overview of the HR Function

HR function is an important function contributing to the well-being of the organization. Over the past two decades, changes in the nature of managerial work have had a profound impact on the personnel manager's role and other functional specialists (Caldwell, 2003). Legge (1978) identified *conformist* and *deviant* innovator of personal manager's roles for purposes of developing power and influence within an organization. According to Legge, *conformist* innovators used their expertise to enable the organization to adapt or implement personnel policies designed to achieve tangible improvements in business performance. Conversely, *deviant* innovator strongly encouraged them to embrace new ideas or values to the organizations.

In the 1970s, the personnel function was associated with the role as negotiator in collective bargaining and an administrator of policies and procedures (Tyson, 1987). Tyson and Fell (1992) presented three models of personnel management. It ranged from 1960s "clerk of works" (routine administrative), a 1970s "contracts manager" (interpretative industrial relations) and 1980s "architect" (business manager planning). It is loosely arranged

on a continuum from least to most strategic, measured in terms of amount of discretion, it focus on the long term and integration between business and HR strategy (Tyson, 1995).

Storey (1992) adds an additional stage and identifies two dimensions—strategic/tactical and interventionary/non-interventionary, which give rise to four potential roles that drawing on case-based research into 15 mainstream UK companies and public sector organizations conducted during 1986-88. The four roles were *advisors*, *handmaidens*, *regulators*, and *changemakers*. *Advisors* assumed a facilitating role, acting as internal consultants offering expertise and advice to line management, while operating in an essentially non-interventionist manner (Storey, 1992, p. 171). *Handmaidens* provided specific services at the behest of line management, their ‘attendant’ role was essentially reactive and non-interventionist (Abigail et al., 1997). *Regulators* were interventionists involved in the traditional and essentially tactical role of formulating, promulgating and monitoring the observance of employment rules and industrial relations policy: ‘These were “managers of discontent”, seeking order through temporary, tactical truces with organized labour’ (Storey, 1992, p. 169). *Changemakers* were interventionists with a strategic agenda focused on both the hard realities of business performance and the softer HR interventions designed to enhance employee commitment and motivation. It was this new role that perhaps most clearly differentiated HRM from traditional personnel management (Guest, 1987; Storey, 1992).

Caldwell (2003) examined the changing roles of personnel managers of 98 UK companies. The survey was based on a postal questionnaire to personnel and HR managers. He concluded that Storey’s typology has lost much of its empirical and analytical veracity. He further summarized that Ulrich’s (1997) model ends in prescriptive overreach by submerging issues of role conflict within a new rhetoric of professional identity.

Walker (1990) noted that there appears to be a continuum of four roles around what people do—from support, service, consulting, to leadership. More time is spent in the support

and service among HR practitioners as compared to the consulting and leadership roles. Walker (1990) further added the companies want to emphasize the consulting and leadership roles. Whereas, Schuler (1990) outlined six new key roles based on where HR people spend time: business person, shaper of change, consultant to organization/partner to line, strategy formulator and implementer, talent manager, and asset manager and cost controller.

HR role can be further classified under three headings—the strategic process, the legal aspects, and the operational aspects (Wiley, 1992). The strategic process role is defined as consultant, assessor, diagnostician, innovator/change agent, catalyst, business partner, and cost manager. In regard to the legal aspects of the role, it includes auditor/controller, consultant, provider, and conciliator. Lastly, Wiley defined the role as operational aspects are firefighter, innovator/change agent, employee advocate, facilitator, policy formulator, and consultant.

The evolution of the HR function from an administrative guru to a strategically focused ally to the business is well documented. Ulrich (1997) proposed a conceptual model about HR roles that add value in an increasingly complex environment. The focus is on how the human resources role should move from operational to strategic, and on how HR professionals need to perform increasingly complex and at times paradoxical roles (Conner & Ulrich, 1996). Conner and Ulrich (1996) made one of the first major attempts to test the extent to which HR roles could be defined and measured that outlined by Ulrich (1993) (in Conner and Ulrich, 1996)—that is strategic partner, change agent, employee champion, and administrative expert. In their study of 256 mid-to-upper level executives from mid- to large-size companies, they factor analyzed the 40 items that reflect the four roles hypothesized by Ulrich (1993) (in Conner and Ulrich, 1996). They confirmed the existence of three of the four roles outlined by Ulrich in his HR role framework. The data did not discriminate between the

strategic partner and change agent role, and they renamed it as strategic partner/change agent role.

Ulrich's HR Role

The most widely accepted framework of HR roles (Raub et al., 2006) and perhaps the best known has been proposed by Ulrich (1997). In addition, since this Ulrich's HR roles is so far the most comprehensive within the literature, this study chose to adapt it in the future theoretical framework to assess the role of HR in the study to be conducted in Malaysia. *Ulrich* (1997) developed four main roles of HR professionals: *employee champion*, *administrative expert*, *change agent*, and *strategic partner*. The roles are based on the dimensions strategic versus operational focus, and processes versus people. The roles of *change agent* and *strategic partner* are more strategically orientated while *administrative expert* and *employee champion* are more operationally focused. These roles include the following:

- *Administrative expert* concerns more with process efficiency that involve people and most of the HR function's time is spent on this role. This role "requires that HR professionals design and deliver efficient HR processes for staffing, training, appraising, rewarding, promoting, and otherwise managing the flow of employees through the organization." HR professionals ensure that these processes are both efficient and optimized as well as continuously track, monitor and improve on these basic processes to give credibility to its own existence.
- As *employee champion*, requires the HR function to know the concerns of employees and spend time talking to them and listening to their concerns rather than processes. The HR function should promote all possible methods of communication, including employee surveys, suggestion programmes, team meetings and any other means of sharing

information and views. A key element of this role is to ensure that employees receive a fair hearing. Ulrich also noted that, “The [employee champion] role for HR professionals encompasses their involvement in the day-to-day problems, concerns, and needs of employees.

- The HR role as *change agent*, is that of a facilitator, involving modeling change to other departments, being a positive advocate of change across the entire organization, resolving employee issues arising from change, and embedding change by implementing efficient and flexible processes. HR staff can act as change agent when they “help make change happen: they understand critical processes for change, build commitment to those processes and ensure that change occurs as intended”
- The final role, *strategic partner*, HR must make sure that its practices, processes, and policies complement the overall organizational strategy. It must also develop the capacity to execute that strategy in the minimum amount of time. In playing this role, the HR professional works to be a strategic partner, helping to ensure the success of business strategies. By fulfilling this role, HR professionals increase the capacity of a business to execute its strategies.

Current Research on HR Role

De Alwis (2010) found that prior to the adoption of e-HR, HR professionals have played the role of Administrative Expert and Employee Champion and the adoption of e-HR has shifted the focus of HR by being focused on operational HR to being more of a Strategic Partner to the organization by getting more involved in strategic decision making. De Alwis further argued that the shift may be due to the reasons that e-HR applications provide quality information at high speed and it helps manage employees’ time more effectively, resulting in

reducing the administrative burden on the HR department freeing HR professionals to focus on more strategic initiatives.

The findings of Choi et al.'s (2010) research show that HR professionals in manufacturing companies of the southern region of Malaysia are lacking in business related HR competencies. This is one of the main barriers to be surmounted if local HR professionals are to become strategic partners in their organizations. They further argued that to be a true strategic partner and player, HR professionals and other executives of organizations must focus on developing the critical competencies necessary to enhance HR effectiveness and hence maximization of shareholder value. In line with Wan Khairuzzaman and Long (2009), lacking of certain competencies served as a barrier to HR professionals to become a well-integrated strategic partner.

Wang and Niu (2010) suggested HR Department (HRD) should create new models and processes for attaining global agility, effectiveness, and competitiveness. Their study recognized the roles of HRD from the viewpoint of role theory and discussed its influence on organizational performance within four HRD characters: *strategic partner*, *administrative expert*, *employee champion*, and *change agent*. They conducted a survey of 112 companies in Taiwan, the results of which demonstrate that the role of HRD influences corporate performance, particularly the performances of an *employee champion* and *change agent*. Although HRD has eliminated the role of a transitional affair worker, being a strategic partner requires greater effort.

Caldwell (2010) proposed a research model of the effects of two antecedents and one outcome variable on the perceived effectiveness of business partner performance. Specifically, their research model tested the hypothesis that HR business partner competency models of selection and development were the antecedents of the HR strategy-business strategy linkage, and assessed the variable of business partner performance as the outcome of

the HR strategy-business strategy linkage. The correlation and regression analyses indicated that both antecedent variables have an influence on the perceived HR strategy-business strategy linkage, with development having more impact than selection.

Yusliza et al. (2010) focused on HRM effectiveness within the role of HRM department. Yusliza et al.'s study, involving 108 organizations in Malaysia, showed that business partner role positively related with HRM effectiveness, whilst, the other two roles were unrelated with HRM effectiveness.

Sumelius et al. (2009) explored the strategic role of the HR department in MNC subsidiaries in China between 1999 and 2006. Their empirical data consisted of two sets of quantitative questionnaire data collected in 142 subsidiaries in 1999 and 2006. They found that the role of the HR department was more strategic in 2006 compared to 1999. Furthermore, they discovered that subsidiary size and the size of the HR department were positively associated with the strategic role of the HR department.

Friedman (2009) pointed out in order to be a strategic partner, HR must be positioned at a high organizational level. Access to top leadership enables HR to influence organizational strategy, and steer resource allocation toward initiatives that impact external stakeholders' assessment of corporate reputation. They also highlighted that effective implementation of the strategic partner, change agent, administrative expert and employee champion HRM roles can indirectly enhance corporate reputation, an important organizational asset.

Replicating Ulrich's model, Lemmergaard's (2009) study aims to investigate empirically the HR role performance of a case organization. Lemmergaard investigated HR professionals' and line managers' perceptions of HR roles in a regional full-service bank based on a combination of interviews and a questionnaire survey distributed to the HR executive and line managers. The case study evidence reported suggests that not only are all

four roles strongly represented, they are also equally shared between the HR executive and line managers. The study showed that the HR executive can operate as administrative expert and change agent simultaneously. In addition, in the sampled organization, the study discovered that the HR executives perceived himself to be acting as an employee champion. In such a situation, the HR executive may well find himself at odds with the line manager in a kind of "loyal opposition" role between being a *strategic partner* and an *employee champion*. In the same way, where the HR function acts mainly as a *strategic partner* it may well be that the line managers take on an *employee champion* role.

In an article on making the decision to outsource human resources, Woodall et al. (2009) argued that the decision to outsource HR also has implications for the way in which the HRM function is organized. As pointed out by Ulrich's (1996) argument, in the changing business climate there are four ways of delivering HR "excellence" (as a strategic partner to the business, as a change agent, as a champion for employees, and as an administrative expert) is relevant to outsourcing (Woodall et al., 2009).

Delmotte and Sels (2008) conducted a study on HR outsourcing, with the aim to examine whether HR outsourcing is a manifestation of a strategic HR focus, a cost-cutting HR focus or both. The sample is obtained from an economy-wide, cross-sectional survey that covered 1,264 organizations with ten employees or more. HR managers are responsible for a plethora of tasks. They are expected to be strategic partner, employee champion, change agent and administrative expert at the same time.

Voermans and van Veldhoven (2007) collected and analyzed data from 99 managers and 257 employees within Philips (Electronics) Netherlands. They examined the relationships between preferred HR roles and attitude towards E-HRM. Result supported only strategic preference- and employee champion preference-attitude towards E-HRM link.

Florkowski and Olivias-Lujan (2006) studied on the diffusion of human-resource information-technology innovations in US and non-US firms. Following Ulrich (1998) argument, HR information technologies may be a key enabler allowing HR professionals to successfully balance the competing roles of administrative expert, employee champion, change agent, and strategic partner.

Bjorkman and Soderberg (2006) examined the roles enacted by the HR function in the processes following the merger between MeritaNordbanken and Unidanmark and the acquisition of CBK up to the summer of 2002. The study found that there is little evidence of the HR function playing roles as *employee champions, strategic partners* or *change agents*. Based on their analysis, they suggested that the organizational roles played by the HR function influence how the workforces are in fact managed in cross-border mergers. The low expectations by top management concerning the strategic contributions of the HR function seem to have contributed to the limited attention to people management and cultural change issues in the integration process.

In a nutshell, current researchers have performed specific studies on HR role in relation to e-hr, HRIS, HR competencies, HR effectiveness, organizational performance, HR strategy, business strategy, size of the organization, size of the HR department, and HR outsourcing.

Summary

The current in-depth review of the current past works laid the groundwork for future study. Identifying the former, current, and future role of HR professionals made it simpler to understand the functions of HR. With the ever-increasing demand for HR professionals to become of a strategic partner and contribute more to the bottom line, it is imperative the literature reflects the path HR has taken. This study also helps the researchers and

practitioners to develop a conceptual framework that will assist HR professional in becoming true strategic partners.

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