

**THE EMERGING ROLE OF THE HUMAN
RESOURCE MANAGER AS STRATEGIC
PARTNER IN SOUTH AFRICAN
ORGANISATIONS**

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DECLARATION

I, the undersigned, hereby declare that the work contained in the thesis is my own original work and that I have not previously in its entirety or in part, submitted it at any university for a degree.

ABSTRACT

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South African organisations, just as in other countries, are fighting to gain a competitive advantage over their competitors. In this struggle, human resources have become the focus point of debate and intervention in organisations. The task-related competencies of employees have suddenly become central with regard to the performance of organisations.

This new-found importance with which human resources have been labeled, also has a spill-over effect on the importance of the human resources function in organisations, especially the manager and leader thereof. The aim of this study is to shed light on the strategic partnership role that senior human resource managers currently play in South African organisations. Furthermore, a theoretical framework through which the concept of strategic partnership can be understood and explored, is introduced.

The data was collected by utilising a survey and consisted of adapted versions of the Human Resources Role-assessment Survey (strategic partner), the Human Resources Competencies Scale as well as scales that measured the dimensions of strategic role motivation and strategic role opportunity.

The results of this study showed that on average, the senior human resource (HR) managers in South Africa rated themselves significantly higher on the strategic partnership dimension than senior line managers rated them. Additionally, it seems that senior HR managers reported higher levels of professional competencies than of business-related competencies. A significant positive relationship exists between professional competencies and business-related competencies. There seems to be a significant positive relationship between strategic partnership and strategic role motivation as well as strategic partnership and strategic role opportunities within South African organisations.

Conclusions are drawn from the results and recommendations are made for future research.

OPSOMMING

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DIE ONTLUIKENDE ROL VAN DIE MENSLIKE HULPBRONBESTUURDER AS 'N STRATEGIESE VENNOOT IN SUID-AFRIKAANSE ORGANISASIES

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Net soos in ander lande, veg Suid-Afrikaanse organisasies vir die verkryging van 'n kompeterende voordeel oor hul mededingers. In hierdie stryd het die menslike hulpbron die fokuspunt van debat en intervensies in organisasies geword. Die taak-verwante bevoegdheids van werknemers het skielik sentraal geword in die ontleding van die prestasie van organisasies.

Hierdie nuutgevonde belangrikheid waarmee die menslike hulpbron geëtiketteer word, het gelei tot die toenemende belangrikheid van die menslike hulpbronsfunksie in organisasies, en spesifiek die bestuurder en leier van hierdie funksie (menslike hulpbronbestuurder). Die doel met hierdie studie is om die strategiese vennootskapsrol van menslike hulpbronbestuurders in Suid-Afrikaanse organisasies op te klaar. Verder word 'n teoretiese model ontwikkel waarmee die konsep van strategiese vennootskap beter verstaan en verder verken kan word.

Die data is ingesamel deur gebruik te maak van 'n opname wat die vorm van 'n vraelys aangeneem het. Hierdie vraelys het bestaan uit aangepaste weergawes van die Menslike Hulpbron Rol-assesseringsopname (strategiese vennootskap), die Menslike Hulpbron Bevoegdheidskaal, sowel as vrae oor die dimensies van strategiese rolmotivering en strategiese rolgeleenthede.

Die resultate van hierdie studie toon dat senior menslike hulpbronbestuurders in Suid-Afrikaanse organisasies hulself gemiddeld beduidend hoër tellings toeken op die dimensie van strategiese vennootskap as senior lynbestuurders. Dit blyk dat senior menslike hulpbronbestuurders ook oor hoër vlakke van professionele bevoegdhele as besigheidsverwante bevoegdhele beskik. Daar bestaan 'n beduidende positiewe verband tussen professionele bevoegdhele en besigheidsverwante bevoegdhele. Daar blyk ook 'n beduidend positiewe verband tussen strategiese vennootskap en strategiese rolmotivering, sowel as strategiese vennootskap en strategiese rolgeleenthede in organisasies te wees.

Op grond van hierdie resultate is daar bepaalde gevolgtrekkings gemaak asook aanbevelings vir verdere navorsing.

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“It is not the critic who counts, not the person who points out how the strong stumbles or where the doer of deeds could have done them better. The credit belongs to those who is actually in the arena, whose face is marred by dust and sweat and blood, who strives valiantly, who errs and comes up short again and again because there is no effort without error and shortcomings, who knows the great devotion, who spends himself/herself in a worthy cause, who at the best knows in the end the high achievement of triumph and who at worst, if they fail while daring greatly, know their place shall never be with those timid and cold souls who know neither victory nor defeat”

(Theodore Roosevelt)

**DEDICATED TO ALL HUMAN RESOURCE PRACTITIONERS, STRIVING
TO BE STRATEGIC PARTNERS**

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CHAPTER 1

BACKGROUND AND OBJECTIVES

1.1 Introduction

Modern organisations have to survive in an environment characterized by increasing competitiveness, complexity and change. In an effort to survive, organisations are forced to proactively identify, define and manage the trends influencing their survival and growth. The Society for Human Resources Management and CCH Incorporated conducted a study in 1996 that identified current trends influencing modern organisations. The trends identified were: globalisation, technology, change, knowledge capital, speed in market change, and cost control. More importantly, these trends were found to be interactive – key trends cause others, and in turn impact the consequences of others. For example, driven by technology and the need for survival, change requires organisations that learn continuously, deal with increased stress and develop and deliver new products quickly. To deal with change, the most critical process in the organization will be the transition of a corporate idea to its implementation within the organisation. Thus, knowledge capital, valuing what people know, becomes essential to accommodate change and to capitalize on technology as well as to maintain a competitive advantage in a globalised economy.

The increasingly competitive environment and the need to survive and perform effectively, have focused the attention of decisionmakers on factors that can give organisations a competitive advantage. Pfeffer (1994) identified five factors that can give firms sustained competitive advantage. These are: technology, the degree of protection that a particular industry may enjoy, access to financial resources, economies of scale, and the nature and composition of the workforce. However, the question arises whether all of these factors do indeed lead to sustainable competitive advantage. For example, the ability to foreclose markets is disappearing. The wave of deregulation sweeping the world has eliminated many protected markets. In

South Africa these pressures are particularly accentuated as organisations face the immediate challenge of moving beyond the comfortable practices of the past, engendered by closed markets and an overly interventionist state (Human & Horwitz, 1992). As the life cycles of products shorten, organisations can no longer count on economies of scale (Pfeffer, 1994; Wood & Els, 2000). Financial markets have undergone tremendous changes. Where access to substantial financial resources afforded protection from competitors less able to acquire resources, the growth of the venture capital industry has created new opportunities for new entrants. Traditional sources of competitive advantage (quality, technology, economies of scale, etc.) have become easier to imitate (Becker & Huselid, 1998). Thus, global competitive pressures, enhancements in technology and a demanding customer-driven market makes it impossible for organisations to believe that the attributes that constituted success so far will necessarily generate sustained levels of profitability in the future (Sahdev, Vinnecombe & Tyson, 1999).

A consistent theme that emerges from the literature is that people are the key differentiating resource in a process of developing future competitiveness (Sahdev et al., 1999; Veldsman, 1996; Watson 1996). Becker and Huselid (1998) observed that every factor of production, other than workplace skills, can be duplicated. All of these authors stress the importance of people as intellectual capital of organisations that desire not only to be the shapers of their own future but also of the future of the organisation. Rothwell, Prescott and Taylor (1998) consider knowledge capital to be the only major raw material of most businesses today. Although people are a potentially more fragile resource, it has greater potential value than any other form of asset (Holbeche, 2003). Human capital is a critical factor in promoting competitiveness as it provides the required knowledge, skills, attitudes and capabilities for developing competitive strategies, product development, quality control, corporate financial operations, marketing, and human resource development (Meyer, 1996). These views are consistent with the resource-based view of the organisation. The resource-based view of the firm sees the firm as a collection of resources and capabilities and when these resources are rare, appropriable, and difficult to imitate, they become potential sources

of sustained competitive advantage (Komache, 2003). Furthermore and continuing this line of thought, it is evident that the resource-based view can help us understand the internal and external factors to consider in trying to make human resources scarce, valuable, difficult-to-imitate resources that are strategic assets (Mueller, 2003).

Given the importance that people are ascribed today as sources of competitive advantage, the management of this resource (and by implication the human resource function) is becoming a key issue in organisations. Thus, changes in a complex external environment has forced organisations that wish to do business and survive in a global market, to look at human resources as a strategic tool for the achievement of organisational goals. The performance of an organisation within today's new complex environment is dependent upon its ability to match or fit the variety in its environment. The integration of the human resources function and particularly the development of human resources in the wider business planning and organisational mission are an essential part of reaching this "fit" (Engelbrecht, Erasmus & Sivasubramaniam, 1999; Erasmus, 1993).

Widespread calls are coming from academics and practitioners for the human resource function to become more strategic. A strategic approach to human resource management involves designing and implementing a set of internally consistent policies and practices that ensure a firm's human capital (employees' collective knowledge, skills and abilities) contributes to the achievement of organisational goals (Huselid, Jackson & Schuler, 1997). Academics as well as practitioners have realised that the traditional personnel systems and (sometimes) unscientific approach and procedures are inappropriate and essentially limited to "a unitary and paternalistic managerial ethos" (Horwitz, 1987). As early as 1987, Horwitz proposed an extension of HR's scope both in interest and application. Reconceptualised perspectives tend to focus on the shift away from manipulative forms of participative management to employee participation, which seeks both improved quality of decision-making and the maximum development of the creative capabilities of employees.

It is suggested that the paradigm shift about the value of human resources creates opportunities for the function to develop a more strategic role. The shift in how organisations view their human resources has not only led to a shift in how the human resource function is viewed but also how they are utilized in organisations. The knowledge resident in HR professionals provide an ideal platform from which to utilise the human resources of an organisation for sustained competitive advantage (Cleland, Pajo and Toulson, 2000). As these researchers state, the role of the human resource function is to deliver the human competencies required to achieve the organisation's objectives. People-related issues are the key to knowledge capital (Rothwell, et al., 1998), so there really is no organisational function that is better suited to spearhead the maximization of knowledge capital than the HR function. The increased strategic importance of HRM means that human resource specialists must show that they make contributions to the goals and mission of the firm so that the human resource function can be viewed as a "profit center" and not simply a "cost center" (Ivancevich, 1992).

In the literature, a definite distinction between "hard" and "soft" human resource management (HRM) are made. Soft HRM focuses on a high-commitment-high performance approach which is aimed at eliciting a commitment so that behaviour is primarily self-regulated rather than controlled by external pressures and sanctions (Holbeche, 2003). Thus it is associated with the human relations movement that stresses high levels of trust, communication and achievement of flexibility and adaptability (Truss, 2000). According to Holbeche (2003), one of the key elements of soft HRM is the internal integration of HR policy goals with each other (thus horizontal fit). Hard HRM represents a contingency approach that evaluates the most appropriate way to manage people to achieve business objectives, given contextual constraints (Holbeche, 2003). It is associated with the utilitarian-instrumentalist approach that emphasises the quantitative aspects of managing people in a rational way as for any other factor of production (Kossek & Block, 2000; Truss, 2000). Thus, the concepts of vertical integration and strategic fit become all important in organisations, where HR

policies and business goals are closely aligned with the ultimate goal being the increased competitiveness of the organisation. The rhetoric of organisations and HR departments are almost always “soft”, but the reality is almost always “hard”, with the interest of the organisation prevailing over that of the individual (Truss, 2000). The concepts of “Hard HRM” and “strategic fit” are key assumptions within this research study.

Unfortunately, the HRM function had not been linked to the corporate profit margin or what is referred to as “bottom line”. The role of HRM in the firm’s strategic plan and overall strategy was usually couched in fuzzy terms and abstractions (Ivancevich, 1992). HRM was merely a tag-along unit with people-oriented plans, but was not a major part of the planning and strategic thinking process. In many South African organisations the human resource function is mainly about personnel administration and recently also an industrial relations safeguard (Bews, 1997; Matthews, 1997; Watson, 1996). There is a widely held perception that the personnel function is confined in a reactive, fire-fighting and administrative position in which it fails to be relevant to the aims of the organisation (Lundy, 1994). This researcher continues by stating that there are also signs that the personnel management role is being eroded as responsibility for certain activities formerly delegated to it are being returned to line management in a redefinition of management’s responsibilities for managing people.

Taking a positive stance, Lundy (1994) stated that a “quiet revolution” has overtaken the human resources field. Sahdev et al. (1999) also mentions that human resource functions in organisations are changing in response to the intensely critical questions that have been raised about the value added by the function. The function itself is transforming to meet the challenges it faces with the ever-changing work environment (Holbeche, 2003; Kossek & Block, 2000). Today, because of the recognition of the crucial importance of people, HRM is increasingly becoming a major player in developing strategic plans. Human resource functions of organisations are under significant pressure to justify their existence. Also, human resource management represents not just a potential way of administering a firm’s employees, but also an ideology by

which management might demonstrate its progressive credentials (Wood & Els, 2000).

The approach suggested, clearly demands that whatever the human resource function does, should have a direct impact on achieving the performance targets of the firm. Although the human resources department is a part of the total organisation, it is the department that contains the expertise that is needed for enabling organisations in the process of transition and change (Swanepoel, Erasmus, Van Wyk and Schenk, 2003). This is why organisations that are besieged by sweeping political and organisational change have moved their human resources functions from the fringes to the centre of decision-making (Ryan, 1995). As the role of the human resources function changes from being a reactive provider of services to working closely to align human resource practices with changing business needs, effectiveness in the delivery of services will inevitably become critical (Sahdev et al., 1999).

To ensure its own viability the HR professional must be prepared to adopt contemporary roles to meet the considerable challenges posed by emerging organisational realities. Ulrich (1997) states that there are four roles that the new business environment requires from HR managers. They are the roles of strategic partner, administrative expert, employee-champion and change agent. Sahdev, et al., (1999) regard the key emerging roles of HR as strategic partner, advisor, shaper, enabler and provider of services. The theme in these two articles and many others in the academic and popular press, is the need for HR to develop as an effective strategic partner. The changing competitive realities have provided the HRM function with an unprecedented opportunity to create significant shareholder value through the effective management of the organisation's HRM systems (Becker & Huselid, 1998). This opportunity can however, only be utilized if HR managers are ready and able to rise to the occasion. The articles mentioned earlier raise important questions as to whether HR practitioners and managers are equipped to meet the challenges posed by the continuing evolution of the human resource role (Cleland, et al., 2000). Zwell (2000) states that many HR professionals do not function as

change agents yet and are not perceived by executive management to be strategic partners. One of the reasons he identifies is that they are often not strong enough in critical competencies to effectively play the role and impact the organisation.

In an HR Planning Society Survey (Kossek & Block, 2000) five key issues were identified as keeping HR from being strategic leaders in their organisations:

1. HR employees lacked a working understanding of business as well as the strategic intent and direction of the organization.
2. HR executives did not have a personal leadership presence and were not respected by senior line managers
3. HR seemed to be too focused on administrative duties
4. HR appeared to be incapable or unwilling to take the lead in facilitating revolutionary change
5. HR was viewed as being too preoccupied with fads that did not fit the organisation's needs.

Weiss (Cleland et al., 2000) warns of the consequences if HR professionals cannot master the transformation that is recommended:

"Human resources as a profession, must redesign itself into an active business partner, totally integrated into the business ethos. If it does not do this soon, under enlightened leadership, it will become the vacuum tube of the 21st century - occasionally used, narrowly specialised, nostalgically remembered and wholly irrelevant."

This author not only highlights the urgency with which the human resource function needs to change but also hints at the importance of a different kind of leadership for that function that has not been prevalent to date. It is evident that seeing the human resource function as a strategic tool - through which the performance targets of the organisation can be achieved - rather than an administrative center, must inherently change the role of the human resource (HR) manager.

1.2 Research problems and Goals of the study

A Strategic partnership between line managers and the human resource manager to ensure HR effectiveness, has been the subject of much discussion over the last few years, internationally as well as in the South African work context. Although a lot of literature about human resources as a strategic partner exist, very little empirical research has been done on this subject. Many senior HR managers believe that they are indeed strategic partners in their organisations, but a review of the literature shows that this is not always the case. Thus, the main research problems investigated by this study are as follows:

1. Are senior HR managers strategic partners in South African organisations?
2. What are the factors that contribute to the current status of HR managers as strategic partners in organisations?

The researcher believes that the answers to the above questions are critical to the advancement of the HR profession, as one that adds value in the modern South African organisation. The study thus generally aims to develop the body of knowledge that currently exists on the strategic partnership between senior HR managers and line managers. This represents the broad objective of the study. More specifically the study aims to:

1. Identify perceptions regarding senior HR managers' status as strategic partners
2. Determine whether professional and/or business-related competencies explain significant variance in strategic partnership
3. Determine whether self-motivation explain significant variance in strategic partnership
4. Determine whether perceived opportunities by senior HR managers explain significant variance in strategic partnership

1.3 Composition of the thesis

In Chapter 1 the background and necessity of the study, the research problems and the goals of the study are discussed.

In Chapter 2 a thorough and relevant literature review is given. The past, present and future role of the human resource manager are discussed and analysed. Appropriately, the literature review ends off with a proposed model of strategic partnership for human resource managers in South African organisations.

In Chapter 3 the research methodology is outlined and the measuring instruments are discussed.

In Chapter 4 the analysis of the research data and the research results are discussed.

In Chapter 5 the final conclusions and recommendations for further research are made.

CHAPTER 2

LITERATURE REVIEW

2.1 The Development of Human Resources Management

To truly understand the position that the Human resource function finds itself in at the moment, it is imperative that we look at the history of the function in organisations. An examination of the human resource function in organisations, makes it clear that the nature of the job duties for HR professionals is largely determined by the current societal perspective regarding the nature and role of the workforce in relation to organisational success (Zwell, 2000). Ehrlich (1997) examined business history and found that the most significant influence on the role of HR has been the degree of importance that business leaders have attributed to employee management in seeing their organisations succeed.

During the period 1910-1930 two movements arose which began to bring employers to the realisation that employees are people with unique capabilities. The two movements can be described as the psychological reform approach and the effectiveness approach (Rothwell, et al., 1998).

The psychological reform approach amounts to the fact that, in as far as is possible, every person wants to be a normal human being, but is at the same time also an employee. It was realised that people have certain needs with regard to family, work and justice, and that the human being is creative. The effectiveness approach is the second approach of this era that motivated management to realise that the employee is a unique being. One distinctive development that arose from this movement is Taylor's well-known scientific management approach. If an employee is not performing well, this was not the employee's fault but that of management.

There is no specific date assigned to the appearance of the first personnel department, but around the 1920's more and more organisations seemed to take note of and do something about the conflict between employees and management. Early personnel administrators were called welfare secretaries. Their job was to bridge the gap between management and operator (worker); in other words, they were to speak to workers in their own language and then recommend to management what had to be done to get the best results from employees. Until the 1960's, the personnel function was considered to be concerned only with blue-collar or operating employees. It was viewed as an administrative function that was responsible for award ceremonies and the annual farewell function (Ivancevich, 1992).

This early history of personnel management still obscures the importance of the HRM function and the role that it plays in achieving organizational goals. The development of Human resources management in South Africa, followed a similar path.

2.2 The Development of Human Resources Management in South Africa

With the discovery of diamonds and gold and the accompanying advent of the South African industrial revolution in the late 1860's and 1870's, life and the world of work in South Africa changed dramatically (Swanepoel et al., 1998). The need arose for mining and engineering-related skills to mine the diamonds and gold. Other industries, such as building, engineering and the railways, developed around the mining industry. The ideas of scientific management (Taylorism) were also "imported" in the sense that, as mechanisation increased, mining employers turned their attention to breaking down the many skilled jobs into smaller, simple units – in order to be able to employ cheaper, unskilled or semiskilled labour to perform these tasks.

The late 1800s and early 1900s were characterised by the legalistic management of people, strict control and lack of flexibility, with little room for individualism in employment relations (Swanepoel et al., 1998). There was

also an underlying lack of concern for the worker's needs, which resulted in increased conflict in the field of people management in South Africa. Workers showed their dissatisfaction with strikes. The majority of workers joined trade unions. Trade unions thus played a prominent role in sensitising management in South Africa to the needs of workers. Partly due to the high cost of industrial action and the rise in collectivism in South Africa, awareness of the necessity for greater sensitivity towards the needs, welfare and rights of employees gradually increased during the first three to four decades of the twentieth century.

According to Swanepoel et al. (1998), Isobel H.B. White can be regarded as the mother of South African personnel management. As an industrial psychologist, holding a Diploma in Social Studies as well as a MA degree from St. Andrew's University, she conducted research in the personnel field during the 1940's. Her research work emphasised welfare aspects and related these to analyses of factors such as employee absenteeism and labour turnover. During this time, she published various articles and so the need for welfare supervisors and personnel managers spread. Having attempted to sensitise managers to the need for these specialists, Mrs White felt that the time was right to work more formally towards the establishment of an official personnel management training-course at tertiary level. She realised that South Africa had its own unique situation and that a course in personnel management in South Africa had to have its own character. In January 1944, White instituted a special postgraduate "Diploma in Personnel Welfare and Management" at Rhodes University College. In the light of the foregoing it is clear that in the beginning personnel management in South Africa had very much a welfare-oriented and paternalistic character. It was also sometime during 1945/1946 that the South African mining industry's first personnel department was set up, also presumably much along the lines of welfarism and personnel administration.

By 1955, however, there were signs of a gradual shift from welfarism to human relations, especially with regard to white employees. As early as 1955, personnel managers in South Africa started to focus on a much broader range

of issues. Research (Swanepoel et al., 1998) indicated that, by 1969, personnel management in South Africa had the following characteristics:

- ◆ The majority of organisations did not have a separate personnel department
- ◆ Personnel departments were relatively small and consisted mainly of personnel without formal post-matric qualifications
- ◆ Use was made of personnel specialists particularly in areas such as employment, salary and wage administration and training and development
- ◆ The emphasis in personnel work fell on administrative/clerical, routine work and also, to some extent, on paternalistic, welfare-related activities
- ◆ Most of those in the personnel field who did in fact have formal qualifications were graduates in the social sciences (and these did not number many).
- ◆ The emphasis was on individualism rather than collectivism and there had been a gradual movement towards the human relations approach, especially as far as white employees were concerned. Racism was a dominant force and was rigorously controlled in the South African workplace.

The decade 1969-1979 brought with it all the signs of what was to follow later during the eighties, particularly with regards to the collectivism of black employees. The real rebirth of African collectivism only hit employers early in 1973, with the outbreak of the biggest wave of strikes in the country since the Second World War. Although black trade union figures dropped during the mid-seventies, the foundations had been laid for the era of African collectivism - which was to dominate the personnel field in South Africa during the eighties. It became apparent that the labour legislation in South Africa, as far as it concerned the collective bargaining rights of black workers, was totally inadequate and needed to be completely updated. Following the publication of the White Paper on Part 1 of the Wiehahn Commission's report in 1979, the remainder of the report and the subsequent changes in South Africa's labour legislation, irreversible changes took place in the context of work and

personnel management in South Africa. The realisation of the increasing importance of trade unions led organisations in South Africa to pay increasing attention to the human resource aspects of management. Trade union membership increased throughout the eighties and along with these huge organising efforts came the signs of increasing adversarialism in the relationship between (especially black) employees and their trade unions on one side and employers (and managers, mostly white, as their representatives in the workplace) on the other side. The unions displayed a great deal of militancy and industrial action became a frequent challenge in the area of human resource management in South Africa.

In the late seventies, another important development that took place was the drive to professionalise personnel work in South Africa. The concept of human resource management had by this time also come to be used more often. In 1983 the professionalisation of the personnel field in South Africa became a reality with the inauguration of the first South African Board for Personnel Practice (SABPP). In 1985, another dimension was added to the concept of personnel management in South Africa with Pansegrouw's definition of "Strategic HRM". Research findings published in 1985 showed that the responsibility for decisionmaking with regard to people-related issues had been transferred to the personnel and/or industrial relations departments of South African organisations. According to Horwitz (1987), however, this was contrary to a typical international shift from "functionally oriented personnel management" to a more line-driven, general management conception of HRM. In the 1980's many writers proposed the adoption of a "strategic approach to human resource management" by South African organisations. With the end of the eighties and the nineties approaching, the following comments was made by Van Wyk (Swanepoel, et al., 1998) regarding the changing role of HR practitioners in South Africa:

"The HR practitioner's role is shifting away from the traditional view of personnel management to one of strategic planning for manpower utilization in partnership with the relevant line function. His role is to support the managerial population in its quest for obtaining and growing a successful work

team ... the practitioner must develop a business orientation and ensure that it is reflected in the HR interventions in which he is involved... The HR practitioner should also reflect a philosophy ... where he actively seeks out new business ... A proactive approach ... also in providing the required consulting service to implement the relevant programmes ... All in all, the HR practitioner will play a key role in guiding organisations into and through the nineties. Their vision and appropriate framework of strategy changes will be driving forces in their organisations with regard to the adaptations we are all going to have to make.”

In 1990 the SABPP made available a Board Paper that spelled out a Generic Competency Model for human resource practitioners. This broad framework identified the knowledge, skills, experiential and behavioural base required to perform competently at the various levels in the HR profession in South Africa. By this time the role of HR practitioners in South Africa had broadened and many managers were turning to them to act as change agents and help with demands and problems that had no clear-cut, ready-made answers. Gradually, the nature of industrial relations also began to show signs of a need for change. Unions and management seemed to become aware that there were areas of common ground. The partners involved had to follow the dictates of the socio-economic reality and began to realise that outright hostility and severe adversarialism could lead to their mutual demise.

Cascio (1993), made an in-depth analysis of the development of HR in general and consequently identified four growth stages of human resource management. This is a very useful description that needs to be taken into account in any study of the development of human resource management:

The first stage is called the “file maintenance” stage, for it typified HRM activities up through the mid-1960’s and the degree of emphasis placed on employee concerns. “Personnel” was the responsibility of a specific department. These responsibilities included screening applicants, conducting orientation for new employees, collecting and storing personal data on each

employee, planning the company picnic, and circulating memos “whose impertinence was exceeded only by their irrelevance”.

The second growth stage of HRM began soon after the Civil Rights Act of 1964 was passed. This is considered the “government accountability” stage. Anti-discrimination laws, pension laws, health and safety laws, federal regulatory agencies and their interpretive guidelines, and court rulings affecting virtually every aspect of employment – all of these accelerated the rise of the HRM function. Class action suits and the large financial settlements for the winning suits illustrated the cost of mismanaging people. Managers outside the HRM function began to take notice because top management let it be known that ineptitude in this area simply would not be tolerated. Staying out of federal court became a top organisational priority. These trends also signaled the need for particular competence in each aspect of the HRM field. Considerable amounts of resources were devoted to compliance activities. Swanepoel et al. (1998) believe that South Africa is still in this phase of development.

In the late 1970's and 1980's, when many firms were struggling to survive, a combination of economic and political factors led to a demand for greater accountability in dollar terms of all the functional areas of business. Human resource management activities were not exempted from this emphasis on accountability. Hence the third stage of growth termed “organisational accountability”. Although methods of assessing the costs and benefits of human resource programs are available, they are not widely known (or used – own comment). In addition, social trends accelerated demands for improving quality of work life, for managing cultural and ethnic diversity, and for continual training and retraining.

In the 1990's, HRM has evolved to a fourth growth stage as it assumes a central role in the struggle of both large and small firms to gain and sustain a competitive advantage in the worldwide marketplace. This stage may be termed “strategic partnership”. Top management looks to the HR department, as it does to line managers, to control costs, to enhance competitiveness, and

to add value to the firm in everything it does. In the contemporary view, managers and work team members are expected to add value by optimizing all their resources – physical, financial and human. This suggests that the most effective approach to HRM may result from close interaction between the department charged with the administration of HRM and those directly responsible for the operations of the business. The HR department is still responsible for file maintenance, government responsibility and organisational responsibility, but HRM in general is now viewed as a strategic partnership. Indeed, the chances for genuine cooperation between HR professionals, line managers, and members of independent work groups have never been better.

2.3 Difference between personnel management and human resource management

As stated earlier, an examination of the human resource function in organisations highlights the fact that the nature of the duties of HR professionals is largely determined by the current societal perspective regarding the nature and role of the workforce in relation to organisational success (Zwell, 2000). Adding to this thought Analoui (1998) points out that each of the milestones in the evolutionary process of management, reveals the philosophy, value structure, beliefs and most importantly the dominant assumptions that were held by scholars, theorists, developers, trainers and practitioners at different points in time. According to Ivancevich (1992) the term “human resource management” reflects the increased concern both society and organisations have for people today. Although the concept of human resource management has largely come to replace the concept of personnel management, there is little consensus regarding the degree to which this development constitutes something qualitatively new in people management (Swanepoel et al., 1998).

From Cascio’s (1993) analysis of various writings, the differences between the concepts of personnel management and human resource management are as follows:

- ◆ Personnel management is practical, useful and instrumental, and is generally concerned with the administration and implementation of human resources management policy. Human resource management, on the other hand, is involved with strategic aspects and involves the total development of human resources within the organisation
- ◆ Human resources management is concerned with the broader implications of the management of change and not only with the effects of change on work in practice. Human resources management aspects are an important input for organisational development.
- ◆ Personnel management is both reactive and diagnostic in nature. Thus, for example, it reacts to changes in labour legislation, labour market conditions, trade union actions and environmental influences. Human resources management, on the other hand, is prescriptive in nature and concerned with strategies, the introduction of new activities and the development of new ideas.
- ◆ Human resources management determines the general policy for employment relations within the organisation. Its task is thus to develop a culture within an organisation that promotes employee relations and cooperation. Personnel management is criticised because it is primarily concerned with the enforcement of company rules and regulations among employees rather than with bringing about loyalty and commitment to company goals.
- ◆ Personnel management has short-term perspectives, while human resources management has long-term perspectives and attempts to integrate all human aspects of the organisation into a coherent whole, thus encouraging individual employees to have an attitude to strive for high performance.

However, Swanepoel et al. (1998) are correct in their statement that there does not exist a high degree of consensus about whether or not this re-christening constitutes something different in people management. This view is certainly substantiated by definitions and views on personnel management found in academic literature about the subject. For example, already in 1975,

professor H.P. Langenhoven of the University of the Orange Free State completed a thorough analysis of the definitions of personnel management, and came up with a definition which can according to Swanepoel et al. (1998) be viewed as the South African perspective of the concept at that time:

“ Personnel management is one of the responsibilities of line management and the full-time function of personnel specialists in regard to the human resources of the organisation to develop, apply and manage a complete network of interdependent processes and systems with a view to achieving the organisation’s and people’s objectives, with due consideration to the concepts, principles and techniques of the behavioural sciences and the practical requirements of the situation.”

Hall & Goodale’s (Gerber, Nel & Van Dyk, 1998) definition of human resources management in 1986 reflects the same philosophy: “Human resources management ... the process through which an optimal fit is achieved among the employee, job, organisation, and environment so that employees reach their desired level of satisfaction and performance and the organisation meets its goals”.

2.4 THE STRATEGIC PARTNER ROLE OF THE SENIOR HUMAN RESOURCE MANAGER

2.4.1 Strategic role Competencies of HR managers

According to Rothwell, et al. (1998), HR practitioners are currently standing at a crossroads. Three possible futures are anticipated. One scenario is very bleak. Large consulting firms will assume most of the responsibilities of internal HR-staff, HR policies will be established by line managers. Many think that there is good reason for HR’s beleaguered reputation (Ulrich, 1999). It is often ineffective, incompetent and costly. Traditionally, personnel administration or management was viewed as a second-class function where “washed-up” or substandard line managers would land up, with a reactive role

to play (Swanepoel et al., 1998). At most, the personnel functionaries fulfilled administrative tasks.

A second scenario of the future strikes a balance between pessimism and optimism. Some HR activities will be outsourced; but proactively focused internal HR practitioners will be retained. Their jobs will become enriched and their special knowledge will entail an understanding of how to unleash and drive human creativity and productivity. According to Rothwell et al. (1998) HR practitioners can no longer afford to be compliance-oriented, supporters of line managers or even performance consultants. Compliance-oriented practitioners resist change, supporting the old command-and-control structures of the past. Supporters are passive, doing only what they are told. Since line managers are not usually as knowledgeable about the formal processes related to people issues as are HR practitioners, HR practitioners operating from a supporter role will only continue to do what has been done in the past. Performance consultants are analytical, applying skills to specific situations in which they troubleshoot problems or discover opportunities. Their approach is often too tactical to be felt by the organisation on a strategic level. They must be cognizant of the business issues facing the organisation and the capabilities of people to confront them.

The third scenario is optimistic and visionary. HR practitioners will move beyond internal performance consulting – which they will still perform – to assume major leadership responsibilities. HR will become the training ground for future CEO's. The reason being that human resources and knowledge management are emerging as the key competitive assets of organisations. HR practitioners, by virtue of their knowledge of human performance, are the best suited of any group to meet future competitive advantages and exert breakthrough leadership.

According to Rothwell et al. (1998), this new HR leader is “self-confident and knowledgeable about the business and the organisation they serve, and they command respect and credibility among senior executives and line managers. Whenever an issue is encountered that involves people – which characterises

most issues encountered by organisations – the opinions of the HR leader are sought. When they join an organisation that has never before witnessed such leadership behaviour from the HR function, they are totally committed to rectifying old stereotypes of HR practitioners by taking a “commanding, and often controversial, leadership position, pinpointing human performance problems and marshalling the support to attack them. As entrepreneurs who relish the opportunities to build the business by building people, they knock down the bureaucratic or political barriers that prevent people from performing to their highest level of productivity. These hard-driving, achievement-oriented, and assertive HR practitioners set the example of what first-rate managers and leaders should be. Through sheer ability, they transform the historically weak staff position of the HR function into a new position of unparalleled strength and competitive advantage based on their expert knowledge of people, knowledge capital, and the levers of change provided by HR functional areas”.

The question now arises as to how we can ensure that the third scenario envisioned by Rothwell and others come to fruition. How can organisations ensure and maximise HRM effectiveness in organizations?

Even though the overall aim is to maximize the effectiveness of the whole HRM function, the influence of the Human resources manager must not be underestimated. Research findings suggest that the strategy-HR interaction accounts for more variation in firm performance than the main effect of HR (Khatri, 2000). As the leader of the HR department and the strategic representative of this department, the HR manager have the responsibility to accomplish this strategy-HR fit and thus must have the relevant competencies to achieve this. Khatri (2000) highlights that the rest of the organisation’s functions will benefit directly from this.

The link between individual competence and performance and group efficiency is very important in an organisational context. In Figure 1 the relationship between individual performance and group efficiency is illustrated:

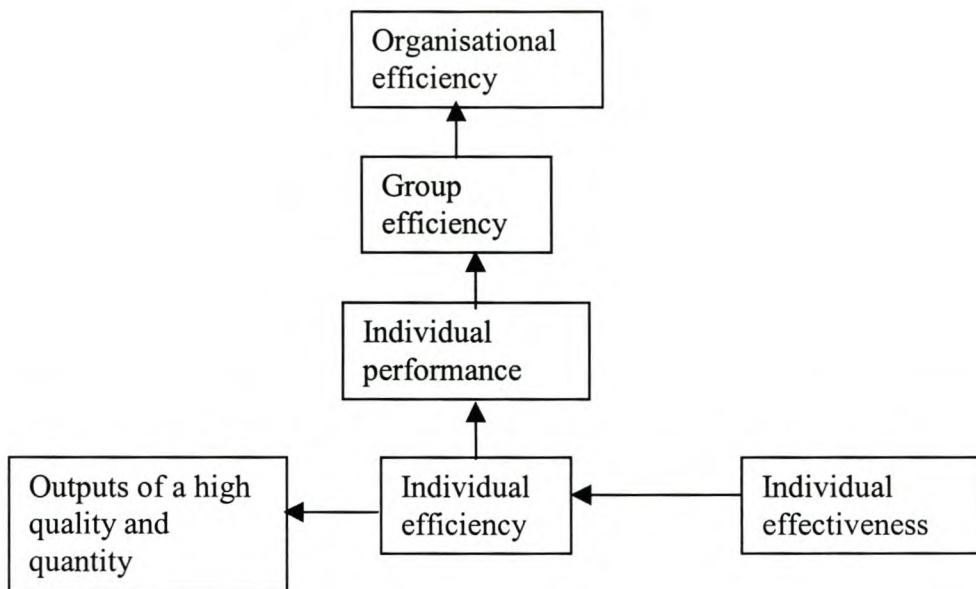


Figure 1 Relationship between individual performance and group efficiency

(Gerber, Nel & Van Dyk, 1998, p.71)

The figure above indicates that Individual performance - whether it is that of the human resource manager or any other employee - is the cornerstone of the success of an organisation (Gerber, et al., 1998). Individual performance is a result of individual efficiency and effectiveness. Efficiency is defined as “doing things the right way”. The efficiency of an organisation also refers to the nature and quality of the interpersonal, intergroup and intragroup relationships within the organisation. In an organisation, efficiency can be recognised by the following examples: executing a task correctly, doing more than the standard, rendering outputs of a high quality and quantity, restricting wastage and interruptions. Effectiveness is defined as “doing the right things” (Gerber, et al., 1998). “Doing the right things” is primarily determined by setting goals for the organisation. These goals are not set in isolation, but are directly linked to the demand of an organisation’s product or services. Effectiveness is characterised by the following examples: involvement in goals set for work groups and organisation, positive attitude, high morale, innovation.

Figure 1 also indicates that individual performance is the result of the interaction between an unlimited number of the elements of both individual effectiveness and individual efficiency. From this point of view individual performance may be regarded as the cornerstone of the efficiency of an organisation and its success. Added to the “Individual Performance – argument”, Schroder (1989) is also of the opinion that the potential for managerial characteristics to influence organisational performance is highest when situations are more complex, unstructured, uncertain, and contain many options or choices. The external environment of organisations have never been more “complex, unstructured and uncertain” than at this present moment.

In the strategic human resources management model by Rothwell & Kazanas (Gerber, Nel & Van Dyk, 1998) they emphasise the various “roles” that must be played by a top-level human resource manager. In order to successfully link the human resources strategy to the organisational strategy human resource managers:

- Must determine how the organisational strategy has been formulated;
- Must determine how much attention is being given to human resources;
- Must decide how much attention ought to be given to human resources;
- Must bridge the gap between human resources and organizational plans.

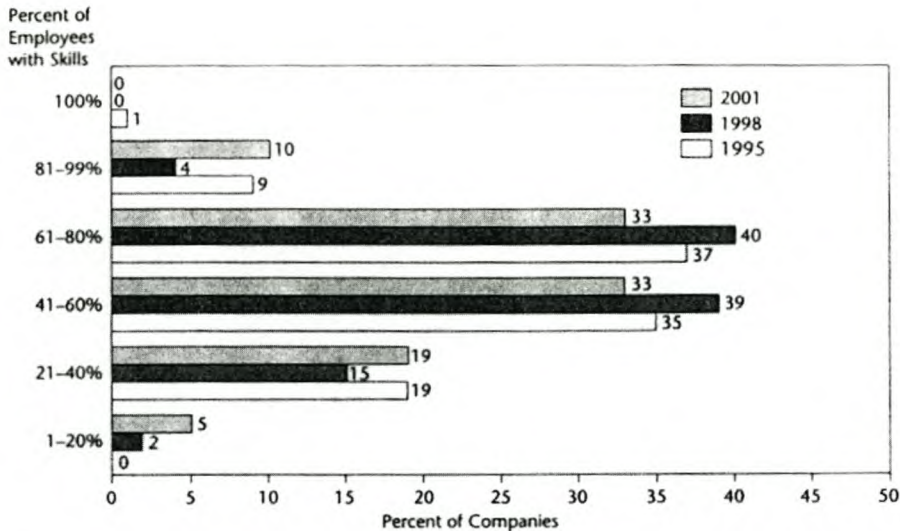
Huselid et al. (1997) states that ensuring that members of the HRM function have the appropriate competencies is one way to increase the likelihood of effective HRM. Rothwell et al. (1998) identifies three likely consequences of the growing importance of knowledge capital, of which the need to distinguish between technical and management competencies are the most important with regards to this particular study. Huselid et al. (1997) also identifies professional competencies and business-related competencies as being important. Professional HRM is related to the delivery of traditional technical HRM practices and is deemed both necessary and sufficient for assuring the

development and effective implementation of HRM practices. Professional competencies describe expertise and skills relevant to performing excellently within a traditional HRM functional department. As the strategic HRM paradigm emerged however, it was argued that although professional HRM competencies were necessary in assuring technical HRM effectiveness, they were not sufficient. Business-related competencies were also important because they enabled HR professionals to understand how business considerations unique to an organisation can create organisation-specific HRM needs. CEO's value HR professionals with professional skills, who understand the business and its challenges and who can translate business strategies into HR implications (Holbeche, 2003). Lawler & Mohrman (2003) state that the changing expectations of CEO's and line managers will require very different competencies from HR professionals than they traditionally have had.

Business-related competencies describe the amount of business experience staff members have had outside the functional specialty. It is, however, just this type of competency that had the strongest relationship with corporate financial performance and as stated by Becker & Huselid (1998) this is the same area that represents the greatest economic opportunity. These competencies should facilitate the selection and implementation of HRM policies and practices that fit the unique characteristics of a firm. Unfortunately, a common complaint nowadays is that HR practitioners do not possess a sufficient working knowledge of what business is all about or of the strategic goals of the organisations they serve (Rothwell et al., 1998). This impression can be created by those overzealous HR practitioners who push a seemingly social agenda, without taking time to show how those efforts will help their organisations meet business needs and achieve strategic objectives.

In a survey done in 23 well-known South African organisations (SPA Consultants, 1992) a lack of business and technical economic process skills amongst HR practitioners were believed to undermine their credibility. Research by Huselid et al. (1997) also suggest that professional HRM

competencies of the HRM professionals were greater than their business-related competencies. In research done by Huselid et al. (1997) they reported that HR managers were very proficient in the delivery of traditional HRM activities, but much less so in what they termed "business-related" competencies. The Centre for Effective Organizations (Lawler & Morhman, 2003) undertook a study into the skills of HR managers who were in human resource director positions (or above). These researchers also support the view that HR executives, who want to be strategic partners, need expert understanding of the business strategy and how to support it. The results of the study show that the highest level of satisfaction was experienced with traditional HR skills, an area where respondents also report a significant increase in satisfaction. The lowest level of satisfaction was found to be in business partner skills. Although business understanding showed a significant increase, respondents reported skills deficits in the substantive business support areas and thus felt that they still did not bring substantive business expertise to the table. The study further highlighted this fact by determining the percentage of HR professionals who have the necessary skill set required to be a strategic partner. Figure 2 illustrates the findings of the study. These findings are particularly alarming due to the fact that this research also concluded that only in cases where HR was a full strategic partner, the HR department played a major role in influencing business strategy (Lawler & Mohrman, 2003).



(1995: N = 130; 1998: N = 119; 2001: N = 150)

Figure 2 Percentage of human resources professional / managerial staff with necessary skill set

(Lawler & Mohrman, 2003, p. 79)

The importance that business expertise in the HR department has for the decisionmakers of the organisation, is also exhibited by a relatively new trend to appoint successful general managers to fill key positions in the HR department (Fulmer, 1995). In a study conducted by Lawler and Morhman (2003) it was found that in 2001, only 75% of the top HR executives came through the HR function. The other 25% of HR executives came from functional units like sales and marketing, operations, and legal. These authors state that a number of organisations are opting to put executives that are not “career HR employees” into leadership positions in the HR function.

It is certainly not suggested that professional competencies are not still very important for HR managers to be successful contributors to the organisation. Competencies, however, have life-cycles. This concept of life-cycles means that individuals and organisations need to proactively anticipate future strategic competencies, evaluate their current competence and decide on strategies to bridge the gap (Meyer, 1996). There are definite differences between the most important present and future competencies required for

success by HR leaders (Rothwell et al., 1998). In a 1995-1996 HR Planning Society State of the Art Study, the number one most essential skill for HR Executives today was identified as Business savvy and acumen and this skill was rated the second most essential skill for HR Executives in the Future (Rothwell et al, 1998). Ulrich (1997) also points out that the roles of the HR professional are multiple, not single. In the past academics have called for transitions from operational to strategic, qualitative to quantitative, etc. But, HR professionals must in reality fulfill both operational and strategic roles, they must be both police and partners and they must take responsibility for both qualitative and quantitative goals over a short and long term. Also, in many organizations, HR results have been defined in terms of HR activities (Ulrich, 1999). As an assessment of HR effectiveness however, this is incomplete. This author points out that other professions measure results using accomplishments, not activities. Thus, HR must develop a "deliverables focus" that complements, not replaces traditional measures. Results alone are insufficient measures of effectiveness because the method in which those results have been achieved, also matter. It is also these methods and methodology that will engender the credibility in HR that it needs in order to achieve its results. In research done among human resource managers in New Zealand, Hunt and Boxall (1998) found that while HR qualifications and experience were deemed important to develop "trade skills", these were not sufficient in themselves to contribute at a strategic level. Broad qualifications and line management experience were widely valued to develop a "commercial orientation" deemed necessary to contribute at a strategic level. Thus, a dual background was deemed necessary. Added to this, one of the key characteristics of strategic competencies is that it is reflected in the occupational, vocational and managerial competencies of individuals (Meyer, 1996).

2.4.1.1 Credibility

All of these findings underscore the fact that HR leaders must work to cultivate credibility. Credibility is defined as being perceived by others as efficient and effective in addressing business- and people-related problems (Rothwell, et al., 1998). Interestingly, these authors distinguish amongst

credibility and developing credibility - and rightly so. Developing credibility is defined as the ability to command increasing respect for one's abilities by establishing a consistent track record of reliability, creativity, and leadership in HR policies and practices among peers and such key stakeholders as line managers. Credibility is not so much controlled by the individual; but is bestowed by others, on the individual. It is a function of how useful an individual or group is perceived to be in solving or averting problems or in seizing opportunities. The key to building credibility then lies in the competencies suggested by the rest of the study. The relevant competencies will increase the efficiency and effectiveness of the HR manager, and as such will engender credibility. This credibility will be bestowed on the HR manager by the CEO and Line managers. Building credibility is also subject to time. It must be developed day-by-day, decision by decision and action after action (Booher, 1999). This author also stresses the importance of being competent as a key contributor to building credibility in top executives' eyes.

The concept of credibility is indelibly linked to the concept of trust and trustworthy behaviour. Credibility and establishing mutual trust and faith go hand-in-hand. The ability to establish mutual faith and trust with other people is especially critical in the face of downsizing and various other corporate restructuring efforts. Only when credibility and trust has been established, the idea of a strategic partnership will truly come to fruition. The concept of trust will be discussed in the following section.

2.4.1.2 Trust

Lake (1997) states that business relationships are central in modern organisations and competitiveness because positive relationships are characterized by mutual trust which means that both parties will commit action faster than in a relationship characterized by distrust. Porter, Lawler & Hackman (1975) says that trust (and our attempts to understand it) "... tends to be somewhat like a combination of the weather and motherhood; it is widely talked about, and it is widely assumed to be good for organisations. When it comes to specifying just what it means in an organisational context, however, vagueness creeps in." It is beyond the scope of this study to give a

saturated discussion on trust, but the researcher would be irking her responsibility to exclude a basic discussion on trust and its effects on the variable in question: strategic partnership. The inclusion of trust takes place purely on a theoretical level in this thesis. No hypotheses regarding trust were formulated or overtly tested in this study. It forms part of the theoretical model of HR strategic partnership postulated in this thesis.

There is no doubt about the importance of trust in organisations. Since the above-mentioned statement made by Porter et al. (1975) various studies have empirically tested and proved its importance. Studies proved that trust played a critical role in enabling cooperative behaviour, promoting adaptive organisational forms like network relations, reduced harmful conflict and promoted effective responses to crisis (Rousseau, Sitkin, Burt & Camerer, 1998; Whitener, Brodt, Korsgaard & Werner, 1998). It is for exactly these reasons that trust cannot be discounted as a concept in this study. Trust is defined in different ways depending largely on the discipline in question. These researchers are of the opinion that regardless of the focus of the discipline, trust in organisations may be a meso-concept that integrates micro-level psychological processes and group dynamics with macro-level institutional arrangements. It is therefore critical that we do not only look at the characteristics of the HR manager (eg, strategic role competencies, motivation, opportunities) to understand the role of trust in the development of strategic partnership. Whitener et al. (1998) identify organisational, relational as well as individual factors that encourage trustworthy behaviour in managers. This also serves to strengthen the approach in this study to take the organisational context into account in our study of strategic partnership.

Trust can be defined as a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another (Engelbrecht & Cloete, 2000; Rousseau et al., 1998). This definition of trust is accepted in this study. There are certainly many other definitions of trust available in the academic literature. However, all of these definitions include the following necessary conditions for the concept of trust to arise (Dietz, 2004; McAllister, 1995; Rousseau, et al., 1998; Whitener, et

al., 1998). Firstly, there is always a degree of risk involved in interpersonal relationships. Secondly, interdependence is required for trust to emerge. Thirdly, trust is built on expectations or probabilities of the future behaviour of an individual. Fourthly, this evaluation is based largely on an individual's integrity, competence and predictability, thus trustworthiness. McAllister (1995) also identifies two principle forms of interpersonal trust, namely cognition-based trust – grounded in individual beliefs about peer reliability and dependability, and affect-based trust – based on reciprocal interpersonal care and concern. For the purposes of this study, the focus will be on cognition-based trust. Cognition-based trust is based on a choice to trust an individual under certain circumstances on available information or evidence of trustworthiness (McAllister, 1995). This researcher states that in organisations, cognition-based trust in peers may depend on (1) the success of past interaction, (2) the extent of social similarities, and (3) organisational context considerations. Managers consider the track records of their peers and how they carried out role-related tasks in the past when they consider that peer's trustworthiness. McAllister also states that groups of individuals who share fundamental characteristics are more likely to build and maintain trusting working relationships. McAllister limited the definition of "similar characteristics" to race, gender, ethnic background etc. This researcher believes that similar characteristics may also include "approach to effectiveness", "business-orientation", etc. and the extension of scope of this definition makes this theory particularly relevant for this study. Managers may not view HR managers as "real" managers. HR managers (and HR departments) thus have to demonstrate characteristics that bring them into the realm of "business" (as it is defined by managers of other functional units.

The importance of HR managers' being perceived as competent partners in the business environment is thus crucial in building strategic partnership. Whitener et al. (1998) believes that trust is an attitude that is held by the trustor (eg, line manager) toward the trustee (eg, HR manager) that is derived from the perceptions, beliefs and attributions about the trustee, based on the observations of the trustees' behaviour. Thus manager's actions and behaviours provide the foundation for trust and thus they have considerable

impact on building trust. It is the manager's responsibility to initiate the development of trust by displaying trustworthy behaviour and in so doing influencing the perception of the person that must bestow trust. These researchers identified five categories of behaviour for managers seeking to demonstrate trustworthiness:

- Behavioural consistency – reliability and hence predictability
- Behavioural integrity – truthfulness and keeping promises
- Sharing and delegation of control – shared input into decisionmaking
- Communication – open sharing of accurate, timely, contextualised information
- Demonstration of concern – showing sensitivity and acting benevolently.

These five categories of behaviour not only lead to trust but form the platform for creating a true partnership in interpersonal relationships (Dietz, 2004). Partnership seems to fulfill the five categories of trustworthy behaviour (Whitener et al., 1998). The joint commitment to and pursuit of success encourages behavioural consistency. Also, by recognizing the legitimate role of each partner offers protection against vulnerability by constraining the partners' opportunism and promoting behavioural integrity and demonstrating concern.

Trust has been named as a necessary precondition for partnership, as the process through which partnership is realized, as one of its most important outcomes and also as the main method for monitoring progress and constraining anti-partnership actions (Dietz, 2004).

Although important, competencies do not necessarily lead to outstanding performance by an individual. Meyer (1996) states that competency is a necessary, although not sufficient, condition for performance. In any role, there are prerequisites for performance. In order to explore the question of HR managers as strategic partners, the conditions under which HR managers would act as strategic partners in their organizations, must be

explored. For this purpose the following model of performance is used (refer to Figure 3).

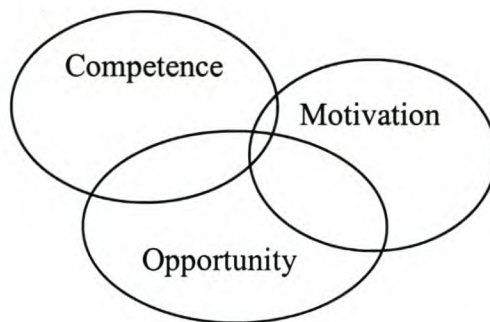


Figure 3 Model of Job Performance

(Meyer, 1996, p.37)

Thus, a competent individual will not perform to standard if he or she is not motivated and will be unable to perform if the opportunity to perform is frustrated (Meyer, 1996). Supporting this argument is Heider (Kopelman & Thompson, 2001). Heider emphasises that a person's performance is dependent on two factors: internal personal force (consisting of a motivational component "try", and a non-motivational component, "can"), as well as an external environmental force. According to Ulrich (1999), competence alone does not guarantee professional status. Professionals must use their competencies to act boldly, decisively and independently. According to this writer, competence gives professionals license to act, but being a real professional requires "acting with conviction." Attitude combined with competence instills confidence in others. Holbeche (2003) agrees that skills of the HR professional in achieving status is very important, but also includes the expectations of the role of HR and the political context within which HR is operating, as factors which may explain why people issues are not taken very seriously in organisations.

Rothwell et al. (1998) adds another dimension to this argument. They state that, added to technical and management competencies, senior HR managers also assume a role orientation of leadership. Not content to accept the status quo, they are proactive, people-developing entrepreneurs, who leverage the

human side of the enterprise to greatest competitive advantage. At the base of this activity is a foundation of thorough business savvy. Moving beyond isolation as just a HR expert, true leaders combine their expertise of HR policies and practices with knowledge of the business to lead change effectively. Doing this repeatedly not only builds competency, it also gives substance to the difference between possessing credibility and developing credibility.

If we accept the future role of the senior HR manager to be that of an HR leader, this does have implications. Leadership is about developing a reciprocal relationship between the leader and constituents. It is very important to note that the constituent is also the person who decides whether a leader is competent or not. They are the “customer” of the leader. This can be an external customer, an employee or an investor (stakeholder).

Becker and Huselid's (1998) view is that one of the most significant impediments to developing a strategic system that provides solutions to business problems rooted in human capital, are thinking of the HRM system as a traditional HRM responsibility. The responsibility for strategy execution should be shared between HR professionals and line management. Thus, it should be a partnership where each brings to the strategy discussion unique skills and talents. Research suggests that HR professionals/managers have not yet become strategic partners in their organisations (Sahdev et al., 2000; Ulrich, 1997; Huselid et al., 1997). According to Ulrich (1997, 1999), HR professionals become strategic partners when they master the theory and practice of forming and implementing strategy, participate in the process of defining business strategy, when they ask questions that move strategy to action and when they design HR practices that align with business strategy. The primary actions of the strategic human resource manager translate business strategies into HR priorities.

2.4.2 Strategic role Motivation of senior HR managers

According to Katz & Kahn (Steers & Porter, 1991), organisations have three behavioural requirements from their human resources. People must be attracted to join the organisation as well as to remain in it; they must perform the tasks for which they are paid and people must go beyond what is expected of them and engage in some form of creative, spontaneous and innovative behaviour at work. If we accept this reasoning, then motivation of the workforce becomes a critical issue in modern organisations. This is especially true when it pertains to the motivation of the managerial contingent of the organisation.

Gibson, Ivancevich & Donnelly (2000) define motivation as forces acting on an employee that initiate and direct behaviour. This is a very broad definition and rightly so, as Steers & Porter (1991) emphasise that motivation represents a highly complex phenomena and it affects and is affected by a multitude of factors in the organisational context. Although many other definitions of motivation exist, Steers & Porter (1991) point out that all of these definitions contain the following common denominators: (1) what energises human behaviour, (2) what directs or channels such behaviour, and (3) how this behaviour is maintained.

Given the nature of the study, it was imperative to find a model of motivation that incorporated the individual, the job as well as the organisational environment, thus a theory that incorporates not only job content but also job context. This study aims in essence to analyse the dynamics between the individual, job and organizational environment with regards to strategic partnership. Although a lot of literature on motivation exists, no studies could be found that have empirically tested these variables in the Strategic human resources field and certainly not the motivation levels of the HR managers in South Africa.

After a thorough literature review, the expectancy theory of Vroom was found to fit the requirements of this study (Steers & Porter, 1991). This theory tries

to explain the motivational process by analyzing the person-environment interaction. It represents a cognitive theory of motivation with a very strong emphasis on cognition, where the thought processes that a particular person goes through as they decide to participate and perform in the organisation are analysed. It is based on the assumption that individuals engage in some form of conscious behaviour relating to the performance of tasks.

Vroom proposed three related models: a valence of outcome model, a work motivation model and a job performance model (Reinhardt and Wahba, 2001). For the purposes of this study, the work motivation model was utilized. The work motivation model states that the force on a person to perform an act is a monotonically increasing function of the algebraic sum of the products of the valence of all outcomes and the strength of the expectancies that the act will be followed by the attainment of these outcomes (Reinhardt and Wahba, 2001). Expectancy is defined as the perceived likelihood that a particular act will be followed by a particular outcome (Gibson, Ivancevich, Donnely and Konopaske, 2003). Expectancy is a subjective probability that a person "calculate" and ranges from "0= no chance that an outcome will occur after the behaviour or act" to "1= certainty that a particular outcome will be follow an act or behaviour". Valence is defined as the strength of a person's preference for a particular outcome (Gibson, et al., 2003). An outcome is positively valent when it is preferred and negatively valent when it is not preferred or is avoided. An individual can also experience total indifference in attaining or not attaining an outcome. A valence of 0 indicates total indifference in the expectancy theory. Thus, if expectancy is low, there will be little motivation and if an outcome's valence is zero, neither the absolute value nor variations in the strength of the expectancies of accomplishing it will have any effect.

The expectancy theory of Vroom also postulates that in the work setting, individuals hold an effort-performance expectancy (Gibson et al., 2000; Pinder, 1984; Vroom, 1964). This expectancy represents the individual's perception of how hard it is to achieve a particular behaviour (e.g. becoming a strategic partner) and the probability of achieving that behaviour (existing opportunities to become a strategic partner). Based on the expectancy theory,

perceived existing opportunities to be a strategic partner, can play a role in the motivation of HR managers to be strategic partners in their organisations. This view is supported by Whitener, et al. (1998) who identify organisational culture as a determining factor in managerial behaviour. According to Schein (1996) organisational culture can be defined as a set of shared, taken-for-granted, implicit assumption that a group holds and influence how the members of the group understand and respond to their environment. According to this theorist, managers observe the organisational culture and how their organisations respond to others and learn what behaviour is rewarded and punished. Managers will thus display behaviour that is consistent with organisational values and norms. Thus organisational culture may encourage or discourage certain behaviour patterns (being a strategic partner or not). These insights into contextual factors influencing motivation are important because the researcher believes that the concept of role perception play a critical role in whether an HR manager will perform as a strategic partner. Porter & Lawler (Pinder, 1998) include role perception in their adapted expectancy theory based on the original by Victor Vroom. In this model role perception are identified as an important moderating factor in performance. It describes the extent to which an individual believes that certain tasks and/or activities are inherently part of the role that they fulfill. For the purposes of this study role perception would be defined as the extent or strength of belief that senior HR managers have that being a strategic partner is inherently part of the role that they should play as senior HR managers in their organisations.

2.4.3 Strategic role Opportunities for senior HR managers

As stated earlier in this chapter, competency is not a sufficient condition for performance in any role (Meyer, 1996). Furthermore, a competent individual will not perform to standard if he or she is not motivated and will be unable to perform if the opportunity to perform is frustrated. Thus, it would be simplistic and naïve to explain the extent of strategic partnership of HR managers by only looking at factors within the control of HR managers' themselves. Additionally, the human resource subsystem overarches and dominates the

other subsystems in the sense that it is PEOPLE who design, activate, implement and control all the other subsystems of the organisation (Swanepoel et al., 1998). Thus, all managers are by definition involved in human resource management because they are responsible for the employees under their authority. Human resource strategies, practices and decisions have to be integrated and synchronised with, and be supportive of, the organisation's business objectives and strategies. To this end there has to be a partnership between line managers and HR specialists (Swanepoel et al., 1998). A study by Lawler & Mohrman (2003) measuring HR effectiveness also highlighted the fact that strategic partnership is necessary if relevant and sufficient information from line management is to be retrieved. Line managers must be involved in the development of HR systems and will also be more committed to their effective implementation.

Consequently, the effectiveness of a strategic partnership not only lies in the competence of one member of that partnership (HR manager) but also in the extent to which that member is allowed to contribute to the performance of the organisation. The opportunity for the HR function to add value at the strategic level is certainly extensive, but this is currently more promise than reality (Lawler & Mohrman, 2003). The views put forward in chapter 1 and also in chapter 2 might already explain the fact that although senior HR managers might share the same level on the organisational chart as their counterparts in production, finances, etc. (as shown in Figure 4), they do not seem to share the same power or status in the organisation. Additionally, the senior HR executives in organisations are the lowest paid functional managers, earning much less than the other functional executives (Pheffer, 1997).

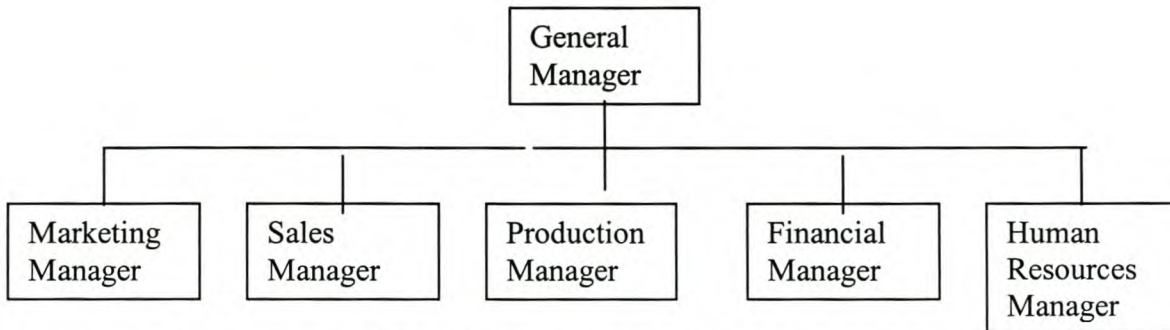


Figure 4 The position of the human resources management function in an organization

(Nel, Gerber, van Dyk, Haasbroek, Schultz, Sono & Werner, 2001, p. 11)

Thus, in attempting to adequately understand the factors influencing performance of a senior HR manager as a strategic partner, it is imperative that the context in which this role is performed must be examined and analysed. This section is devoted to the organisational environment that the HR manager finds himself/herself in and the effect thereof on strategic partnership. Firstly, the problematic role of the HR professional is discussed. Challenges facing the clarification of the role of the HR professional in the organisational context are discussed and solutions provided by various authors are explored. Secondly, we look at the complex concept of “status ascription” in modern organisations as a means of gaining additional insight into the current status and position of senior HR managers in organisations.

2.4.3.1 The problematic role of the human resource professional

2.4.3.1.1 Shared responsibility for human resource management

The fact that HR professionals are not the only ones responsible for HR issues in the organisation, means that HR practitioners are not responsible for all problems experienced by them. Sometimes HR practitioners are the victims of wrongheaded expectations by top managers, middle managers and even employees (Rothwell et al., 1998). Consequently, HR is thrust into problematic / dubious roles such as “traffic cop”, “enforcer”, “line management gopher”, “scapegoat”, “paper-shuffling bureaucrat”. The statement can thus be made that the traditional actions by HR practitioners and traditional

expectations for the HR function by line managers and other stakeholders sometimes interact to create a conspiracy of failure for the HR function. Managers and HR professionals of the future must realize that line managers are ultimately responsible and accountable for the people working in their departments (Christensen, 1997). This author highlights the fact that some line managers do seek an HR professional who can "... take all of the people work off their plates so they can get on with the truly important work of the business". This is a very significant obstacle as Bratton & Gold (2003) point out that the internalisation of the importance of human resources by line managers is a critical factor in the effective and efficient achievement of integration between HR strategies and other line functions and the overall business goals. Kossek & Block (2000) also point out an important aspect to the "sharing" of HR roles. According to these authors the degree to which HR roles are outsourced as tasks that "anyone" can do (whether they are trained to or not or have the expertise to do so or not) can also influence the effectiveness of the HR department to a great extent.

2.4.3.1.2 Line vs Staff function

According to Swanepoel et al. (1998), the distinction between line and staff authority adds another dimension to the question of roles and responsibilities. Line authority refers to the authority that runs from top to bottom in a hierarchical organisational structure and where superiors have the right to give and enforce instructions. Staff authority refers to the right to give advice and to render services - which may or may not be accepted. Organisations used and adapted these concepts to create a distinction between what is traditionally termed line management and staff management. In this way, line management came to be used to refer to those organisational functions directly responsible for the business objectives of the organisation. Staff management was viewed as being responsible for rendering advisory and other support services, based on their specialised knowledge possessed by the personnel employed in the staff departments. Partly due to this extension of the line/staff concept, confusion tends to exist regarding whether human resource management is a staff or a line function of management.

Traditionally, personnel management was viewed as a typical example of a staff management function as opposed to a line management function. However, delegation of HRM duties has changed over time. As the human resource subsystem is increasingly viewed as the dominant subsystem in the organisation's strife for excellence, HRM is increasingly viewed as a general function of management. In most organisations two groups perform HRM activities: HRM managers/ specialists and operating managers. Operating managers (supervisors, department heads, vice presidents) are involved in HRM activities since they are responsible for effective utilization of all the resources at their disposal. With two sets of employees (operating managers and HR specialists) making HRM decisions, there can be conflict. Conflict occurs because operating and HR managers sometimes differ on who has authority for what decisions, or there may be other differences between operating and HR managers. They have different orientations, called line and staff, which have different objectives. A staff person/manager/specialist typically supports the primary functions. The picture of organisational life portrayed by a textbook assumes that the staff does not wield direct authority over the line manager. Line managers have the authority to make final decisions concerning their operations. However, the specific distinction between line and staff is not as clear-cut in organisations. More often than not, members of the HR unit have much to say about various programmes and activities. The conflict between HR employees and operating managers is most pressing when the decisions must be joint efforts (Ivancevich, 1992).

2.4.3.1.3 Role ambiguity

According to Gibson, et al. (2003) a role is an organised set of behaviours expected of an individual in a specific position. Matthews (1997) states that much of the frustration surrounding the nature of human resource departments arises from an inability to adequately define and describe the roles and responsibilities relevant to all levels of management, particularly with regard to the management of human resources. The "Penn State Executive Programs Management Skills Assessment – Human resources", a research study by Albert Vicere (Rothwell et al., 1998), revealed the changing roles and competencies demanded of HR practitioners. The results of Vicere's

study, show a disconnection among expectations between line managers and HR professionals and thus another dimension of this relationship. While HR leaders are increasingly expected to serve as business partners, they are not expected to understand the key business issues affecting their organisations. Thus, there is a need for the role of the human resource function as well as the role of the HR manager to be clarified. A lack of clarity and predictability in a job has been defined as role ambiguity (Menon & Akhilesh, 1994). Role ambiguity tends to be particularly acute when the expectations defining a role are vague and inconsistent. These authors point out that role ambiguity is negatively correlated with effort towards quality and involvement in the job. Prolonged role ambiguity may also lead to feelings of futility and general job dissatisfaction that may ultimately lead to withdrawal from organisational activities. It is clear from this discussion that although role ambiguity falls under the section of opportunities in this chapter, it has clear links with motivation to play a particular role in the organisational context as well.

More importantly, a study by Cunningham and Yaw (1995) suggests that when the roles of management and personnel are ambiguous or when there is tremendous change, line managers and executives take over some of the functions of HR managers, a practice that is seen as a problem by the HR managers. However, content analysis of the interviews with HR managers showed that this encroachment becomes a problem only when the HR managers lacked the skills necessary to perform their duties competently.

Ulrich (1999) is of the opinion that a results focus by the HR function would significantly reduce the current conflict between line and HR managers regarding their authority and responsibilities for human resources. A results focus creates common measures of success for line managers and HR professionals. HR professionals who understand business and how HR issues create value, act in ways that complement, rather than compete with the roles of line managers. Furthermore, as HR departments focus on results, their structure and governance will change. In the future, human resource services will not only be provided by those within the HR function; the HR community

will also include line managers, other staff managers and strategic partnerships with outside vendors.

All managers are by definition involved in human resource management, HR cannot transform itself alone. Ulrich (1999) is of the opinion that the primary responsibility for transforming the role of HR belongs to the CEO and to every line manager who must achieve business goals. In the past, human resource management has been largely missing from the general strategic management process. Research suggests that CEO's understand the essential strategic value of a skilled, motivated and flexible workforce, but the traditional HRM function has not typically been thought of as a strategic asset (Becker and Huselid, 1998). Operating managers and HR managers must form a partnership to quickly and completely reconceive and reconfigure the function – to overhaul it from one devoted to activities to one committed to outcomes.

Cascio (1993) suggests that top management should consider doing the following things in order to use the HRM function most effectively:

- ◆ Require that HR executives be experienced business people
- ◆ Require the senior HR executive to report directly to the CEO
- ◆ Ensure that the top HR officer is a key player in the development and implementation of business plans – providing early warning regarding their acceptance and serving as the CEO's "window" on the organisation and as a sounding board
- ◆ Define the HR department's responsibility as the maximization of corporate profits through the better management and use of people
- ◆ Do not dilute the HRM function by saddling the HR department with unrelated responsibilities, such as the mailroom and public relations.

2.4.3.1.4 Status ascription in organisations

Komache (2003) did a thorough analysis of the current state of human resource management (HRM) as well as the importance that strategic human resource management (SHRM) seem to have acquired over the last few

decades. It is his contention that the move away from the “traditional” personnel management towards HRM and SHRM may constitute a search for the enhanced status of the HR professional and the function as a whole. As he put it so succinctly “...the concept of HRM, and in particular its quest for boardroom attention, offers personnel practitioners the opportunity to emerge from the managerial doldrums”. In Komache’s review of the models and roles prescribed for human resource practitioners he noticed that these roles (eg., ‘clerk of works’ / ‘administrative expert’ , ‘contract manager’ / ‘strategic partner’, ‘architect’ / ‘strategic player’) describe different ways on which HR practitioners have approached their tasks and that these models is not inconsistent with a hierarchy of status. This also constitutes one of the reasons why this study is focusing on senior HR officials in organizations. This inspiring writer continues by noting that functional specialism is in a constant state of dynamism because different specialisms have caught the imagination of academics, influential leaders of organisations and consultants. This is obviously true in the case of human resource management where rhetoric of the importance of organisations’ human assets have been well documented, whether promulgated by academics or business leaders. The complexity of the strategy formulation process has to be considered if the complex and conflicting role of the human resource manager is to be understood. Truss (Armstrong, 2003) pointed out that thinking of the relationship between business strategy and human resource strategy as simple and linear “...fails to acknowledge the complexities both between and within notions of strategy and human resource management and ... takes no account of the significance of power, politics and culture. Hewitt (1997) takes this idea further. He asks the question: “What happens to HR (and HR strategy formulation) when there is a strategic vacuum at the top of the enterprise? The assumption that most authors on strategic HRM and strategy formulation are making is that the organization has a robust concept and process of competitive strategy into which HR strategy can connect. Hewitt voices his scepticism and reservations based on recent corporate evidence that this is indeed the case.

Managerial levels and functions are subject to a form of stratification that is supported and maintained by the organisational culture (Komache, 2003). The importance given to a function and manager is illustrated by the status that that manager and function enjoys within a specific organisation. This view is shared by Menon and Akhilesh (1994) who states that some functional areas are ascribed higher status than others and that status can be formally or informally imposed on functional areas. This status ascription is important because it leads to certain behaviour and outcomes in the organisation. Usually, managers of “higher status” functional areas wield more power and authority than managers of “lower status” functional areas and the latter’s demands and needs are also second-rate to that of the manager of the “higher status” functional area. Holbeche (2003) states that HR is more often than not, perceived as a junior member of the board and expected to only implement the board’s strategy and decisions, rather than help the board to shape those decisions.

According to Komache (2003), the reason why HR managers have been unable to enjoy high status and its concomitant power is because they have been unable to demonstrate the importance of their functional specialism and the strategic value of human resources. Komache coins the term “status ascription” to describe the dynamic process through which managers and functions acquire and maintain status in the complex organizational context. This process of how managers compete and maneuver for status and improved positioning in organizations (the cycle of “status ascription”) is depicted in Figure 5 below. This researcher believes that the current position of the HR function and HR managers in organisations will never be truly understood if, as Komache puts it, the “socio-theoretical motive forces behind managerial actions” is not taken into account. Additionally, the future position of the HR function and HR managers in organisations will never be realized if HR managers do not learn how to influence this cycle in a way that will benefit them and the function as a whole. Status ascription is a critical environmental factor that cannot be disregarded in attempts to create legitimacy for the role of human resource professionals.

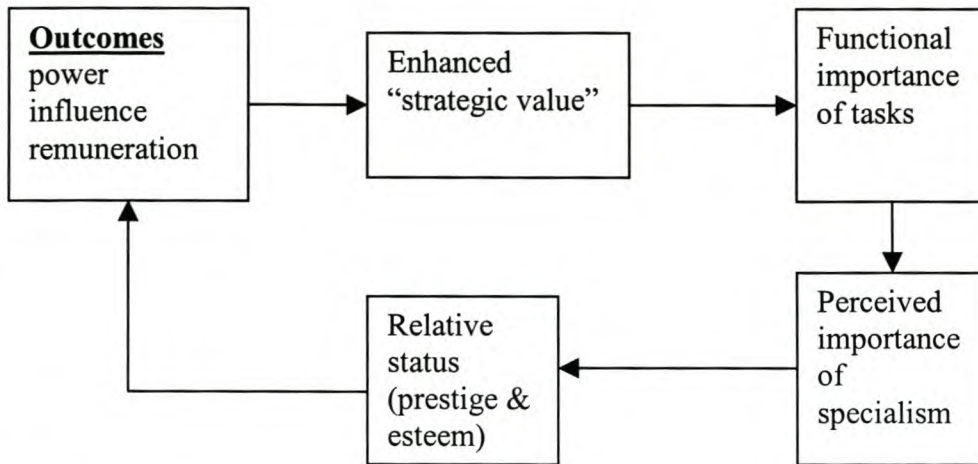


Figure 5 The cycle of status ascription

(Komache, 2003, p. 290)

At all levels in the organisation, HR managers and operating executives must work together to help achieve objectives. The chief HR executive promotes the HRM function within the organisation to employees and operating executives both. The ideal HR executive understands the objectives and activities of HRM. He or she has had some experience as an operating manager, as well as experience in HRM. The ideal HR manager has superior interpersonal skills and is creative. It is vital that operating management perceives the HR manager as a manager first, interested in achieving organisational goals, and as a specialist adviser in HR matters second. This makes the HR executive a member of the management team and gives the function a better chance to be effective. As HR executives play an increasingly dominant role at the organisation's strategic planning table they must educate the members of other departments or units about the human resource implications of various decisions. Thus, it is postulated that the HR executive must be familiar with other aspects of the organisation (Ivancevich, 1992). Unfortunately, very few HR executives sit on the board of directors. In the United Kingdom, HR representation at board level decreased from 76% in 1984 to 71% in 1990 and 64% in 1998. In the 1990's these figures decreased even further, even though this was the time when the importance of people as assets and HR was supposed to be on the increase (Bratton & Gold, 2003).

HR professionals acting as strategic partners in their organisations, play an important role in creating strategic unity (Ulrich, 1999). They design HR practices that can and should be used to both create and implement strategic clarity. Additionally, they should be informed observers of how much clarity exists around a given strategy. Thus, the opportunity for the HR function to add value is great, but it is more promise than reality (Lawler & Mohrman, 2003). A comparison between studies in 1995, 1998 and 2001 shows that HR have not increased its utility as strategic partner significantly and also not its perception as an administrative center. This is problematic, as a negative relationship exists between time spent on records and overall administrative functions and HR's perceived effectiveness, while a strong positive relationship exists between the degree to which an organisation spends its time as a strategic partner and HR's perceived effectiveness on many dimensions.

Ulrich (1999) believes that through their multiple contact points with employees HR professionals collect current impressions and data on perceptions of employees about the organisation's strategy. This information, regularly conveyed to the appropriate executives, provides guidance on how better to communicate the vision and make it real for employees. Being a strategic partner will enable the HR manager along with the rest of the top management team to achieve greater strategic unity among the organisational strategy and those of the various sub-divisions. These views are corroborated by the study regarding HR unit effectiveness in large organizations by Lawler & Morhman (2003). In this study, each HR function examined in the study was categorized as a "full partner" or "not a full partner". The results of the study are illustrated in Table1 below. The data confirms that HR is most effective in developing strategy when it is a full partner. It also suggests that making HR a full partner enables HR personnel to support strategic implementation better. These researchers suggest that HR executives that understand the business strategy are most likely to develop better HR processes and systems to support that strategy. They may even influence the business strategy to such an extent that it is more realistic in terms of the organisation's and HR's ability to execute it. It is also prudent to mention the words of caution that these

researchers issue in interpreting these results. The data illustrate a relationship between strategic partnership and HR effectiveness. The causal relationship regarding these two concepts is not clear from the study. The relationship may thus also operate in the reverse direction. HR effectiveness may already have to be achieved, for the HR department to be regarded as a full partner. These researchers postulate that both directions of causation are most likely operating in most business cases.

Table 1: Relationship of Type of Strategic Partner to HR Effectiveness

	Means	
	Not Full Partner	Full Partner
Number of respondents	86	60
Overall Effectiveness	5.9	6.5*
HR Effectiveness	6.0	6.8*
Providing HR services	7.2	7.5
Providing change consultant services	5.4	6.1*
Being a business partner	6.0	6.9*
Developing organisational skills and Capabilities	5.5	6.5*
Tailoring HR practices to fit business Needs	6.4	7.0*
Helping shape a viable employment relationship for the future	6.0	6.9*
Helping to develop business strategies	5.2	6.6*
Being an employee advocate	7.0	7.5
Change management	5.7	6.5*
Outsourcing effectiveness	6.1	6.4
Managing outsourcing of transactional Services (eg benefits)	6.3	6.7
Managing outsourcing of HR expertise (eg compensation design)	5.9	6.1
Shared Services Effectiveness	5.7	5.8
Operating centers of excellence	5.5	5.8
Operating shared service units	6.1	6.0
* Significant difference ($p \leq .05$) between the two categories Response scale: 1=not meeting needs; 10=all needs met		

(Lawler & Mohrman, 2003, p.91)

It is thus postulated that achieving adequate strategic partnership will enable the human resource department to achieve greater vertical strategic fit, that is developing HR strategies that are integrated with the business strategy and

support its achievement (Armstrong, 2003). Research findings suggest that the strategy-HR interaction accounts for more variation in firm performance than the main effect of HR (Khatri, 2000). Khatri's theory is illustrated in Figure 6. According to Mabey, Salamon & Storey (2003) the idea that people management can be a source of competitive advantage is based on the following key assumptions: (1) it is human capability and commitment that distinguish successful organizations from the rest, (2) managing human resources is a matter of importance, (3) managing human resources is not only the HR department's duty, and (4) key levers must be internally integrated with the business strategy. This makes the achievement of strategic fit crucial to the effectiveness of HR departments and the achievement of HR strategic partnership critical.

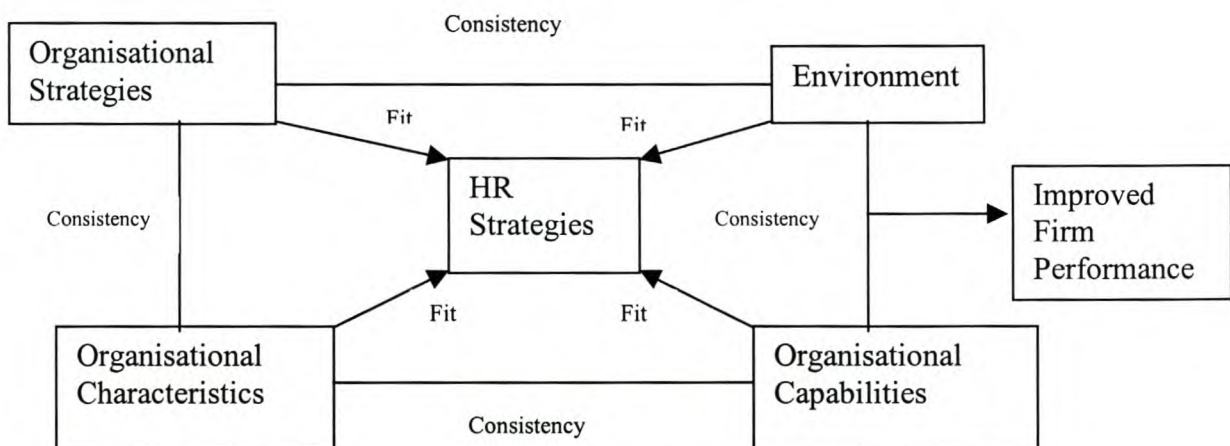


Figure 6 Effective human resource strategy implementation

(Gomez-Meija, Balkin & Cardy, 1995, p.55)

It is imperative that a proper integration between an organisation's business strategy and the human resources strategy is achieved (Gomez-Meija, Balkin & Cardy, 1995). There are basically three reasons for this (Erasmus, 1999). Firstly, the emphasis on strategic integration results in the need for organisational and human resource management structures and systems to be designed to support or "fit" the organisation's strategy. Secondly, human resources should be managed so that they are committed to the organisation and its objectives and goals. Lastly, by achieving the first of these, there will be real benefits for the organisation with regards to critical outputs. The idea

is not only to fit HR strategies to the business strategy of the organisation. Additionally, organisations that formulate strategies that systematically consider the HR and business strategies will in the long run, perform better than organisations that manage human resources primarily as a means to solve competitive strategy issues (Chakravarthy & Lorange, 2001; Fulmer, 1995). According to these writers, strategic integration is critical to the success of strategic plans because it forms the core of the strategy implementation phase. Thus, strategic alignment is the “architecture on which strategy is built”. Again, this highlights the need for HR managers to be leaders in the organisation if what was postulated by these researchers are to realise fruition in South African organisations.

2.5 Strategic partnership in Human resources: Towards a theoretical framework

The argument advocated in this thesis is as follows. Human resource managers in organisations must ensure that they possess sufficient professional and business-related competencies. The exhibition of competence in both of these competencies are considered to be crucial in the development of credibility as well as trust in the relationship between HR managers and the other functional managers they partner with. It is also important that HR managers have the competency of communicating this competence to line managers. They have to make sure that CEO's and line managers know what they are capable of and how their HR unit can contribute to the bottom-line of the organization. Thus, possessing the competencies is not enough, effectively communicating these competencies is just as important. Relationship management is a core competency in that will increase the likelihood of HR managers being seen as competent. As stated by Meyer (1996), (strategic role) competencies alone are not sufficient to ensure performance in any role. Human resource managers must be motivated to be strategic partners within their organisations. They must be willing to be responsible for the fit between HR strategy and the strategy of the organization. HR managers are not solely responsible for this

transformation either. It is imperative that the CEO and line managers provide the HR manager with the opportunity to act as a strategic partner in the organisation. The relevant competencies, motivation and opportunities will increase the efficiency and effectiveness of the HR manager, and as such will engender credibility. This credibility will be bestowed on the HR manager by the CEO and Line managers. When credibility has been established, the idea of a strategic partnership will emerge because of the increased levels of trust that line managers have in the ability of HR managers to help them with their people solutions. The CEO and line managers will trust the senior HR manager to make him/her a true partner because of the record of credibility that that person has achieved. Time (to establish this track-record) thus also plays an important part in this model. Being a strategic partner and able to understand the needs of the business and the needs of the line managers better will enable better service provision by the Senior HR manager and his/her team (increasing their efficiency and effectiveness). It is further postulated that being a full strategic partner will lead to increased vertical fit (strategic unity) between the goals of the organisation and that of the HR department.

This is by no means a static model. Being a strategic partner can also have a positive influence on the development of adequate and relevant competencies, because this relationship will give direct feedback on areas of strength and weakness of HR managers and their teams. Effective performance by senior HR managers can act as a strong motivator for him/her to act as a strategic partner, as well as a motivator for line managers to provide opportunities for involvement of the HR manager as a strategic partner. Attaining a true understanding of the business issues can better equip HR managers to help craft competitiveness through people, build a talent pool and leverage intellectual capital. Reciprocally, they may be able to reposition the HR function through their understanding of the business and their expertise in HR management (Rothwell et al., 1998). Figure 7 represents the researcher's view of the relationships in the complex strategic partnership.

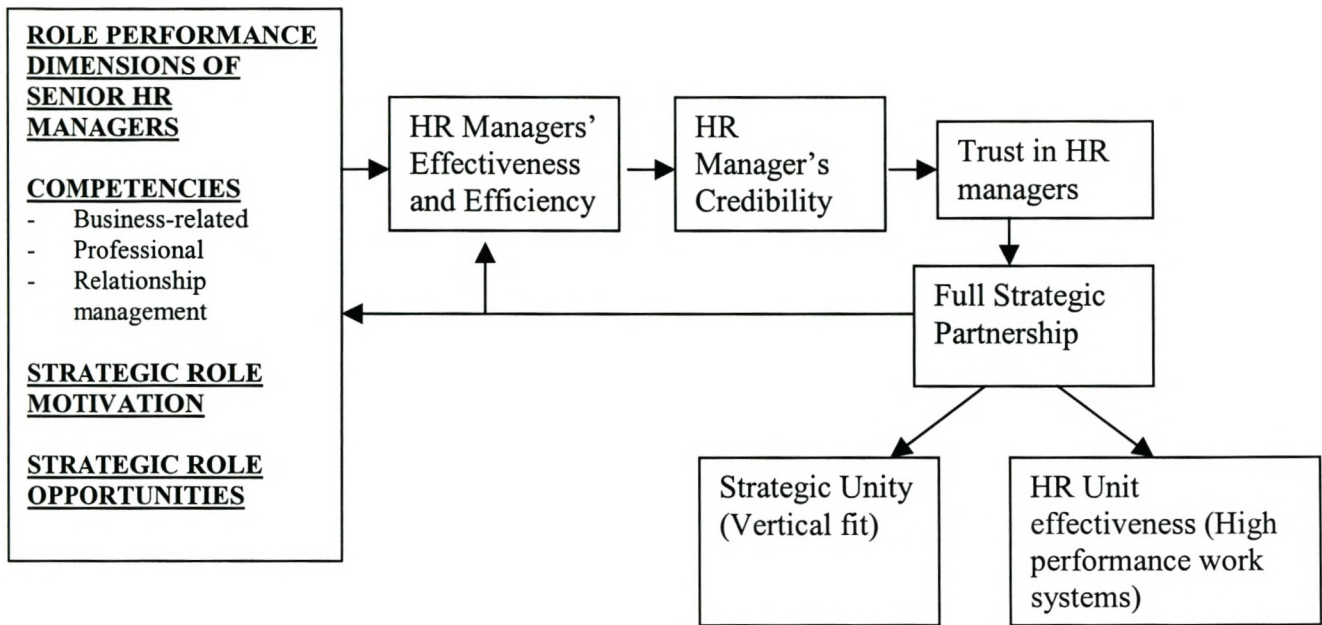


Figure 7 Strategic partnership model for Human resource managers

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Variables

3.1.1 Dependent Variable

The dependent variable in this study is *strategic partnership*.

According to Ulrich (1997), HR professionals become strategic partners when they participate in the process of defining business strategy, when they ask questions that move strategy to action and when they design HR practices that align with business strategy. The primary actions of the strategic human resource manager translate business strategies into HR priorities.

Central to the concept of partnership is the idea of reciprocity or the idea that co-operation happens in order to achieve mutual gain (Dietz, 2004). This researcher also points out that continuous joint problem-solving along with open and timely exchange of honest and accurate information also form part of the concept of a partnership. According to this definition, in order for HR managers to be full strategic partners, they must be more than mere advisors; they must be co-determiners of the destinies and performance of the functional units that they work with.

In the view of Becker and Huselid (1998), one of the most significant impediments to developing a strategic system that provides solutions to business problems rooted in human capital, is thinking of the HR system as a traditional HRM responsibility. The responsibility for strategy execution should be shared between HR professionals and line management. Thus, it should be a partnership where each brings to the strategy discussion unique skills and talents.

Research suggests that HR professionals/managers have not yet become full strategic partners in their organisations (Sahdev et al., 2000; Ulrich, 1997; Huselid et al., 1997).

3.1.2 Independent Variables

There are three independent variables that will be measured, namely strategic role competencies, strategic role motivation and strategic role opportunities.

3.1.2.1 Strategic role Competencies

There are two types of strategic role competencies that have been identified as important or relevant to this study: professional competencies and business-related competencies.

Professional competencies describe expertise and skills relevant to performing excellently within a traditional HRM functional department (Huselid et al., 1997). The Human Resource Competencies Scale developed by Huselid et al. will be used to measure the relevant competencies. Items assess both competencies important to managers in any function and competencies that specifically insure that technical HR knowledge is present and used within the firm. Business-related competencies describe the amount of business experience staff members have had outside the functional specialty. These competencies should facilitate the selection and implementation of HRM policies and practices that fit the unique characteristics of a firm.

In the past, human resource management has been largely missing from the general strategic management process. Research suggests that CEO's understand the essential strategic value of a skilled, motivated and flexible workforce, but the traditional HRM function has not typically been thought of as a strategic asset (Becker and Huselid, 1998). In a survey done in 23 well-known South African organisations (SPA Consultants, 1992) a lack of business and technical economic process skills amongst HR practitioners

were believed to undermine their credibility. Research by Huselid et al., (1997) also suggest that professional HRM competencies of the HRM professionals were greater than their business-related competencies.

Ulrich (1997) also points out that the roles of the HR professional are multiple, not single. In the past academics have called for transitions from operational to strategic, qualitative to quantitative, etc. But, HR professionals must in reality fulfill both operational and strategic roles, they must be both police and partners and they must take responsibility for both qualitative and quantitative goals over a short and long term.

3.1.2.2 Strategic role Motivation

Although a lot of literature on motivation of employees exists, no studies could be found that have empirically tested the strategic role motivation of HR managers. Motivation is defined as forces acting on an employee that initiate and direct behaviour (Gibson, Ivancevich & Donnelly, 2000). More specifically, according to Vroom and his postulated Expectancy theory, motivation is a multiplicative function of the valence of outcomes and the perceived expectancy (including instrumentality) that a given behaviour will be followed by a particular outcome (Gibson, Ivancevich, Donnelly & Konepaske, 2003; Pinder, 1998). In this study, this definition of Motivation is used.

3.1.2.3 Strategic role Opportunities

In this research study the variable of "Strategic role Opportunities" are focused on the extent to which the organisational structure and culture allow the senior human resource manager to participate in strategic activities and issues as part of his or her role. Based on the expectancy theory, opportunities to be a strategic partner can play a role in the motivation of HR managers to be strategic partners in their organisations.

Hypothesis 7

A significant positive relationship exists between strategic partnership and the strategic role motivation of HR managers to become strategic partners in their organisations

3.3 Research Design

Kerlinger (1973) states that the main technical function of research design is to control variance. By constructing an efficient research design the researcher attempts to (1) maximize the variance of the variables of the substantive research hypothesis, (2) control the variance of extraneous variables that may have an effect on the experimental outcomes and (3) minimize the error or random variance, including errors of measurement. Keeping the control of variance in mind, the controlled experiment is the desired model of science (Kerlinger, 1973). However, if the purpose of the research is to discover, classify and measure natural phenomena and the factors behind such phenomena, other approaches must be considered.

An ex post facto research design was deemed efficient for the purposes of this study (Kerlinger, 1986). This choice was necessitated by the goals of the study and the research questions. The study necessitated the observation of the dependent variable and the retrospective study of the independent variables for their possible effect(s) on the dependent variable. Data was acquired through the use of a survey questionnaire in order to determine the relationships between the dependent and independent variables.

In this study it was decided to survey the HR managers and line managers separately which reduced the concept of common-method bias (Engelbrecht, et al., 1999).

3.4 Procedure

For the purposes of the study two samples were identified, namely middle and upper level human resource managers and middle to upper level line managers in other functional areas of the organisation. To ensure maximum exposure of the research study, the South African Board for Personnel Practice (SABPP), the Institute of People Management (IPM) and the Human Resources Council of South Africa (HRCOSA) were contacted and requested to send out an invitation to their members to participate in the research. In South Africa, these are the most prevalent professional institutions that human resource professionals have membership to. Not all human resource managers are registered industrial psychologists or human resource practitioners and thus other relevant institutions like workinfo.com and the University of Stellenbosch Business School was also contacted in this regard. The confidentiality policies of these institutions denied the researcher access to the personal contact details of members. However, the researcher was granted the opportunity to send an invitation to the members of these institutions via the e-mail distribution lists. It was possible for participants to give their responses to questions as part of the e-mail message and then send it back to the researcher. This was also done in an attempt to increase the possible response rate to the questionnaire. Usually mailed surveys would have been done in order to provide estimates over a broader industry experience and different levels of the organisation. However, mailed surveys have only resulted in modest response rates (Becker & Huselid, 1998). These and other researchers support the view that it is becoming increasingly difficult to get organisations to participate in this form of research. Organisations are receiving an increasing number of surveys and staff cutbacks and increasing workloads have made it more difficult to find the time to complete them (Becker & Huselid, 1998). Although this method was chosen as a way of increasing the response rate of the study, it is also fast and cost-effective.

As per the guidelines of Alreck and Settle (1995), the invitation represented a covering letter and explained the purpose of the research, emphasized the confidentiality and voluntary nature of the research, and urged the cooperation of the recipients. In the invitation, the time it took to complete the questionnaire was also mentioned as well as the ease with which it could be administered and sent back to the researcher via e-mail. Interested human resource managers could simply reply to the e-mail and request a questionnaire. An example of the invitation can be found in Annexure 1.

In the Strategic Partnership Questionnaire: HR managers, the participants were requested to identify possible line managers that could be contacted to fill in the line manager's questionnaire. Although line managers were identified in this way, the response rate was totally inadequate. Consequently, the South African Chamber of Business was contacted with the same request from the researcher. Again, the opportunity was afforded to send the invitation via an e-mail distribution list to members.

A total of 271 human resource managers requested an HR managers' questionnaire to be sent to them for completion. A total of 102 completed questionnaires were received by the time of the data analysis. Two of these had to be eliminated because it was not adequately filled in. This represents a response rate of 37.6%. A total of 326 line managers requested for the line managers' questionnaire to be sent to them. A total of 113 adequately completed questionnaires were received by the time of data analysis. This represents a response rate of 34.7%.

3.5 Description of the sample

A total of 213 middle and upper level managers responded. One hundred senior human resource managers (47%) and 113 senior Line managers (53.1%) responded. The majority of the respondents were in upper level management positions in their organisations. Forty three percent of the respondents were in middle level management positions. Two respondents indicated that they were in lower level management and two others were in

non-managerial positions. After closer inspection of their responsibilities that was derived from the qualitative measure of the questionnaire, it was decided to include these respondents in the data analysis. A job title or level many times does not reflect the true nature of the job. Flatter organisational structures are also more prevalent in modern organisations.

The majority of the respondents were males (64.8%), with ages varying between 24 and 72 years (average age = 41 years). Almost 71% of the respondents were White, with the Coloured, African and Asian contingent of the respondents constituting 16.9%, 8.0% and 3.8% respectively. In terms of education levels, 109 respondents (53,96%) had a post-graduate degree, 74 (36.63%) had a degree or diploma, 15 (7.43%) had a Matric certificate and 4 (1.98%) had an educational level of less than matric. A number of industries were included in this study, namely Service (47.13%), Manufacturing (20%) and Information Technology (4.28%). The rest of the respondents (28.57%) specified another sector that did not fall into the three sectors mentioned above. These results can be seen in Table 2 below.

Table 2 Demographic profile of the sample

Variable	Response categories	N	Percentage
Group	Human resource managers	100	46.95
	Line managers	113	53.05
Total		213	100
Gender	Male	138	64.79
	Female	75	35.21
Total		213	100
Ethnic group	African	17	08.02
	Asian	08	03.77
	White	151	71.23
	Coloured	36	16.98
Total		212	99.53
Education	Less than Matric	04	01.98
	Matric	15	07.43
	Degree/Diploma	74	36.63
	Post-graduate degree	109	53.96
Total		202	94.83
Job Level	Non-managerial	02	0.95
	Lower level management	02	0.95
	Middle level management	92	43.81
	Upper level management	114	54.28
Total		210	98.59
Sector	Manufacturing	42	20
	Service	99	47.13
	Information Technology	09	04.28
	Other	60	28.57
Total		210	98.59

Additionally, the following variables were deemed relevant for the purposes of this study:

Variable	Mean (years)	Standard deviation
Age	41	8.5
Years in current job	6.2	5.9
Years with firm	9.9	7.2
Years experience outside of HR (only HR managers)	6.2	6.8
Total work experience	18.8	8.6

3.6 Measuring Instruments

Two questionnaires were used for the purposes for this study, namely an HR managers' questionnaire and a Line managers' questionnaire. The Line managers' questionnaire was basically a subset of the HR managers' questionnaire and included only Section I and II of the HR managers' questionnaire (See Annexure 2 and 3).

In view of the exploratory nature of the study, it was deemed important to elicit not only quantitative data but also to add a qualitative dimension to the questionnaire. This is important, as it would give the researcher insight into whether HR managers and Line managers viewed the same activities and/or qualities as constituting a strategic partner in organisations. According to Berg (1998), qualitative research refers to the meanings, characteristics, metaphors, symbols and descriptions of things. More importantly, qualitative techniques allow the researcher to share in the understandings and perceptions of others. The qualitative dimension of the questionnaire consisted of open-ended questions. The following qualitative questions were posed to HR managers: (1) Do you believe that you are a strategic partner? (YES/NO) Please state the reasons for your choice; and (2) Do you believe that line managers see you as a strategic partner? (YES/NO) Please state the reasons for your choice. The following question was posed to line managers in the questionnaire: Do you believe that the HR manager in your organization is a strategic partner? (YES/NO) Please state the reason for you choice. The aim of the inclusion of these questions was to mainly contribute to the understanding of the research results from the quantitative research process. As such, the results of the qualitative research in this study will also be discussed as and when it becomes relevant during the discussion of the research results of the quantitative data.

Section I of the questionnaire consisted of variables to ascertain the demographic profile of the respondents. Table 3.1 illustrates the results of the

analysis of the demographic profile of the respondents that were discussed in earlier paragraphs.

Section II of the Questionnaire consisted of an adapted version of Ulrich and Conner's (Ulrich, 1997) **Human Resource Role-Assessment Survey (Strategic Partner)** and was included in the Questionnaire to determine whether Human Resource managers in South Africa are strategic partners in their organisations or not. The original Human Resource Role-Assessment Survey included measurement of the additional roles of administrative expert, employee champion and change agent. These roles did not form part of the current enquiry and were thus not included in the questionnaire. A 6-point Likert scale response format was used of which the verbal anchors ranged from "1=almost never" to "6=almost always".

Section III of the Questionnaire consisted of an adapted version of **The Human Resource Competencies scales** developed by Huselid, Jackson & Schuler (1997) was used as part of the questionnaire. The two dimensions of Human Resource management competencies identified by the researchers and measured by these scales are professional and business-related competencies. Section III measured the professional competencies. Professional human resource management competencies describe expertise and skill relevant to performing excellently within a traditional human resource management functional department. The 11 items chosen for this study, assess both capabilities important to managers in any function and capabilities that specifically insure that technical knowledge is both present and used within an organisation. In the original study by Huselid et al. (1997) a Cronbach's α of 0.85 for 11 items was calculated. A 6-point Likert scale response format was used of which the verbal anchors ranged from "1=disagree strongly" to "6=agree strongly". The same scales were used for responses in Section IV.

Section IV of the Questionnaire consisted of the dimension of **Business-related competencies** (as identified by Huselid et al.) and describes the amount of business experience human resource managers have had outside

the functional speciality. These competencies should facilitate the selection and implementation of human resource management policies and practices that fit the unique characteristics of an organisation, including its size, strategy, structure and culture. Responses were coded in such a way that higher values indicate higher levels of perceived competencies. The original Human Resources Competencies scale consisted of only three items (Cronbach's α of 0.61 for 3 items). Based on the definition of this dimension postulated by Huselid, et al. (1997) a further nine items were developed to adequately assess this dimension.

The above-mentioned scales were incorporated in the Questionnaire along with items that test the perceived motivation of human resource managers to become strategic partners. As stated in Chapter 2, the Expectancy model of motivation by Vroom was used to construct the items for the measurement of motivation as a dimension. According to this theory, work motivation is a multiplicative sum of expectancy, valence and instrumentality. Thus the following formula are used for the purposes of calculating motivation: $M=ExVxl$, where M =motivation, E =expectancy, V =valence and I =instrumentality. Separate analyses were conducted for these scales. Seven items were developed to measure the dimension of Expectancy, while six items were developed to measure the dimension of Valence. One item was developed to test the dimension of instrumentality. Seven items that test the perceived opportunities that human resource managers have in South African organisations to be strategic partners, were also developed. Together, these dimensions formed **Section V** of the Questionnaire. These items were based and developed from insights gained from the literature review and the formulated hypotheses. In Section V participants were asked to either "Agree" or "Disagree" with certain statements.

3.7 Statistical analysis of data

Content analysis was performed on the qualitative data collected through this study. This kind of analysis allowed for considerable thought to the "qualities"

and “distinctions” in the text before any quantification could take place (Bauer and Gaskell, 2000). As mentioned in earlier paragraphs, certain open-ended questions were posed to participants (refer to section 3.6). For the purposes of this study, the answers to these questions were categorized and thereafter interpreted.

All statistical quantitative data was analysed by the Centre for Statistical Consultation of the University of Stellenbosch. The STATISTICA computer program will be used in the statistical analysis of the collected data.

In order to investigate Hypothesis 1 an analysis of variance (ANOVA) was done.

To test Hypothesis 2 a repeated measures analysis of variance (ANOVA) was performed. This is a parametric procedure for determining whether significant differences exist in an experiment that contains two or more conditions (Heiman, 2001).

To test Hypothesis 3, a cross-tabulation with a chi-square test was performed.

The Pearson product moment correlation coefficients were calculated in the test of Hypotheses 4, 5, 6 & 7.

In the next chapter the research results of the above-mentioned analyses will be discussed.

CHAPTER 4

RESEARCH RESULTS

4.1 Introduction

The purpose of this chapter is to report the results of the analyses described in the previous chapter. This chapter will describe missing values and will provide results of the reliability analysis of the measuring instruments. Based on the procedures discussed in the previous chapter the testing results of the formulated hypotheses will also be discussed. All the statistical analyses were done by the Centre for Statistical Consultation of the University of Stellenbosch.

4.2 Missing values

Missing values did not present a problem in this analysis. A total of 217 completed questionnaires were received by the time of the analysis. Most of the missing values were encountered under the demographical data of the respondents. Four of the received questionnaires had to be rejected due to the fact that the respondents did not meet the requirements of the specified sample (middle and upper level human resource or line managers). Although four additional respondents were thought not to meet the requirements of the sample, by closer inspection it was decided to include them in the study. Titles and job levels many times do not reflect the true nature of the position that employees hold in the organisation. Where the nature of the job and responsibilities fell within the specified boundaries of the sample, these respondents were included in the analysis, although the job level at face-value would have excluded such a participant from the study.

4.3 Reliability analysis of the questionnaires

The Centre for Statistical Consultation of the University of Stellenbosch conducted all the statistical analyses. All measuring instruments must be critically and empirically examined for their reliability and validity (Kerlinger, 1973). To this purpose, it was decided to subject each of the scales of the Questionnaire to item analysis. Separate analyses were conducted for all the scales. Reliability analysis performs item analysis on additive scales, calculating a number of commonly used measures of scale reliability such as Cronbachs α and split-half reliability coefficient (Nunnally, 1978)

Section II of the Questionnaire consisted of an adapted version of Ulrich and Conner's (Ulrich, 1997) **Human Resource Role-Assessment Survey (Strategic Partner)** and was included in the Questionnaire to determine whether Human Resource managers in South Africa are strategic partners in their organisations or not. Tables 3 and 4 illustrate the results of the reliability analyses of the adapted **Human Resource Role-Assessment Survey (Strategic partner)**. The results yielded a Cronbach α of 0.97 (10 items), indicating a high internal consistency. According to Nunnally (1978) only item-total correlations of 0.20 and larger is acceptable, and this author also suggested that items that do not comply with this norm, should be rejected. Based on this criterium, no items from Section II were eliminated from the calculations.

**Table 3 Reliability analysis for Strategic partnership dimension
(N=213)**

Cronbach alpha: 0.97					
	Mean if Deleted	Var. if deleted	StDv. If deleted	Itm-Totl Correl.	Alpha if deleted
Section II Q1	40.50249	137.3047	11.71771	0.809325	0.965896
Section II Q2	40.69652	131.0970	11.44976	0.861410	0.964097
Section II Q3	40.23383	135.9801	11.66105	0.842676	0.964749
Section II Q4	40.86567	132.4048	11.50673	0.847357	0.964574
Section II Q5	40.65672	132.8722	11.52702	0.839796	0.964846
Section II Q6	40.73134	133.6592	11.56111	0.884854	0.963196
Section II Q7	40.82587	132.3627	11.50490	0.849249	0.964500
Section II Q8	40.44776	135.2721	11.63066	0.860928	0.964110
Section II Q9	40.56219	136.2660	11.67330	0.839831	0.964861
Section II Q10	40.64179	130.8070	11.43709	0.888215	0.963008

A high number of items can increase the Cronbach Alpha calculation. Thus, in addition, a Split-half reliability test was done in an effort to achieve confirmation of the above-mentioned results. Split-half reliability tests are used to determine whether the trials within one testing series are reliable. It indicates that participants' scores on some trials consistently match their scores on other trials. Thus, a split-half reliability test is the correlation between different trials within one testing (Heiman, 2001). According to Heiman, a coefficient of +0.80 or higher is usually required for the procedure to be considered reliable. As can be seen in Table 4, a coefficient of .96 can be observed, confirming a high internal consistency between items. Additionally, the responses on the items in Section II were also separated into responses from Line managers and HR managers in the analysis of reliability. The split-half reliability analysis executed on responses from Line managers (N=107) yielded a coefficient of 0.97. The split-half reliability analysis executed on responses from HR managers (N=94) yielded a coefficient of 0.94.

**Table 4 Reliability analysis for Strategic partnership dimension –
Split half reliability test**

Split-half reliability: 0.96		
	Summary	Summary
No.Items	5	5
Mean:	22.69154	22.43781
Sum:	4561.000	4510.000
Std.Dv.	6.534093	6.570188
Variance	42.69438	43.16736
Alpha	.9325858	.9462649
ITEMS 1:	Section II Q1	Section II Q6
2:	Section II Q2	Section II Q7
3:	Section II Q3	Section II Q8
4:	Section II Q4	Section II Q9
5:	Section II Q5	Section II Q10

Section III of the Questionnaire consisted of an adapted version of **The Human Resource Competencies scales** developed by Huselid, Jackson & Schuler (1997). The two dimensions of Human Resource management competencies identified by the researchers and measured by these scales are professional and business related competencies. In the original study by Huselid et al., a Cronbach's α of 0.85 for 11 items was calculated. Table 5 illustrates the results of the reliability tests for the professional competencies dimension. Thus, the results of the current study compare favorably with the calculations by Huselid et al.. For the current study, the analysis yielded results of a Cronbach's α of 0.78, indicating a satisfactory internal consistency. Again, the split-half reliability test confirms the Cronbach's alpha. These results are illustrated in Table 6. No items from Section III were eliminated from the calculations.

Table 5 Reliability analysis for Professional Competencies dimension (N=100)

Cronbach alpha: 0.78					
	Mean if deleted	Var. if Deleted	StDv. If Deleted	Item-Totl Correl.	Alpha if deleted
Section III Q1	48.37634	35.39600	5.949454	0.565431	0.760545
Section III Q2	48.39785	34.75570	5.895396	0.482193	0.763438
Section III Q3	48.98925	32.69881	5.718287	0.484992	0.761448
Section III Q4	48.68817	32.21459	5.675790	0.628386	0.745226
Section III Q5	48.25806	35.37426	5.947627	0.464374	0.766017
Section III Q6	48.49463	35.88438	5.990357	0.428507	0.769498
Section III Q7	48.06452	36.44745	6.037172	0.544887	0.766027
Section III Q8	49.12903	33.40270	5.779507	0.409732	0.771447
Section III Q9	48.07527	36.62874	6.052168	0.495347	0.768465
Section III Q10	50.62366	31.13794	5.580138	0.381259	0.786910
Section III Q11	49.78495	32.14730	5.669859	0.378800	0.781672

Table 6 Reliability analysis for Professional Competencies dimension – Split-half reliability test

Split-half reliability: 0.67		
	Summary	Summary
No.Items	6	5
Mean:	30.92473	22.76344
Sum:	2876.000	2117.000
Std.Dv.	3.759731	3.618785
Variance	14.13558	13.09561
Alpha	.7810755	.5978571
ITEMS 1:	Section III Q1	Section III Q7
2:	Section III Q2	Section III Q8
3:	Section III Q3	Section III Q9
4:	Section III Q4	Section III Q10
5:	Section III Q5	Section III Q11
6:	Section III Q6	

Section IV of the Questionnaire consisted of the dimension of **Business-related competencies** (as identified by Huselid et al.). The original Human Resources Competencies scale consisted of only three items (Cronbach's α of 0.61 for 3 items). Based on the definition of this dimension postulated by Huselid, et al., a further nine items were developed to adequately assess this dimension. Tables 7 and 8 illustrate the results yielded by the reliability calculations of the present study for the dimension business-related competencies. A Cronbach's α of 0.88 (12 items) were calculated. The split-half reliability test where a reliability coefficient of 0.84 was achieved, indicate satisfactory internal consistency. Based on the criterium of Nunnaly (1978), item three of Section IV should have been eliminated from calculation. However, after the results of the calculation of the Cronbach α were taken into account, it was felt that the elimination of this item would not result in

significant changes in the reliability of the data obtained from this scale as a whole. Thus, this item was not eliminated from the calculations.

Table 7 Reliability analysis for Business-related Competencies dimension (N=100)

Cronbach alpha: 0.88					
	Mean if deleted	Var. if deleted	StDv. If deleted	Itm-Totl Correl.	Alpha if deleted
Section IV Q1	46.98936	102.9467	10.14627	0.518504	0.868829
Section IV Q2	47.26596	103.1739	10.15746	0.352804	0.882664
Section IV Q3	46.07447	114.8774	10.71809	0.146058	0.884108
Section IV Q4	47.36170	94.0606	9.69849	0.759528	0.853273
Section IV Q5	47.35106	96.0363	9.79981	0.758011	0.854311
Section IV Q6	46.23404	106.6899	10.32908	0.504664	0.870078
Section IV Q7	48.25532	95.7220	9.78377	0.632934	0.861915
Section IV Q8	48.17021	94.2902	9.71031	0.703105	0.856884
Section IV Q9	47.12766	102.0901	10.10396	0.560205	0.866493
Section IV Q10	46.32979	103.9870	10.19740	0.626441	0.864505
Section IV Q11	47.03191	95.4990	9.77236	0.707354	0.856844
Section IV Q12	47.48936	99.4201	9.97096	0.553917	0.867044

Table 8 Reliability analysis for Business-related Competencies dimension – split-half reliability test

Split-half reliability: 0.84		
	Summary	Summary
No.Items	6	6
Mean:	27.27660	24.14894
Sum:	2564.000	2270.000
Std.Dv.	5.284191	6.507163
Variance	27.92267	42.34317
Alpha	.7305989	.8401141
ITEMS 1:	Section IV Q1	Section IV Q7
2:	Section IV Q2	Section IV Q8
3:	Section IV Q3	Section IV Q9
4:	Section IV Q4	Section IV Q10
5:	Section IV Q5	Section IV Q11
6:	Section IV Q6	Section IV Q12

The above-mentioned scales were incorporated in the Questionnaire along with items that test the perceived motivation of human resource managers to become a strategic partner, as well as items that test the perceived opportunity that human resource managers in South Africa have to be strategic partners. Together, these dimensions formed **Section V** of the Questionnaire. These items were based and developed from insights gained from the literature review and the formulated hypotheses.

As stated in the earlier chapters (2 and 3), the Expectancy model of motivation by Vroom was used to construct the items for the measurement of strategic role motivation as a dimension. According to this theory, work motivation is a multiplicative sum of expectancy, valence and instrumentality. Separate analyses were conducted for these scales. Seven items were developed to measure the dimension of Expectancy, while six items were

developed to measure the dimension of Valence. The reliability analysis on the dimension of Expectancy yielded a Cronbach's α of 0.79 for 7 items in this scale (see Table 9). As a result, no items were eliminated from calculation in this scale. The reliability analysis on the dimension of Valence yielded a Cronbach's α of 0.64 for 6 items in this scale (see Table 10). The reliability analysis on the dimension of Opportunity yielded a Cronbach's α of 0.78 for 7 items in this scale (see Table 11). Even though these scales contain items that do not comply with the conditions acceptable in reliability analysis (items 1 and 5: valence scale, as well as item 1: opportunity scale), this study was not intended for the purpose of the development of measuring instruments. These limitations, however, were taken into consideration during the interpretation of the results. The Cronbach α also indicate that the elimination of these items will not have a significant effect on the reliability of the data that was analysed.

Table 9 Reliability analysis for Expectancy dimension (N=100)

Cronbach alpha: 0.79					
	Mean if deleted	Var. if deleted	StDv. If deleted	Itm-Totl Correl.	Alpha if deleted
Expectancy 1	4.980000	2.459600	1.568311	0.221417	0.807253
Expectancy 2	5.050000	1.907500	1.381123	0.703209	0.728367
Expectancy 3	4.970000	2.189100	1.479561	0.649446	0.753954
Expectancy 4	4.990000	2.269900	1.506619	0.438425	0.778924
Expectancy 5	5.200000	2.000000	1.414214	0.386464	0.801480
Expectancy 6	5.140000	1.760400	1.326801	0.684504	0.727607
Expectancy 7	5.130000	1.793100	1.339067	0.664499	0.732541

Table 10 Reliability analysis for Valence dimension (N=100)

Cronbach alpha: 0.64					
	Mean if deleted	Var. if deleted	StDv. If deleted	Itm-Totl Correl.	Alpha if Deleted
Valence 1	4.765306	0.485735	0.696947	-0.034191	0.684352
Valence 2	4.846939	0.231674	0.481326	0.632959	0.459551
Valence 3	4.795918	0.366514	0.605404	0.356384	0.599432
Valence 4	4.785714	0.352041	0.593330	0.534828	0.539042
Valence 5	4.765306	0.465327	0.682149	0.113912	0.659543
Valence 6	4.816327	0.292795	0.541105	0.542587	0.513869

Table 11 Reliability analysis for Opportunity dimension (N=100)

Cronbach alpha: 0.78					
	Mean if deleted	Var. if deleted	StDv. If deleted	Itm-Totl Correl.	Alpha if deleted
Opportunity 1	5.062500	2.308594	1.519406	0.196114	0.804174
Opportunity 2	5.229167	1.614149	1.270492	0.677514	0.719064
Opportunity 3	5.125000	1.901042	1.378783	0.543713	0.750548
Opportunity 4	5.083333	2.034722	1.426437	0.494804	0.761135
Opportunity 5	5.041667	2.164931	1.471370	0.484567	0.767803
Opportunity 6	5.229167	1.634982	1.278664	0.654098	0.725192
Opportunity 7	5.166667	1.826389	1.351440	0.541801	0.750998

Table 12 contain the results of the reliability analyses of all the dimensions. It is clear that the internal consistency of the scales are generally satisfactory, except for strategic role valence that is moderate.

Table 12 Summary of the Reliability analysis for all the dimensions

Dimension	α
Strategic partnership	0.97
Professional competencies	0.78
Business-related competencies	0.88
Strategic role Expectancy	0.79
Strategic role Valence	0.64
Strategic role Opportunity	0.78

4.4 Hypotheses testing

The basic tool used to convey the results of the analyses is scatterplots. The scatterplot is the basic tool of bivariate exploratory data analysis and are among the most commonly used and most useful graphical techniques in statistics (Griffiths, Stirling and Weldon, 1998). These authors emphasise that a particular useful feature of the scatterplot is that it presents an overview of the general pattern of association between two variables as well as highlighting unusual observations atypical of the relationship between the two variables. Heiman (2001) adds that a scatterplot is a graph that shows the location of each data point formed by a pair of X-Y scores.

4.4.1 Hypothesis 1

Hypothesis 1 was formulated as follows: The self-perceptions of HR managers will be significantly higher than the perceptions of line managers regarding HR managers' status as strategic partners.

In order to investigate Hypothesis 1, an analysis of variance (ANOVA) was done. The results are presented in Figure 8. As can be observed, the mean score that human resource managers allocated were significantly higher than the mean scores allocated by line managers [$F(1,199)=13.816$ ($p < 0.01$)]. The null hypothesis can thus be rejected.

In research, the aim is always to minimise errors and extraneous factors that could have an influence on the calculations in the analysis and thus skew consequent interpretations. For these purposes confidence intervals were calculated. A confidence interval is an interval around a sample result that we may expect will include the true population value. As indicated in Figure 8, a confidence level of 0.95 can be reported. With this confidence interval, we mean an interval that is sufficiently large that in a long series of samples, 95% will give results that include the population value in the interval (Hedderson, 1991).

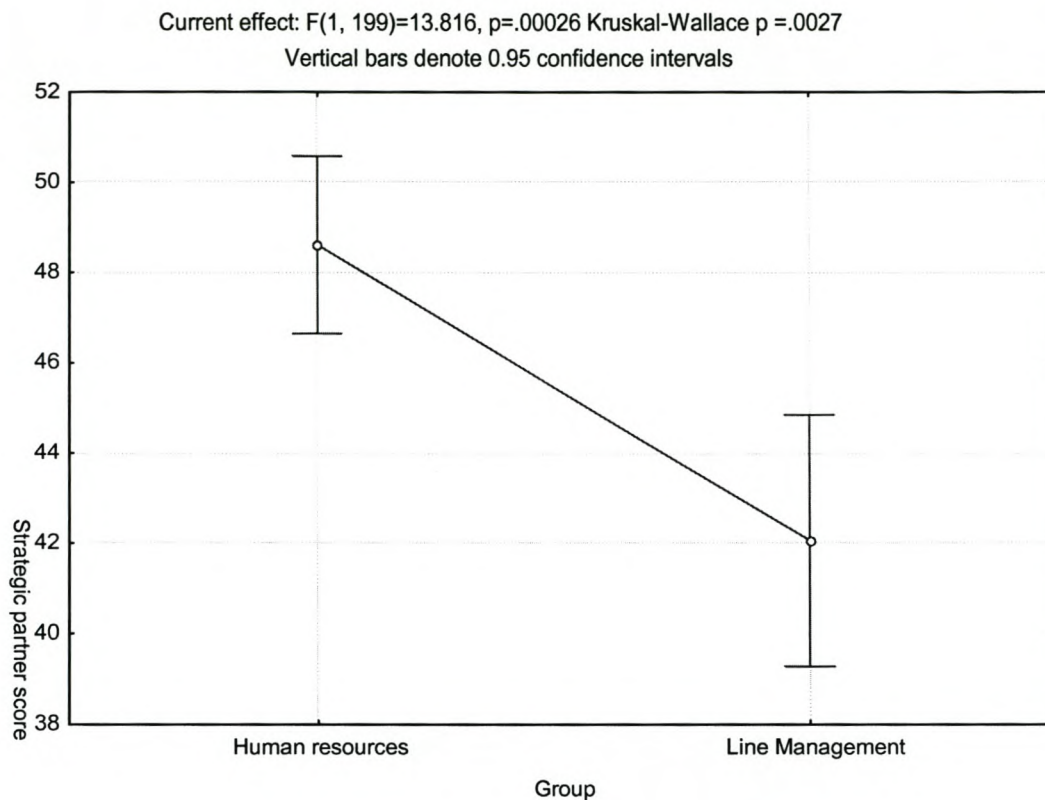


Figure 8 Average strategic partner scores by human resources and line management

It was also deemed important to ascertain whether there would be any differences in responses from line managers and HR managers based on the different job levels they had in organisations. Figure 9 contains the results of this analysis. As can be observed, the mean score that upper level managers allocated were significantly higher than the mean scores allocated by middle level managers [$F(1.192)=4.917$, ($p < 0.05$)].

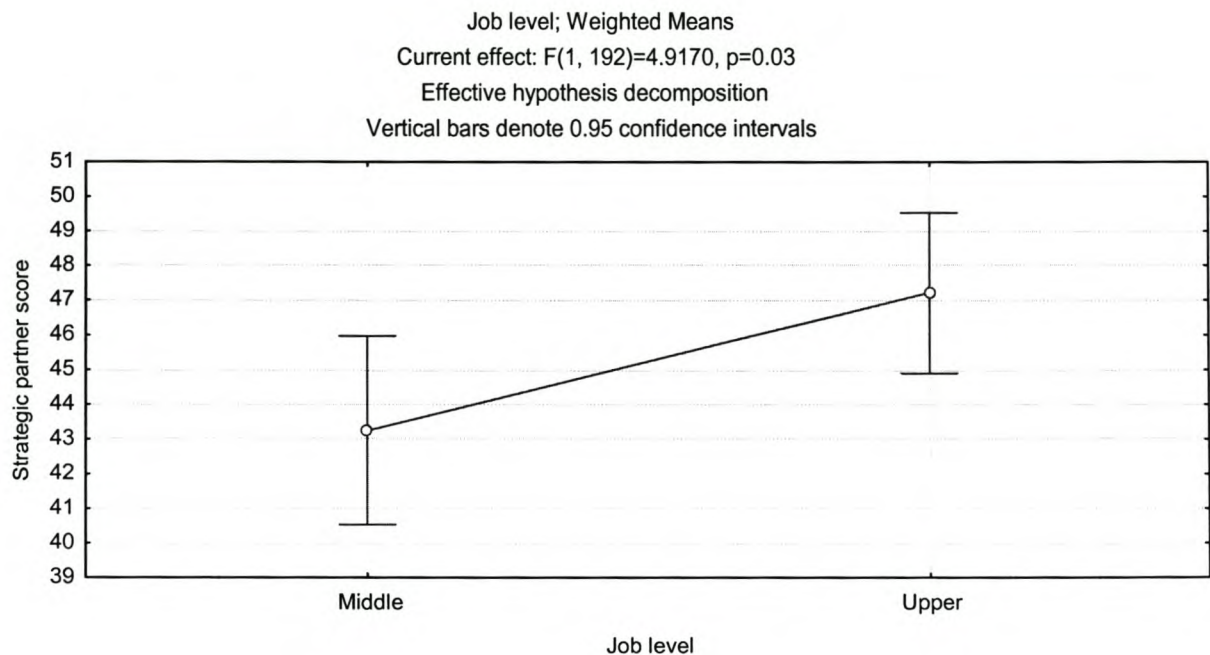


Figure 9 Average strategic partner scores by middle and upper level managers

4.4.2 Hypothesis 2

Hypothesis 2 was formulated as follows: Human resource managers will have achieved significantly higher levels of professional competencies than of business-related competencies.

To test this hypothesis a repeated measures analysis of variance (ANOVA) was performed. This is a parametric procedure for determining whether significant differences exist in an experiment that contains two or more conditions (Heiman, 2001). As Figure 10 indicate, there are significant differences between the means achieved by human resource managers on professional competencies than the means achieved by human resource managers on business-related competencies [$F(1.87)=55.010, p < 0.01$]. The null hypothesis can thus be rejected.

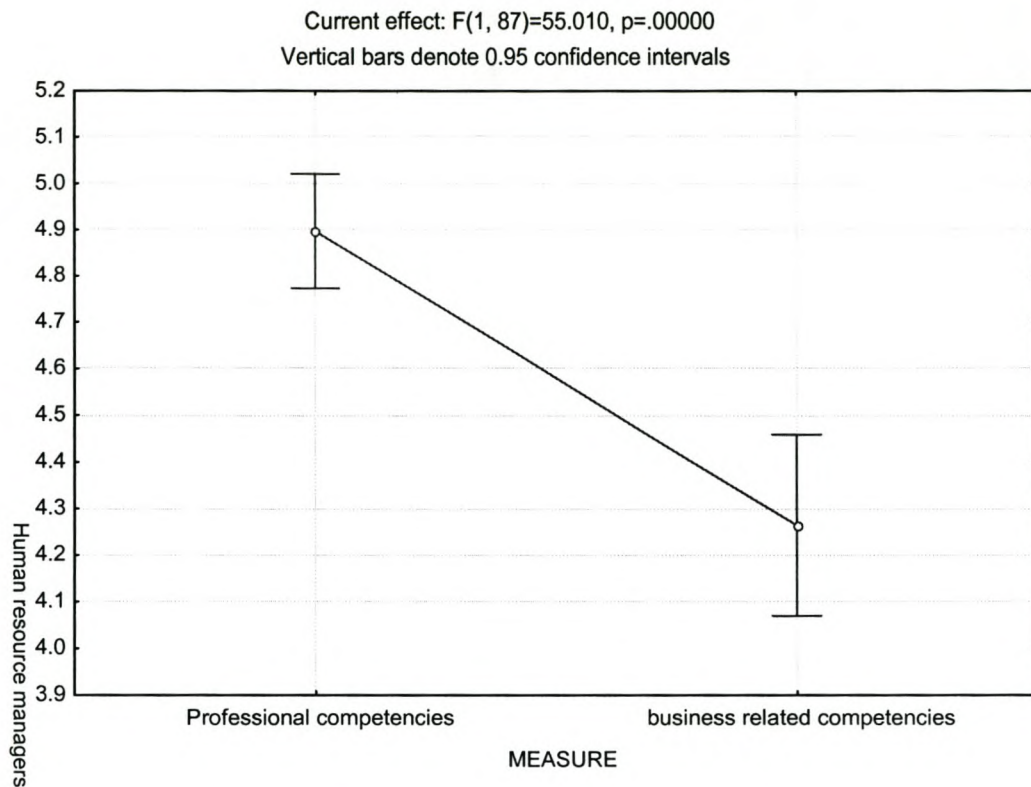


Figure 10 Average professional and business-related competencies score for human resource managers

4.4.3 Hypothesis 3

Hypothesis 3 was formulated as follows: No significant difference will exist between HR managers' perceptions of how line managers perceive their status as strategic partners and the perceptions of line managers regarding HR managers' status as strategic partners

To test this hypothesis, a cross-tabulation analysis (see Table 13) was performed. In order to verify the results found in the initial analysis, the Pearson chi-square test was also administered (see Table 14).

Table 13 Frequency distribution of HR managers' status as strategic partners as perceived by HR managers and Line managers

2-Way Summary Table: Observed Frequencies			
	Strategic partner NO	Strategic partner YES	Totals
Human resources	25	74	99
Row %	25.25%	74.75%	
Line Management	31	80	111
Row %	27.93%	72.07%	
Totals	56	154	210

Table 14 Pearson chi square calculation regarding HR managers' perception of how line managers perceive their status as strategic partners

	Chi-square	df	P
Pearson Chi-square	.1915345	df=1	p=.66164
M-L Chi-square	.1918302	df=1	p=.66140

When the resulting chi-square statistic is large, the null hypothesis of independence is rejected (Hedderon, 1991). The computed chi-square for Table 14 is 0.19 and has an associated p value of 0.66. The null hypothesis can thus not be rejected.

4.4.4 Hypothesis 4

Hypothesis 4 was formulated as follows: A significant positive relationship exists between Professional competencies and strategic partnership.

The Pearson product moment correlation coefficient between strategic partnership and professional competencies is 0.68 ($p < 0.01$). It would seem then that 46% of the variance in strategic partnership is explained by professional competencies (see Figure 11).

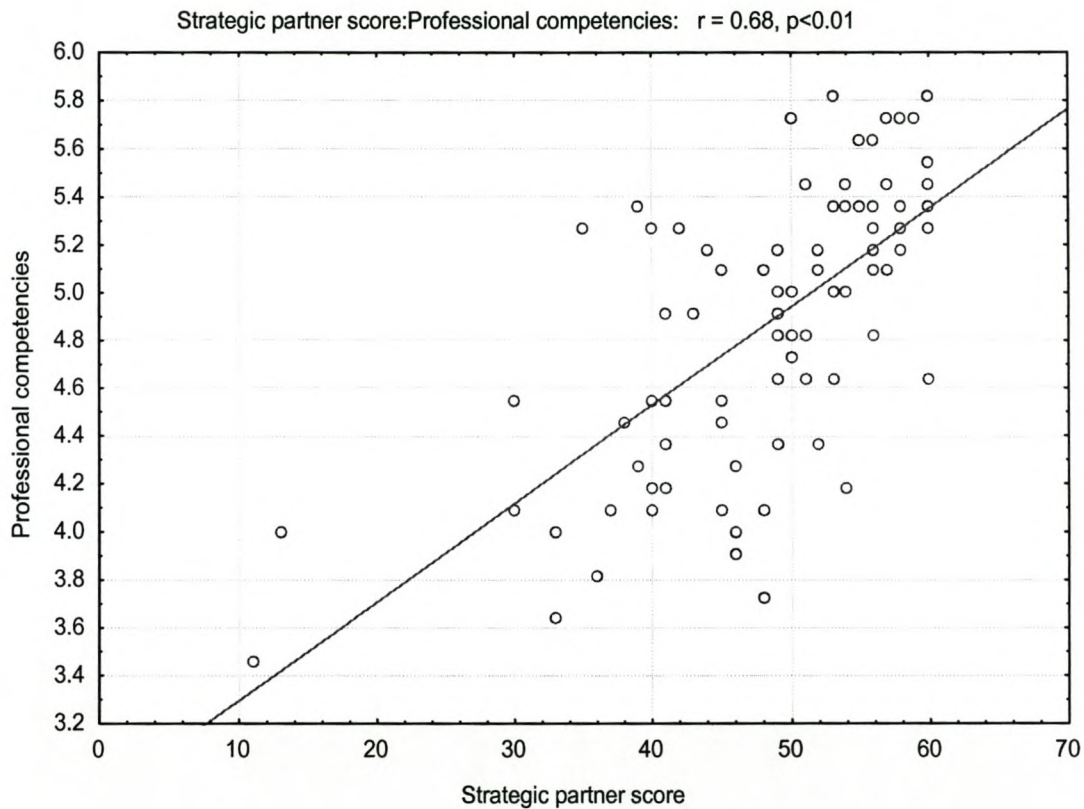


Figure 11 The relationship between Strategic partnership and Professional competencies (N=100)

4.4.5 Hypothesis 5

Hypothesis 5 was formulated as follows: A significant positive relationship exists between Business-related competencies and strategic partnership.

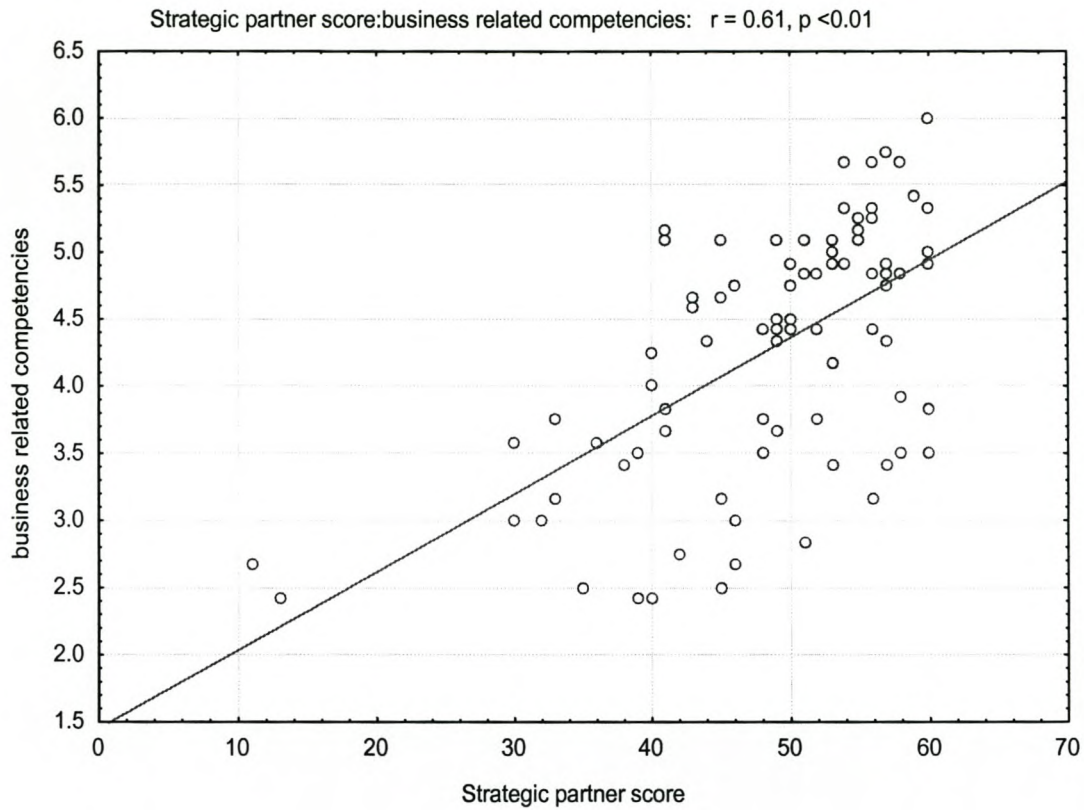


Figure 12 The relationship between Strategic partnership and Business-related competencies (N=100)

The Pearson product moment correlation coefficient between strategic partnership and professional competencies as a whole is 0.61 ($p < 0.01$). The null hypothesis can thus be rejected. It would seem then that there is a significant positive relationship between strategic partnership and business-related competencies (see figure 12).

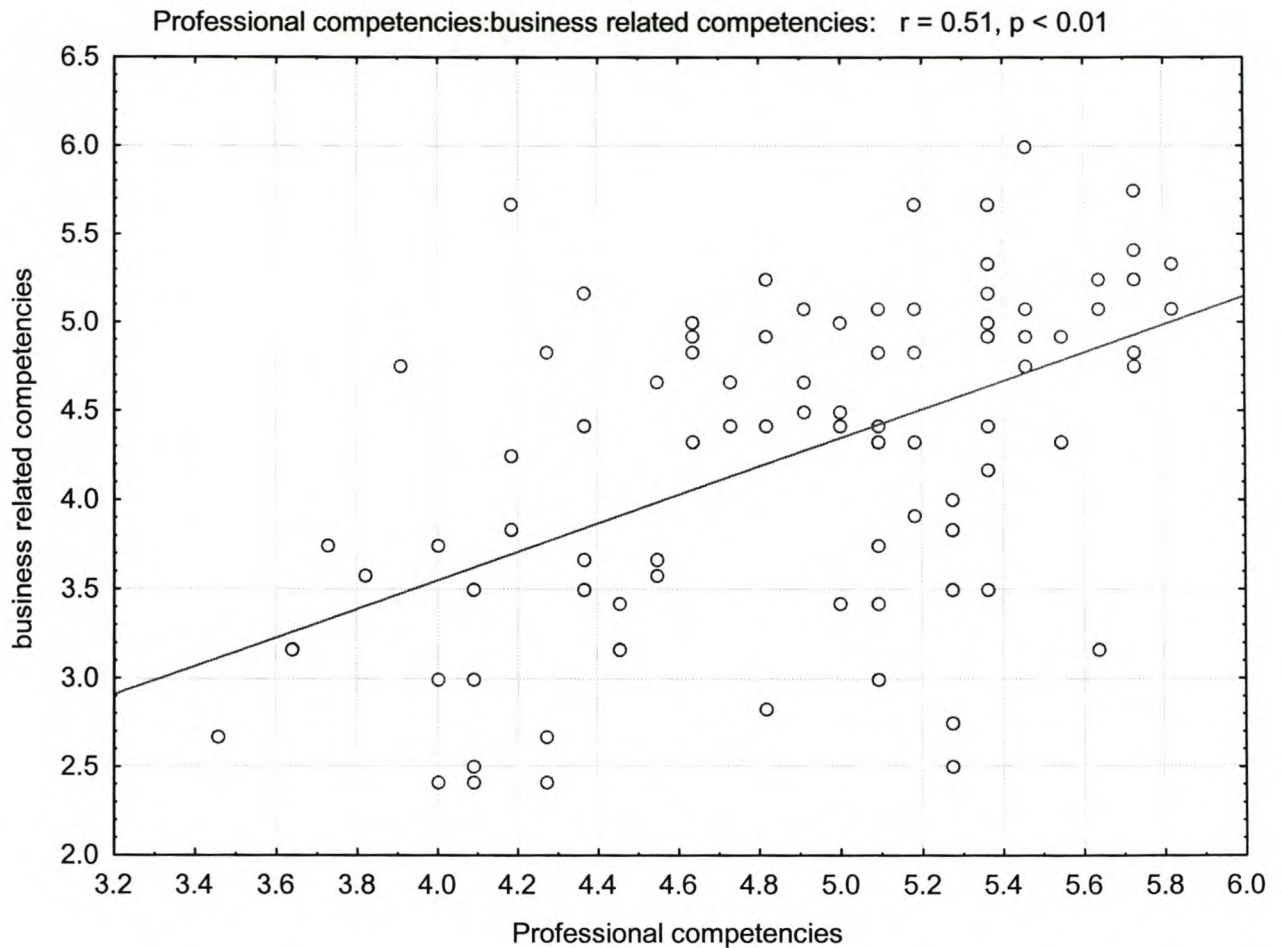


Figure 13-: The relationship between Professional competencies and business-related competencies (N=100)

Additionally, the relationship between Professional competencies and Business-related competencies was also calculated. The results of which are summarised in Figure 13. As can be observed, a significant positive linear relationship ($r=0.51, p<0.01$) exists between professional competencies and business-related competencies.

Consequently the combined Competencies score was calculated for Professional competencies and Business-related competencies to satisfy the goals of this study. The Pearson product moment correlation coefficient between strategic partnership and competencies as a whole is 0.70 ($p < 0.01$). Figure 14 contains the results of this analysis.

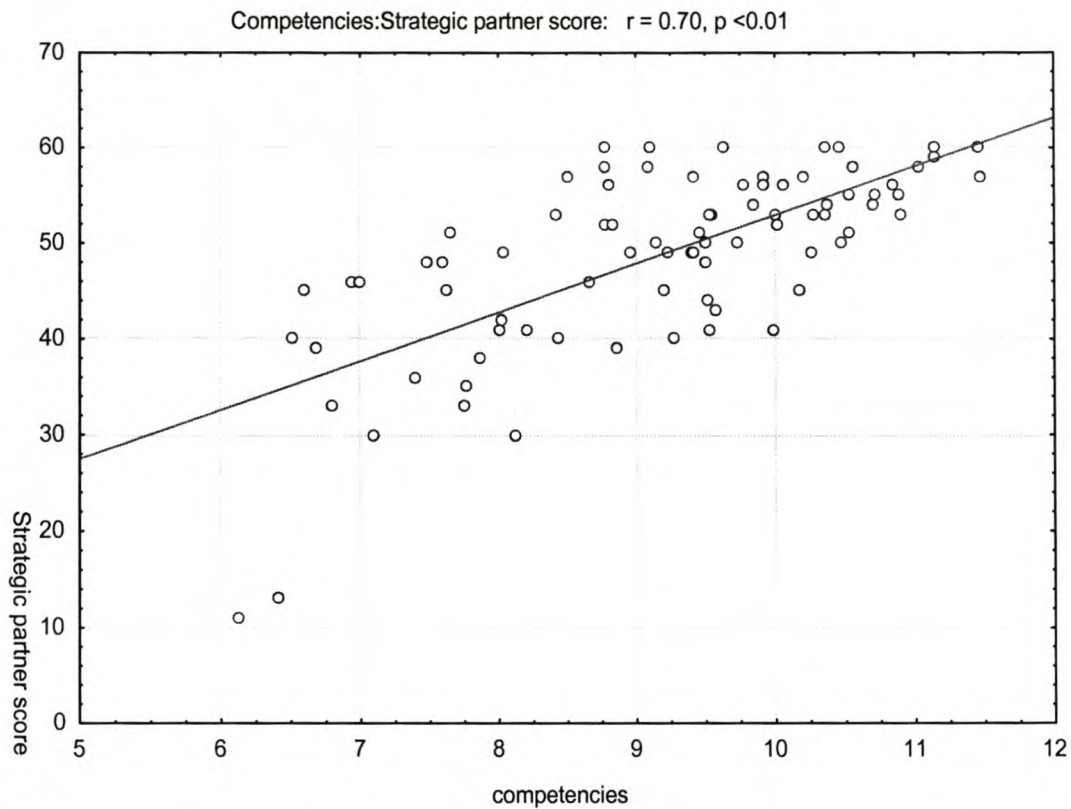


Figure 14 The relationship between Strategic partnership and Strategic role Competencies of human resource managers (N=100)

The results of the content analysis offered very interesting results and the researcher deemed it necessary to combine the results of the qualitative data with this section (see Section 4.5). For all the open-ended questions asked, the answers that human resource managers as well as line managers offered fit perfectly into the categories of “professional human resource management competencies” and “business-related competencies”. Professional competencies describe expertise and skills relevant to performing excellently within a traditional HRM functional department. Business-related competencies describe the amount of business experience staff members have had outside the functional specialty. These competencies should facilitate the selection and implementation of HRM policies and practices that fit the unique characteristics of a firm (Huselid et al., 1997).

4.4.6 Hypothesis 6

Hypothesis 6 was formulated as follows: A significant positive relationship exists between strategic partnership and perceived strategic role opportunities of HR managers to be strategic partners in their organisations

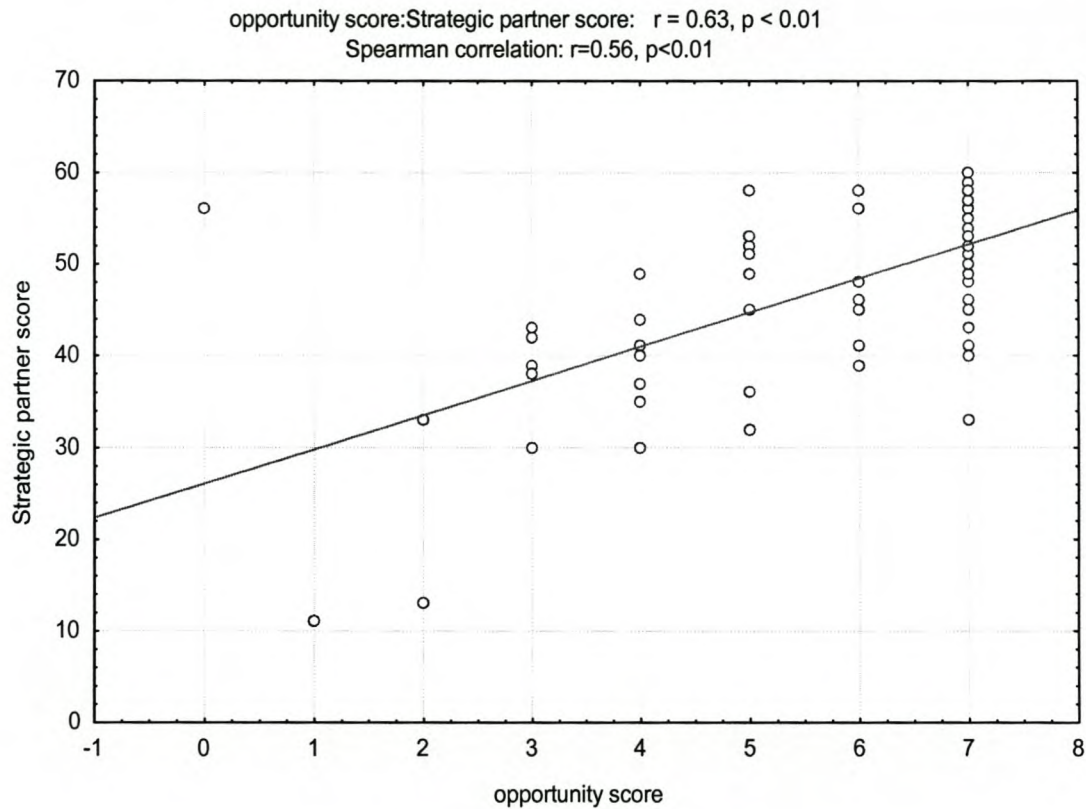


Figure 15 Relationship between strategic partnership and perceived strategic role opportunities (N=100)

A significant positive relationship between strategic partnership and strategic role opportunities in the organisation were found in the calculation ($r=0.63, p<0.01$). Hypothesis 6 are confirmed by this analysis.

4.4.7 Hypothesis 7

Hypothesis 7 was formulated as follows: A significant positive relationship exists between strategic partnership and the strategic role motivation of HR managers to become strategic partners in their organisations.

A significant positive relationship between strategic partnership and strategic role motivation were found in the analysis ($r=0.54$, $p<0.01$). Hypothesis 7 is thus confirmed by this analysis (see Figure 16).

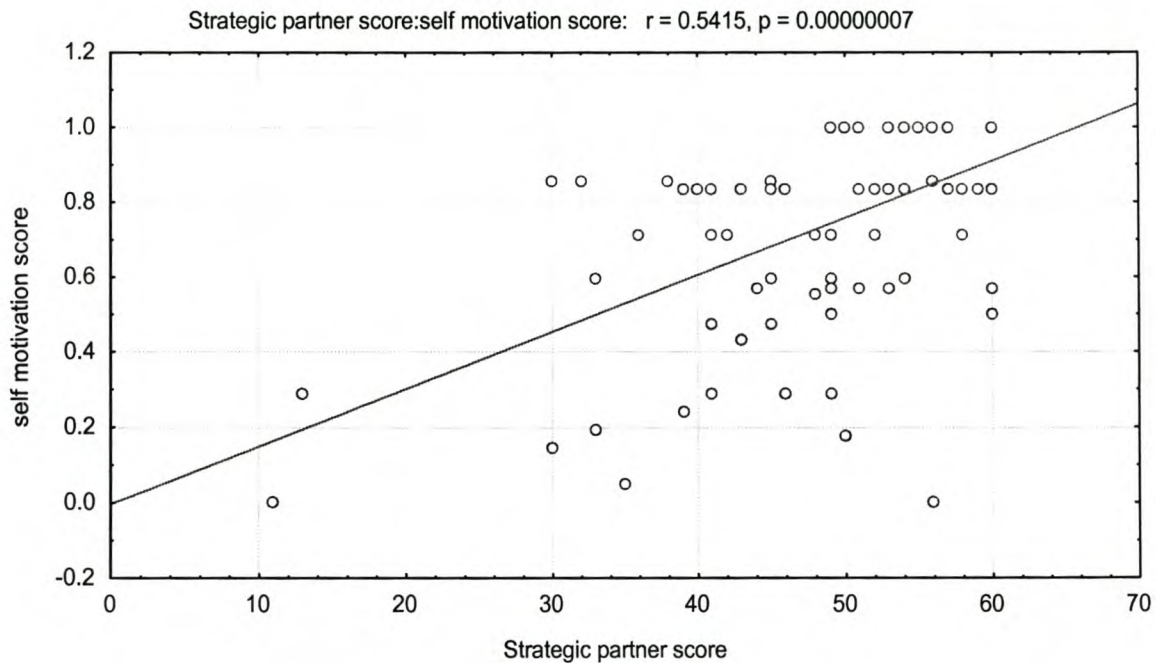


Figure 16 Relationship between strategic partnership and strategic role motivation of Human resource managers

4.5 Analysis of the Qualitative data

As discussed in chapter 3, a qualitative dimension was added to the measuring instrument. This was deemed appropriate based on the lack of empirical research that could inform conclusions made from the quantitative data. The open-ended questions included in the questionnaire, focussed on the reasons why HR managers perceived themselves to be strategic partners or not, and also the reasons why Line managers perceived HR managers as strategic partners or not. The main concern was to find support for the inclusion of the factors contained in the Strategic partnership model for HR managers. Additionally, the researcher wanted to ascertain what other factors

(if any) outside of this model could also be influencing the perception of strategic partnership of HR managers.

The process of thematic analysis was used to interpret the qualitative data. Thematic analysis is a process of encoding themes to enable researchers to structure a more systematic analysis of the data (Boyatzis, 1998). According to this researcher, a code may consist of a complex model of themes, and/ or indicators and qualifications that are causally related. Furthermore, a theme is defined as a pattern found in the information that “at minimum describes and organizes the possible observations and at maximum interprets aspects of the phenomenon”. The process of thematic analysis was implemented as set out in Boyatzis (1998). For the purposes of this study, it was decided to utilise the Strategic partnership model for HR managers to provide a list of possible themes, and thus the process of thematic analysis was theory-driven in this study. Specifically, the list of themes from the model included strategic partnership, professional competencies, business-related competencies, strategic role motivation, and strategic role opportunities. The definitions of these themes as well as the activities that are associated with it (mainly drawn from those contained in the measuring instruments), were used to determine the boundaries (what factors are included and excluded) of these themes (refer to chapter 2). Annexure 2 contains the HR manager’s questionnaire and can be referred to for examples of activities, processes and approaches associated with the variables included in this study. This provided a useful framework for the interpretation of the qualitative data.

As indicated earlier in Chapter 4 (Table 13), 72 % of line managers (N=80) thought that senior HR managers in their organisations were indeed strategic partners. Seventy-three line managers completed the question pertaining to the reason for this perception. Unfortunately, thirteen of these answers were deemed to be inappropriate for evaluation and interpretation purposes. The reason for this is that these statements represented rhetoric that espoused how an HR manager should be or how people management should be implemented in organisations. None of these statements gave the researcher any idea of the actual activities, behaviour, attitudes of the HR manager that

was evaluated to make the judgement regarding strategic partnership. The following are examples of these statements: "In a people oriented industry, it is imperative that the HR manager should form part of the executive of the organisation"; "No business can operate successfully if the staff is not willing and motivated"; "The HR manager should ensure that the department focus on the "man" part of the 5M's"; "Every organisation depends on people – how these people are managed, trained and integrated with regard to the strategic direction of the organisation will determine the degree of success or failure in achieving the desired direction"; and "The organisation can only achieve its goals through people". Thus, only 60 answers from line managers were included in the interpretation process.

Forty-five of these 60 line managers (75%) alluded to Professional competencies as the reasons why an HR manager is perceived to be a strategic partner. Mainly these professional competencies provided by line managers could be categorised into attraction, selection, retention, training and development of employees and safeguarding against legal action. The following are examples from the data: "They make sure that there is enough staff in the store"; "They deal with staff issues from wages to training and development"; "The legal issues around employment, Equity and BEE need to be carefully considered. It is HR's role to give guidelines when strategy is discussed"; "It is the manager's primary duty to ensure that he/she brings the right people on board"; "The HR manager also have the role of keeping the workforce happy". Only 9 line managers (15%) alluded to activities, processes and approaches that constitute being a strategic partner as defined and delineated for the purposes of this study. Examples of these statements are: "Always involved in the formulation, interpretation and implementation of strategy in the organisation"; "Gives consideration to short term readily perceived goals and longer term strategic needs and the planning of appropriate projects to meet these needs"; "Forcing focus to areas contributing to achieving strategy"; "The HR manager is an important catalyst and vehicle to ensure the survival of the business". The last theme that could be identified from the data was Strategic role opportunities. Four line managers (6.7%) stated that the HR manager in their organisation was "part

of the team driving strategy for division aligned with group strategy”, “part of the senior management team”, “part of the strategic planning exercises”.

As indicated earlier in chapter 4 (Table 13), 28 % of line managers (N=31) thought that senior HR managers in their organisations were not strategic partners. Thirty line managers completed the question pertaining to the reason for this perception. Four of these answers were deemed to be inappropriate for evaluation and interpretation purposes based on the fact that it represented general rhetoric. Nine of the 26 answers interpreted (35%) of line managers that did not believe that their HR managers were strategic partners, alluded to strategic role opportunities as a reason for this perception. Examples of these are: “HR management has no involvement with our business units”; “ The HR manager does not help shape the strategy of the business”; “... does not play a role in the strategic guidance or planning of units”; “Not visible at strategic meetings”; “Business decides the strategy - HR deals with the people that implement the strategy”. The second theme identified under this category, was the fact that many HR managers were restricted to professional HR activities or being limited to exhibiting ONLY professional competencies. Nine line managers (35%) used the following examples: “The HR manager is only consulted when staff problems arise”; “HR department handles appointments, remuneration and benefits”; “... are frequently driven by legal requirements only”. Ten line managers (38%) gave statements that alluded to their perception of the effectiveness of HR managers as reasons why the HR manager was not perceived to be a strategic partner. Examples are: “He (HR manager) have not been able to convince the GM, nor the management team of the importance of people as there are no “people” KPI’s in the performance of the senior team”; “Tries his best, but little seems to happen”; “Sometimes perceived to work against line rather than with the business”; “They seem incapable of thinking in a strategic manner”.

As indicated earlier in Chapter 4 (Table 13), 75 % of HR managers (N=74) thought that they were indeed strategic partners in their organisations. Eighty-five HR managers completed the question pertaining to the reason for this

perception. Twenty-two HR managers (26%) included statements that reflected professional competencies as reasons why they believe they are strategic partners. The examples from the data are as follows: "Custodian of good IR and legislative issues"; "I am responsible to ensure that we have the right staff"; "... you must develop your people and nurture them"; "... assisting to attract and retain quality staff". Thirty-eight HR managers (45%) indicated that they viewed strategic role opportunities as one of the reasons they perceive themselves as strategic partners. Examples of statements that indicate this theme are: "We are involved in strategic planning"; "I participate in the key decisionmaking body in the business"; "I am an active member of the executive management team"; "The organisation use my input at strategic sessions"; "I am a Directing team member and ... believe that despite an HR manager being extremely competent, s/he will be ineffective if not appointed at the highest decisionmaking level". Eight HR managers (9.4%) stipulated statements that were interpreted as indicators of the theme of business competencies. Examples of this theme include: "Manage a profit center as well as HR department"; Business objectives such as cash flow, return on investment, and profitability make up part of my remuneration"; My experience outside of HR is frequently used"; "I am responsible for this organisation's biggest business unit that sets the standard for most other business units in the organisation". Strategic alignment was another theme that was identified. Examples of this theme are: "Involved in creating supportive strategies in the organisation"; "Measured on the achievement/ non-achievement of HR relative to supporting the business strategy"; "... alignment to EE legislation and Black empowerment strategy"; "Continually seeking to find ways to link human resources requirements with our business objectives". The last theme identified was perceived credibility. This theme was represented in evaluations made about frequency of advice being sought from the HR manager and the value being put to that advice. Thirteen HR managers (15.5%) made statements that were thought to fall into this category. Examples of such statements from the data included the following: "Other business units often seek my advice"; "Due to management seeking advice and input relating to business strategy and future planning"; "The organisation

use my input at strategic sessions and line management ask my opinion before implementing something new”.

Only 8 HR managers completed the question pertaining to why they did not believe that they were strategic partners in their organisations. Two important themes were identified from the reasons they produced. Firstly, lack of strategic role opportunities emerged as one theme. Five HR managers (71%) made statements that alluded to this theme. Examples of statements regarding this theme includes the following: “(HR is not a strategic partner, but...) not for lack of trying”; “I am not involved in strategic planning of the HR dept/ budget as such”; “Top management have strategic meetings without any HR input or involvement”. Secondly, the theme of being limited to traditional professional HR roles emerged from the data. Three HR managers (42.9%) mentioned reasons for not being a strategic partner that falls under this theme. Examples of this are as follows: “Focus is on more of a policeman or administrator-called in to fix things or design processes for paper flow”; “HR is more of an administrative, payroll function.

4.6 Summary of the results

The study indicated that the reliability of the Human Resource Role-Assessment Scale, the Human Resource Competencies Scale as well as the scales utilised to measure perceived strategic role motivation and strategic role opportunity were adequate for the purposes of this study.

Regarding the tests of the hypotheses the following results were achieved in the samples analysed:

The self-perceptions of HR managers were significantly higher than the perceptions of line managers regarding HR managers' status as strategic partners.

Human resource managers achieved significantly higher scores for professional competencies than for business-related competencies.

No significant difference exists between HR managers' perceptions of how line managers perceive their status as strategic partners and the perceptions of line managers regarding HR managers' status as strategic partners.

Professional competencies appear to explain significant variance in strategic partnership ($r=0.68$, $p<0.01$).

Business-related competencies seem to explain significant variance in strategic partnership ($r=0.61$, $p<0.01$).

A significant positive linear relationship exists between professional competencies and business-related competencies ($r=0.51$, $p<0.01$).

A significant positive relationship between strategic partnership and strategic role opportunities in the organisation were found in the calculation ($r=0.63$, $p<0.01$).

A significant positive relationship between strategic partnership and strategic role motivation were found in the analysis ($r=0.54$, $p<0.01$).

The interpretation of the qualitative data gives additional support to the above-mentioned findings. Strong theme that emerged from the analysis of the qualitative data was the importance of professional competencies in the evaluation of strategic partnership of HR managers by the majority (75%) of line managers. Only 15% of line managers mentioned activities, behaviours or processes that could be included under the theme of strategic partnership (as defined and delineated in this study) as reasons why they perceived HR managers to be strategic partners. A lack of strategic role opportunities, a perception of ineffectiveness, restriction to professional competencies and traditional HR roles, were three of the themes that emerged from the reasons why the HR manager was not seen as a strategic partner by line managers.

The main reason why HR managers did not believe themselves to be strategic partners was because of a lack of strategic role opportunities within their organisations (71%). The restriction to traditional HR activities and roles were also mentioned a key theme that emerged (42.9% of HR managers made statements alluding to this theme).

4.7 Conclusion

The purpose of this chapter was to report the results achieved in this study and to provide a summary thereof. All of the hypotheses were supported by the results. The objectives of this study have been met.

In the next chapter the general conclusions drawn from this study will be discussed, and certain recommendations regarding future research on this specific topic will be offered.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter contains the general conclusions from the results obtained in this study. It is also important that certain recommendations are offered with regard to future research.

5.2 General conclusions

Based on the results of the study, the following general conclusions could be reached.

5.2.1 Reliability analysis

The results showed that the reliability of the measuring instruments used in this study ranged from “very high” to “satisfactory for research purposes”. The adapted “Human Resources Role-assessment Survey (strategic partner)” by Ulrich (1997) that determines levels of strategic partnership revealed very high reliability coefficients for 10 items. The reliability analysis of the adapted “Human Resource Competencies Scale” by Huselid, Jackson and Schuler (1997) that determines the level of Professional and Business-related competencies respectively, also yielded high reliability scores (for 11 and 12 items respectively). Furthermore, the scales that were developed to measure the Strategic role motivation and Strategic role Opportunity dimensions of the questionnaire yielded satisfactory reliability results. Although the dimension of strategic role Valence only yielded moderate reliability results, it was deemed satisfactory for the purposes of this study.

5.2.2 STRATEGIC PARTNERSHIP: TOWARDS A THEORETICAL FRAMEWORK

The results of this study show that the self-perceptions of HR managers were significantly higher than the perceptions of line managers regarding HR managers' status as strategic partners. The reasons for this can be multiple. There might be differences in the definition of strategic partnership between line managers and human resource managers and the activities encapsulated by this concept. The extent to which the line managers have insight into what the senior human resource manager does and why, may also play a role. The importance of the extent of access to and insight into what an HR manager does is also illustrated by the significant difference in perception of strategic partnership between middle and upper level managers. Upper level managers rated senior HR managers higher on the strategic partner score than middle managers.

According to the results, human resource managers also achieved significantly higher scores for professional competencies than for business-related competencies. These results correspond with the findings of Huselid et al. (1997). To explore this finding, an additional analysis was done to calculate the relationship between the years that HR managers worked outside of the HR field in organisations and strategic partnership. Interestingly, no significant relationship could be found as a result of the calculation. These results are illustrated by the scatterplot found in Annexure 4.

It was further found that no significant difference exists between HR managers' perceptions of how line managers perceive their status as strategic partners and the perceptions of line managers regarding HR managers' status as strategic partners. The majority of both HR managers (75%) and line managers (72%) perceive HR managers to be strategic managers in organizations. In the struggle to gain strategic partnership and credibility, it is imperative that human resource managers arm themselves with information

regarding how the decisionmakers in the organisation perceive them. Human resource managers must be fully aware of the perceptions of line managers regarding the human resource function's contribution to the organisation's performance. Only then can a meaningful strategy be developed where such managers' perceptions can be changed to influence behaviour in such a way that a true partnership can be forged.

Professional competencies appear to explain significant variance in strategic partnership. Business-related competencies also seem to explain significant variance in strategic partnership. Ulrich (1997, 1998) as well as Huselid et al., (1997) emphasise that the focus must never be on only one or the other of these types of competencies. It is necessary for the effectiveness of the human resource function in organisations that human resource managers acquire both of these competencies. The results of this study show a positive relationship between the combined competencies (professional and business-related) and strategic partnership. Clearly, the human resource managers that participated in this study, believe themselves to have high levels of professional competencies as well as business related competencies. The results of the qualitative research shows that the reason for categorizing someone as a strategic partner or not, were explained by the extent to which professional and business-related competencies were enacted. This trend could be observed with both line managers and human resource managers. Additionally, the research results showed that a significant positive linear relationship exists between professional competencies and business-related competencies. This means that as professional competencies increased, business-related competencies increased. The acquisition of both these types of competencies thus take place simultaneously. The education and further professional development of human resource managers must also include both these types of competencies and must develop them simultaneously.

A significant positive relationship between strategic partnership and strategic role opportunities in the organisation were found in the analyses. A significant positive relationship between strategic partnership and strategic role motivation were also found. These results confirm that the responsibility for

strategic partnership not only lies with the individual human resource manager or the fraternity of human resource professionals. The appropriate climate and culture need to be created by top management and other line managers in order to increase the probability of human resource managers acting as strategic partners in their organisations.

Another conclusion that can be made from this research study, pertains to the question of whether senior HR managers are strategic partners in their organisations. The answer seems to be affirmative from both HR managers and Line managers. There is however, a qualification. The driving forces behind this positive change towards strategic partnership is twofold. There is a drive internal to the HR fraternity to be strategic partners in their organisations, but there is external pressure from the other stakeholders (CEO and other line managers) in the organisation that force HR managers to be strategic partners.

The results of the qualitative data lends initial support to the inclusion of strategic role competencies, strategic role opportunities and effectiveness of HR in the strategic role model for HR managers. Additionally, these results also indicate that there may not be clear criteria that are used in the evaluation of being a strategic partner or not. A clear step away from rhetoric about human resources will have to be taken and steps taken to clarify the concept of strategic partnership in every organisation for all roleplayers involved so that consistency in perception and preferred behaviours can be established. Not only may HR managers have divergent views on the criteria, but line managers may in fact use other criteria and attach different importance to those criteria. The issue regarding the clarification on what makes an HR manager a strategic partner (and by definition, what does not make him/her a strategic partner) will have to be addressed by HR managers within the contexts they find themselves in.

5.3 Recommendations for future research

This study provided some insight into the relationships that exist in the role of the human resource manager as strategic partner in South African organisations. The role of strategic partner, however, forms one part of the total role that human resource managers must play in organisations. Ulrich (1997) proposed four interrelated roles of the human resource professional namely: strategic partner, change agent, administrative expert and employee champion. Future studies should encapsulate all these roles and their interrelatedness. Furthermore, the contribution of each of these roles to the effectiveness of the human resource professional or manager should be investigated thoroughly.

The actual performance of human resource managers in their organisations should be investigated to ascertain how being an effective strategic partner influence the effectiveness of the Human resource function and that of the organisations. This study only relied heavily on the perceptions of participants.

For future research, it is suggested that the questionnaires used in this study, should be developed further so as to increase the reliability and validity of the scales. The subscales that only yielded satisfactory reliability scores should be revisited. Given the complexity of Motivation as a variable, multiple variable research and thinking can potentially be more rewarding because of the increased explanatory power it offers (Kopelman and Thompson, 2001). The concept of role perception and the role it plays in strategic role motivation should get particular attention in future studies.

The research design of consequent studies flowing from this research should consider the advantages that the pairing of a particular human resource manager and a line manager in a specific organisation can obtain. Although the perceptions of line managers in this study was focussed on the human

resource manager in that organisation, that organisation's human resource manager might not have been part of the study.

The Strategic partnership model for HR managers should be validated in its entirety. The relationship between strategic partnership (partnership behaviour) and trust, credibility as well as relationship management (concepts not empirically tested and analysed in this study) should be examined thoroughly in future research endeavours into the topic of strategic partnership.

5.4 Conclusion

The aim of this study was to investigate strategic partnership as it manifests in South African organisations. Additionally, the research also endeavoured to find initial validity for the human resources strategic partnership model proposed in this study. It is believed that a valuable contribution has been made to the body of knowledge that currently exist with regard to strategic partnership. Although a lot of literature on this topic exists, empirical research is scarce. The whole field of strategic human resource management also benefited from the knowledge and insights gained by this study. The benefits are not only limited to academics in the development of a theoretical framework of understanding with regards to the topic of the study. Educational institutions will benefit in the evaluation of the adequacy of their training and retraining programmes for HR managers and professionals. Human resource practitioners will also benefit and hopefully achieve and maintain strategic partnership faster and more effectively as a result of this study.

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ANNEXURE 1

Example of the invitation that was sent via e-mail through the distribution lists of sponsor institutions.



UNIVERSITEIT • STELLENBOSCH • UNIVERSITY
jou kennisvennoot • your knowledge partner

Dear (potential) Research Participant

In a recent journal article, a CEO of a company asserted that **human resources** were the **most valuable asset** that an organisation could have; an asset however, that was **too important** to be left to the human resource department. **Is this view a true reflection of the general perception of human resources?** The current study aims to explore this question by concentrating on the role that human resource managers play in the different organisations in South Africa by obtaining data from **middle to upper level HR managers and the line managers (sales, marketing, financial, operation, etc.) they work with.**

You **have been selected** as a valued knowledge partner in this research project that aim to clarify the role that senior human resource (HR) managers play in **South African organisations. By participating in this research project you will provide** valuable information **that the researchers can use to determine** the current role of the HR manager (specifically the role as strategic partner) **and make valuable recommendations regarding the training and retraining of HR professionals in South Africa.**

The **questionnaire that human resource managers have to fill in, takes approximately 20 minutes to complete. The questionnaires are completely anonymous. Confidentiality is assured. It is imperative that the perceptions of middle to upper level line managers are also incorporated to assess the**

perception of the rest of the organisation regarding the role that HR managers play. The questionnaire that line managers have to complete takes between 7–10 minutes. The results will only be used as part of a thesis and any publications that might follow. This thesis forms part of the requirements for a Masters degree at the Department of Industrial Psychology, University of Stellenbosch.

I hope that my invitation will be kindly considered. If you are interested to participate, please send an e-mail to me at fp@sun.ac.za requesting the questionnaire that would be relevant for you (HR manager's questionnaire or line manager's questionnaire.). **Please do not hesitate to contact me if you have any queries.**

Kind regards

Flozenia Pietersen

Tel. Nr.: (021) 808 4555

E-mail: fp@sun.ac.za

ANNEXURE 2

Strategic Partnership Questionnaire: Senior Human resource managers:

You have been selected as a valued and knowledgeable participant in this research project that aim to clarify the role that senior human resource (HR) managers play in South African organisations. By participating in this research project you will provide valuable information that the researchers can use to determine the current role of the HR manager and make valuable recommendations regarding the training and retraining of HR professionals in South Africa.

The questionnaires are completely anonymous. Confidentiality is assured. The results will only be used as part of a thesis and in any publications that might follow. This thesis form part of the requirements for a Masters degree at the Department of Industrial Psychology, University of Stellenbosch. For the research to yield valid results, it is important that you answer all the questions as honestly and truthfully as possible. The answers must reflect your own opinion and perception. Please answer all the questions and statements.

Thank you for your willingness to participate in this study. It is greatly appreciated.

SECTION 1: DEMOGRAPHIC INFORMATION

QUESTIONNAIRE NUMBER. (For office use only)

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Please provide us with some information about yourself. Type a cross in the applicable box

What is your age in years?	
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Your gender?	Male	Female

Your Ethnic Group?	
1. African	
2. Asian	
3. White	
4. Coloured	

What is your highest level of formal education?	
Less than Matric	
Matric	
Diploma/Degree	
Post-graduate degree	

Please indicate your work experience:	YEARS
1. Years in current job	
2. Years with this firm	
3. Years experience outside of HR	
4. Total work experience	

What is your current job level?	
1. Non-managerial	
2. Lower level management	
3. Middle level management	
4. Upper level management	

Sector your organisation primarily operates in:	
1. Manufacturing	
2. Service	
3. Information Technology	
4. Other	

<p>It is imperative for this research that we include responses from senior line managers that you work closely with in your organisation. Would you kindly provide the contact details of such managers (preferably more than one)?</p>

Name (s)	
E-mail address(es)	
Postal address(es)	
Telephone number(s)	

END OF SECTION 1
PLEASE CONTINUE TO SECTION III

SECTION II

Listed below are descriptive statements about the human resource manager (You). For each statement, please indicate how frequently you as the human resource manager display the behaviour described. Make a cross in the applicable box.

Use the following responses:

1	2	3	4	5	6
Almost never	Once in a while	Sometimes	Fairly often	Frequently	Almost always

Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
I help the organisation to achieve business goals						
I participate in the process of defining business strategies						
I make sure that HR strategy are aligned						

with business strategy						
The HR function's effectiveness is measured by it's ability to help make strategy happen						
I am seen as a business partner						
I spend time on strategic issues						
I am an active participant in business planning						
Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
I work to align HR strategies and business strategy						
HR develops processes and programmes to link HR strategies to						

accomplish business strategy						
My credibility comes from helping to fulfill strategic goals						

Do you believe that you are a strategic partner in your organisation?

1. Yes	
2. No	

If YES, please state why you believe you are a strategic partner in your organisation:

--

If NO, please state why you believe you are not a strategic partner in your organisation:

--

--

Do you believe that line management perceives you as a strategic partner in your organisation?

1. Yes

2. No

If YES, please state why you believe line management perceives you as a strategic partner in your organisation:

--

If NO, please state why you believe line management do not perceive you as a strategic partner in your organisation:

--

**END OF SECTION II
PLEASE CONTINUE TO SECTION III**

SECTION III

Listed below are descriptive statements about the human resource manager (You). For each statement, please indicate to which degree you as the human resource manager display the behaviour described. Make a cross in the applicable box.

Use the following responses:

1	2	3	4	5	6
Disagree Strongly	Disagree Moderately	Disagree Slightly	Agree Slightly	Agree Moderately	Agree Strongly

Statements	1. Disagree Strongly	2. Disagree Moderately	3. Disagree Slightly	4. Agree Slightly	5. Agree Moderately	6. Agree Strongly
Anticipates the effect of internal and external changes						
Exhibits leadership for the function and corporation						
Demonstrates the financial impact of all HR activities						

Defines and communicates HR vision for the future						
Educates and influences line managers on HR issues						
Takes appropriate risks to accomplish objectives						
Broad knowledge of many HR functions						
Knowledgeable about competitors' HR practices						
Statements	1. Disagree Strongly	2. Disagree Moderately	3. Disagree Slightly	4. Agree Slightly	5. Agree Moderately	6. Agree Strongly
Focuses on the quality of HR services						
International experience						

Influences peers in other companies						
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END OF SECTION III

SECTION IV

Listed below are descriptive statements about the human resource manager (You). For each statement, please indicate to which degree you as the human resource manager display the behaviour described. Make a cross in the applicable box.

Use the following responses:

1	2	3	4	5	6
Disagree Strongly	Disagree Moderately	Disagree Slightly	Agree Slightly	Agree Moderately	Agree Strongly

Statements	Disagree Strongly	Disagree Moderately	Disagree Slightly	Agree Slightly	Agree Moderately	Agree Strongly
Experience in other key business areas						
Line management experience						
HR-career oriented						

Listed below are descriptive statements about the human resource manager (You). For each statement, please indicate how frequently you as the human resource manager display the behaviour described by making a cross in the applicable box.

Use the following responses:

1	2	3	4	5	6
Almost never	Once in a while	Sometimes	Fairly often	Frequently	Almost always

Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
Managing key business processes that enable the organisation to function in a specified product/service/market context						
Managing processes for adaptation to and acceptance of technological,						

structural and other organisational change						
Implementation of performance management						
Preparation of relevant financial reports for various stakeholders						
Implementation of the techniques for scanning, synthesizing and drawing conclusions from business data						
Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
Knowledge of electronic systems for the delivery and management of business information						

Effectively representing your department's special interests during negotiation						
Allocating financial and non-financial resources required to achieve given business objectives within a specified period						
Implementation of monetary techniques for budgetary decisionmaking						

END OF SECTION IV

SECTION V

State whether you agree or disagree with the following statements:

STATEMENT	DISAGREE	AGREE
Being a strategic partner determines my success as a HR manager		
Line management and my CEO expects me to participate in strategic decisions		
Line management and my CEO expects me to contribute to the achievement of business goals		
I am expected to develop processes and programmes that link HR strategies to accomplish business strategy		
My competency as strategic partner is included in my performance appraisal		
I am informed of important strategic meetings in my organization		
I am expected to attend and participate in strategic meetings in my organization		

In my current management position I have the opportunity to:	DISAGREE	AGREE
Form networks with other functional departments		
Participate in the setting of business goals		
Participate in the determination of methods and procedures that contribute to the achievement of business goals		
Be informed enough to have a holistic view of the organization		
Contribute to the achievement of business goals		
Be an active partner in business planning		
Be a business partner		

Respond to the following statements:

Statements	DISAGREE	AGREE
Being a business partner is not important to me		
I feel upset when I am not informed of an important strategic meeting		
It gives me a great deal of satisfaction and pride if I am asked to give my opinion on strategic issues in the organization		
It gives me a sense of self-worth if I can help my organisation to reach its goals by aligning HR strategies with business strategies		
If I had a choice, I would not be involved in defining business		

strategies		
It is important to me to be an active participant in business planning		

Respond to the following statements:

Statements	DISAGREE	AGREE
It is my job to align HR strategies with business strategies		
It is my job to be a business partner in my organization		

Respond to the following statement and make a cross in the appropriate box:

Being a strategic partner would lead to important work outcomes in my organisation (e.g. promotion, bonus, raise)

1	2	3	4	5	6
Almost never	Once in a while	Sometimes	Fairly often	Frequently	Almost always

END OF QUESTIONNAIRE

THANK YOU FOR YOUR PARTICIPATION!!!

ANNEXURE 3

Strategic Partnership Questionnaire: Senior Line Managers

You have been selected as a valued and knowledgeable participant in this research project that aim to clarify the role that senior human resource (HR) managers play in South African organisations. By participating in this research project you will provide valuable information that the researchers can use to determine the current role of the HR manager and make valuable recommendations regarding the training and retraining of HR professionals in South Africa.

The questionnaires are completely anonymous. Confidentiality is assured. The results will only be used as part of a thesis and any publications that might follow. This thesis forms part of the requirements for a Masters degree at the Department of Industrial Psychology, University of Stellenbosch. For the research to yield valid results, it is important that you answer all the questions as honestly and truthfully as possible. The answers must reflect your own opinion and perception. Please answer all the questions and statements.

Thank you for your willingness to participate in this study. It is greatly appreciated.

SECTION 1: DEMOGRAPHIC INFORMATION

QUESTIONNAIRE NUMBER. (For office use only)

--	--	--

Please provide us with some information about yourself. Type a cross in the applicable box:

What is your age in years?	
----------------------------	--

Your gender?	Male	Female

Your Ethnic Group?	
1. African	
2. Asian	
3. White	
4. Coloured	

What is your highest level of formal education?	
Less than Matric	
Matric	
Diploma/Degree	
Post-graduate degree	

Please indicate your work experience:	YEARS
1. Years in current job	
2. Years with this firm	
3. Years experience outside of HR	
4. Total work experience	

What is your current job level?	
1. Non-managerial	
2. Lower level management	
3. Middle level management	
4. Upper level management	

Sector your organisation primarily operates in:	
1. Manufacturing	
2. Service	
3. Information Technology	
4. Other (please specify)	

END OF SECTION 1

SECTION II:

Listed below are descriptive statements about the human resource manager. For each statement, please indicate how frequently the human resource manager displays the behaviour described. Type a cross in the applicable box.

Use the following responses:

1	2	3	4	5	6
Almost never	Once in a while	Sometimes	Fairly often	Frequently	Almost always

Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
The HR Manager helps the organisation to achieve business goals						
The HR manager participates in the process of defining business strategies						
The HR manager makes sure that HR						

strategy are aligned with business strategy						
The HR function's effectiveness is measured by its ability to help make strategy happen						
The HR manager is seen as a business partner						
The HR manager spends time on strategic issues						
Statements	1 Almost never	2 Once in a while	3 Sometimes	4 Fairly often	5 Frequently	6 Almost always
The HR manager is an active participant in business planning						
The HR manager works to align HR strategies and						

business strategy						
HR develops processes and programmes to link HR strategies to accomplish business strategy						
The HR manager's credibility comes from helping to fulfill strategic goals						

Do you believe that the HR manager is a strategic partner in your organisation?	
1. Yes	
2. No	

If YES, please state why you believe the HR manager is a strategic partner in your organisation:

--

If NO, please state why you believe the HR manager is not a strategic partner in your organisation:

**END OF QUESTIONNAIRE
THANK YOU FOR YOUR PARTICIPATION!!!**

Annexure 4: Relationship between Years outside of HR and strategic partnership

