



Business Process Approach to Human Resource Management

Figen Cakar

**Thesis submitted for the Degree of PhD
2004**

**Department of Design, Manufacture and Engineering Management
University of Strathclyde
Glasgow, UK**

**TEXT BOUND INTO
THE SPINE**

DECLARATION OF AUTHOR RIGHTS

The copyright of this thesis belongs to the author under the terms of the United Kingdom Copyrights Acts as qualified by the University of Strathclyde Regulation 3.49. Due acknowledgement must always be made of the use of any material contained in, or derived from, this thesis.

Acknowledgements

I would like to thank my supervisor, Professor Umit S. Bititci, for his friendship, support and guidance throughout this research.

I would like to thank all the industrial collaborators for giving their valuable time, which enabled me to complete my case studies. I am also very thankful to the Daks Simpson for their financial support.

I would like to extend my gratitude to Dr Jillian MacBryde who gave her valuable time in reviewing and discussing my thesis. I must also extend this gratitude Mrs. Helen Ritchie, Mrs. Janice Rodger, Mrs. Doreen Sehgal and Jacqueline Brown to for correcting English grammar in my research documents and this thesis.

I would like to thank my colleagues from M103 for their help and friendship during this research

I would like to express my special thanks to Talat Unal for his, patience, support and understanding throughout this work. Finally, I would like to thank my parents, brothers, and all my family for their support and encouragement during this research.

Abstract

This research presents the Business Process perspective of HRM and demonstrates gaps in HR field. The research follows a combination of Constructive and Case Study research methodologies and complies with the quality criteria set for this type of research.

In this light, the research develops the HRM Business Process Model by defining HRM as a business process. The first version of the model was initially developed following an extensive literature survey. Initial validation of the model involved several companies in the UK through a structured questionnaire. Second version of the model was developed according to the comments and recommendations received from companies . The second version of the model was validated by academics from HR and Business Process fields.

The Model represents a hard systems model of HRM process, which is intended to be normative outlining the key activities and information flows. An audit methodology was produced based on the Model. The HRM business process of four companies were audited using the audit methodology.

These four in-depth case study companies together with the research leading up to this point led to development of new insights to the HRM theory and practices

The most significant contributions of this research are as follows:

- Introduced HRM as a business process and classify it as a support process.
- Demonstrated that, the HRM activities can be modelled as a business process, taking a systems engineering approach. This provides a “Hard Systems” perspective to HRM.
- Demonstrated that, the Model provides a framework that would facilitate effective deployment of business objectives to HR objectives.
- HRM is a business process that supports other business processes. However, in practice HRM is not recognised as a cross-functional business process.
- Companies with no formal HR function seem to have the most complete HR business process where the process is embedded into each function.
- Impact of HR process / activities are not measured or monitored in an objective explicit manner.

CONTENTS

	Page
Declaration of author rights.....	i
Acknowledgements.....	ii
Abstract.....	iii
Contents.....	v
List of figures.....	viii
List of tables.....	ix
CHAPTER 1 INTRODUCTION.....	1
1.1 Introduction.....	1
1.2 Background of Research.....	1
1.3 Research Objectives.....	3
1.4 Thesis Structure.....	3
CHAPTER 2 LITERATURE REVIEW.....	6
2.1 Introduction.....	6
2.2 Scope of Literature.....	7
2.2.1 Introduction.....	7
2.2.2 Business Process Literature.....	9
2.2.2.1 A definition for Business Process.....	9
2.2.2.2 Functional Versus Process Based Management.....	9
2.2.3 A Business Process View of HRM.....	12
2.2.3.1 System Approach.....	12
2.2.3.2 Hard and Soft HRM.....	13
2.2.4 HRM Literature.....	16
2.2.4.1 Classification of HRM Models.....	16
2.2.4.2 HRM Models and Their Classification.....	17
2.2.5 The Limitation of the Business Process Approach to HRM.....	26
2.2.5.1 Organisational Complexity.....	26
2.2.5.2 Co-ordination Complexity.....	26
2.2.6 Development and Trends in HRM.....	27
2.3 Conclusion.....	37
CHAPTER 3 RESEARCH METHODOLOGY.....	39
3.1 Introduction.....	39
3.2 Research Philosophy.....	39
3.2.1 Research Genesis.....	40
3.2.2 Research Paradigm.....	40
3.2.3 Theoretical Framework.....	44
3.2.3.1 Literature Based Theory Building.....	46
3.2.3.2 Grounded Theory.....	50
3.2.4 Methodology.....	50
3.2.4.1 Action Research.....	50
3.2.4.2 Case Study Research.....	53
3.2.4.2.1 Limitations of The Case Study Approach.....	55
3.2.4.3 Constructive Research.....	58
3.2.4.4 Conclusion.....	62
3.3 Quality of the Research.....	62

3.3.1	Constructive Research Criteria by Kasenen et al.(1993).....	63
3.3.2	Case Study Quality Criteria by Gummesson (2000).....	64
3.3.3	Quality Criteria by Yin (1994).....	64
3.4	Research Design.....	66
3.5	Researcher Role in The Research.....	68
3.6	Conclusion.....	68
CHAPTER 4: EVOLUTION OF THE HUMAN RESOURCE MANAGEMENT (HRM) BUSINESS PROCESS MODEL.....		70
4.1	Introduction.....	70
4.2	Model Development.....	70
4.3	Model Validation.....	77
4.4	Description of HRM Business Process Model.....	80
4.4.1	Practical Consequences of Linking the HR Process to Strategy	84
4.5	Human Resource Management (HRM) Business Process Model on IDEF0....	87
CHAPTER 5 CASE STUDY PROTOCOL.....		89
5.1	Introduction.....	89
5.2	General Information.....	89
5.3	Detail Information for This Research.....	91
5.3.1	Background of The Research and Overview of The Case Study.....	91
5.3.2	Field Procedure.....	91
5.3.2.1	Data Collection.....	91
5.3.3	Case Study Questions.....	93
5.3.4	Guide for Case Study Reports.....	93
5.3.4.1	Report Format for Case Studies Results.....	95
5.4	Conclusion.....	97
CHAPTER 6 CASE STUDIES AND CROSS CASE ANALYSIS.....		101
6.1	Introduction.....	101
6.2	Overview of Individual Cases.....	102
6.3	Cross-Case Analysis.....	102
6.3.1	Data Analysis.....	103
6.3.1.1	Data Analysis Results for Model's Activities.....	103
6.3.1.2	Summary of The Findings For Each Company.....	179
6.4	Conclusions.....	163
6.4.1	The HRM Business Process Model.....	163
6.4.2	The HRM Business Process and Business Results.....	168
6.4.2.1	Practical Value of The Developed Model.....	192
CHAPTER 7 DISCUSSIONS AND CONCLUSIONS.....		199
7.1	Introduction.....	199
7.2	Summary of the Research.....	199
7.2.1	Main Findings.....	202
7.3	Answers to Research Questions.....	203
7.4	Research Contributions.....	206
7.4.1	Contributions to Theory.....	206
7.4.2	Contributions to Practice.....	208
7.5	Significance of the Research.....	208
7.6	Assessment of the Quality of This Research.....	212
7.7	Limitations of the Research.....	212
7.8	Suggestions for Future Research.....	216

REFERENCES.....	217
APPENDIXES.....	224

LIST OF FIGURES

	Page
Figure 2.1: EFQM (European Foundation for Quality Management) Excellence Model.....	7
Figure 2.2: Business Process Architecture.....	8
Figure 2.3: Michigan Model of HRM.....	18
Figure 2.4: Harvard Model of HRM.....	19
Figure 2.5: Guest's Model of HRM.....	20
Figure 2.6: Warwick Model of HRM.....	21
Figure 2.7: The Seven-Step model for implementing HR's strategic role.....	22
Figure 2.8: Matrix Type of Organisation.....	26
Figure 2.9: Evolution of Themes and Trends in HRM and HRD Theory and Practice	36
Figure 3.1: Research Decision Tree.....	40
Figure 3.2: Elements of Constructive Research.....	60
Figure 3.3: The location of the constructive approach into the established accounting research approaches.....	61
Figure 3.4: Phases of the Research.....	67
Figure 3.5: The researcher role in the case studies and different phases of the research.....	68
Figure 4.1: EFQM (European Foundation for Quality Management) Excellence Model.....	71
Figure 4.2: Business Process Architecture.....	73
Figure 4.3: First Version of HRM Business Process Model.....	85
Figure 4.4: Second Version of HRM Business Process Model.....	85
Figure 4.5: HRM Business Process Model on IDEF0.....	86
Figure 4.6: IDEF0 Configuration.....	87
Figure 5.1: Exact and similar response results between Managing Director Manager 1 and Manager 2.....	95
Figure 5.2: Guidelines for interpreting Table 1.	96
Figure 5.3: Data Collection Flow Chart.....	98
Figure 5.4: Results for the three interviewees.....	100
Figure 6.1: Frequency distributions for effectiveness and deployment of model activities in four companies.....	187
Figure 6.2: Frequency of companies HRM practices positions based on activity.....	188
Figure 6.3: Company based HRM Business Process Model audit result score.....	189
Figure 6.4: Activity based audit result score for each company.....	189
Figure 7.1: Summary of the research.....	201

LIST OF TABLES

	Page
Table 2.1: Armistead and Rowland's (2000) comparison of functional and process based approaches to management.....	11
Table 2.2: Hard and Soft variant of HRM (Kamoche, 1991)	15
Table 2.3: Hard and Soft HRM and Systems Approach.....	15
Table 2.4: Classification of HRM Models.....	16
Table 2.5: Comparison of various HRM Models.....	24
Table 2.6: Classification of various HRM models by different authors.....	25
Table 3.1: Alternative paradigm names.....	41
Table 3.2: Paradigm feature.....	44
Table 3.3: Strength and weaknesses of the data collection techniques.....	58
Table 3.4: Case study tactics for four designs tests.....	65
Table 3.5: Quality criteria for this research.....	69
Table 4.1: Activities and reference authors.....	77
Table 4.2: Validations results for version 1 of the HRM business process model.....	78
Table 4.3: Validations results for version 2 of the HRM business process model.....	79
Table 4.4: Academics name and their fields.....	79
Table 5.1: Completeness and Congruence table (An example).....	99
Table 6.1: Daks Simpson's summary findings.....	179
Table 6.2: Simpson Label's summary findings.....	180
Table 6.3: Houston Warehousing's summary findings.....	181
Table 6.4: Highland Spring's summary findings.....	182
Table 6.10: Financial performance of four companies.....	190
Table 6.5: Completeness table for each case studies.....	194
Table 6.6: Congruence table for exact response.....	195
Table 6.7: Congruence table for similar response.....	196
Table 6.8: Results summary for four cases.....	177
Table 6.9: Researcher's assessment for four companies on HRM Business Process Model...	178
Table 7.1: Research significance criteria.....	190-191
Table 7.2: Evaluation of the quality of this research.....	193-195

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

This chapter begins by discussing the background to the research. It explains its starting point, i.e. how the research transpired and how it would address a research and on practical problem. Relevant literature findings are then analysed. The chapter concludes with the thesis structure containing summaries of each chapter.

1.2 BACKGROUND OF RESEARCH

The researcher commenced the research by reading and analysing existing research, models and structure about Business, Process, Management, Strategy, Performance and Measurement. The researcher analysed the European Business Excellence Model (EFQM), CIM-OSA Business Process Architecture and Investors in People (IIP). Results of the analysis of the European Business Excellence Model (EFQM), together with other developments such as IIP in UK, make the role and importance of people and the need for vigorous processes to manage people, explicit. The CIM-OSA Business Process Architecture (Maull et al, 1995 and ESPRIT Consortium AMICE, 1991) classifies business processes as manage processes, operate processes and support processes. Together with finance and IT, HRM is classified as a support processes in this architecture.

The second part of the analysis concerned models. Models for business processes have been developed by a number of researchers. For example, Smart, Maull and Childe

(Smart et al, 1999) developed models of the operate processes using the IDEF0 modelling technique. Various other researchers developed more detailed models for these operate processes such as Supply Chain Management (Supply-Chain Operations Reference –Model (SCOR), 2001), Order Fulfilment (Weaver et al, 1995) and Product Development (Ulrich et al, 1995). However, there is no business process model of the HRM processes in the literature.

Hence, the point of departure for this research was to examine HRM from a business process point of view, treating the HRM process as a support process providing critical support to the key value-add (operate) process within manufacturing.

The research started with a study of existing models for HRM which led to identification of some gaps in knowledge with respect to the HRM models and business processes. The research demonstrated that in the HRM field, there are two fundamental gaps:

1. Lack of clarity on type of models (i.e. classifications) and their definitions.
2. Absence of a systems engineering based attempt to model HRM as a business process.

The researcher clarified the first gap by defining formal definitions for different classifications (see Chapter 2). For the second gap, the researcher created and developed a business process model for HRM using systems engineering principles. According to validation results the model is a systems model and is normative. The

research can conclude that the model is clear, understandable and unambiguous and that research adaptation for a system approach to HRM is successful.

The HRM Business Process Model is based on information available in literature and further developed based on responses received from industrialists and academics. The model has been validated in two stages, firstly with industrialists and secondly with academics.

1.3 RESEARCH OBJECTIVES

Research analysed relevant information in the fields of HRM and Business Process Management, the aim being to investigate human resource management practices from a business process perspective. The initial research objectives were as follows:

- to create a better understanding of Human Resource Management as a business process in a manufacturing environment, and
- to use a system engineering approach to develop and test (audit) a business process model for HRM in order to clarify the confusion about HRM models classification.

1.4 THESIS STRUCTURE

This thesis is structured in seven chapters:

Chapter 2: Literature Review

This chapter gives a brief summary on business process, systems approach and HRM literature by introducing theories and models pertinent to the research. It also

explains how the researcher investigated HRM practices from a business process viewpoint and how the confusion in the HRM field was clarified.

Chapter 3: Research Methodology

This chapter is divided into two parts. The first part discusses the research philosophy, including the research paradigm, theoretical framework and methodology. A Research Decision Tree summarises the philosophical architecture of this research. According to this tree, the research followed the Phenomenological Research Paradigm, Literature-Based Theory Building and Constructive Case Study Research Methodology. The second part discusses the research design, which includes data analysis and the data gathering methods used and evaluation of this research through the quality assessment criteria.

Chapter 4: Evolution of the HRM Business Process Model

Evolution of the HRM Business Process Model consists of model development and model validation. The model development part explains the starting point, why the researcher decided to develop this model and how the researcher developed the model. The model validation part explains the procedure and gives the validation results.

Chapter 5: Case Study Protocol

This chapter, which is divided into two parts, introduces the case study protocol. The first part gives the general information on case study protocol, e.g. general rules and procedures. The second part gives detailed information specific to this research.

Chapter 6: Case Studies and Cross Case Analysis

This chapter presents the case studies, which consist of case analysis and cross-case analysis. For the case analysis the researcher compared company data against the HRM Business Process Model. In the cross-case analysis the researcher compared data in one case with the other cases. Four case study reports and cross-case analysis results are given in this chapter.

Chapter 7: Discussions and Conclusions

A summary of the research and its main findings are given in this chapter. Research questions are answered and new contributions to theory and practice are discussed. The chapter concludes with a discussion on the limitation of the research.

CHAPTER 2

LITERATURE REVIEW

2.1. INTRODUCTION

According to Encyclopædia Britannica, “literature is a form of human expression. But not everything expressed in words -even when organised and written down- is counted as literature. Those writings that are primarily informative-technical, scholarly, journalistic- would be excluded from the rank of literature by most, though not all, critics. Certain forms of writing, however, are universally regarded.”

This chapter presents the literature review for this research. The chapter captures and reports relevant knowledge related to research. The purpose of the literature review is to:

- Elaborate the relevance of the research
- Determine gaps, patterns and inconsistencies
- Determine what is known & unknown
- Discover unanswered questions
- Discover conceptual traditions
- Provide a conceptual context
- Help to determine design and methods.

This chapter offers a brief summary on business process literature, systems approach and HRM literature by introducing some theories and models pertinent to the research.

2.2. SCOPE OF LITERATURE

The scopes of literature for this research covers mainly three fields, namely, HRM, Business Process and System Engineering.

2.2.1. INTRODUCTION

One may summarise that the 80s were all about automation. In the manufacturing industry FMS, FAS, Robots, AGV'S etc. were commonplace. The 90s were about people, as is evident in the development of TQM concepts throughout the 90s focusing on delegation, involvement, ownership, cross-functional teamwork, self-managed work's teams and so on. The EFQM Excellence Model (Figure 2.1), together with other developments such as IIP in the UK (www.iipuk.co.uk), makes the role and importance of people, and the need for robust processes to manage people, explicit.

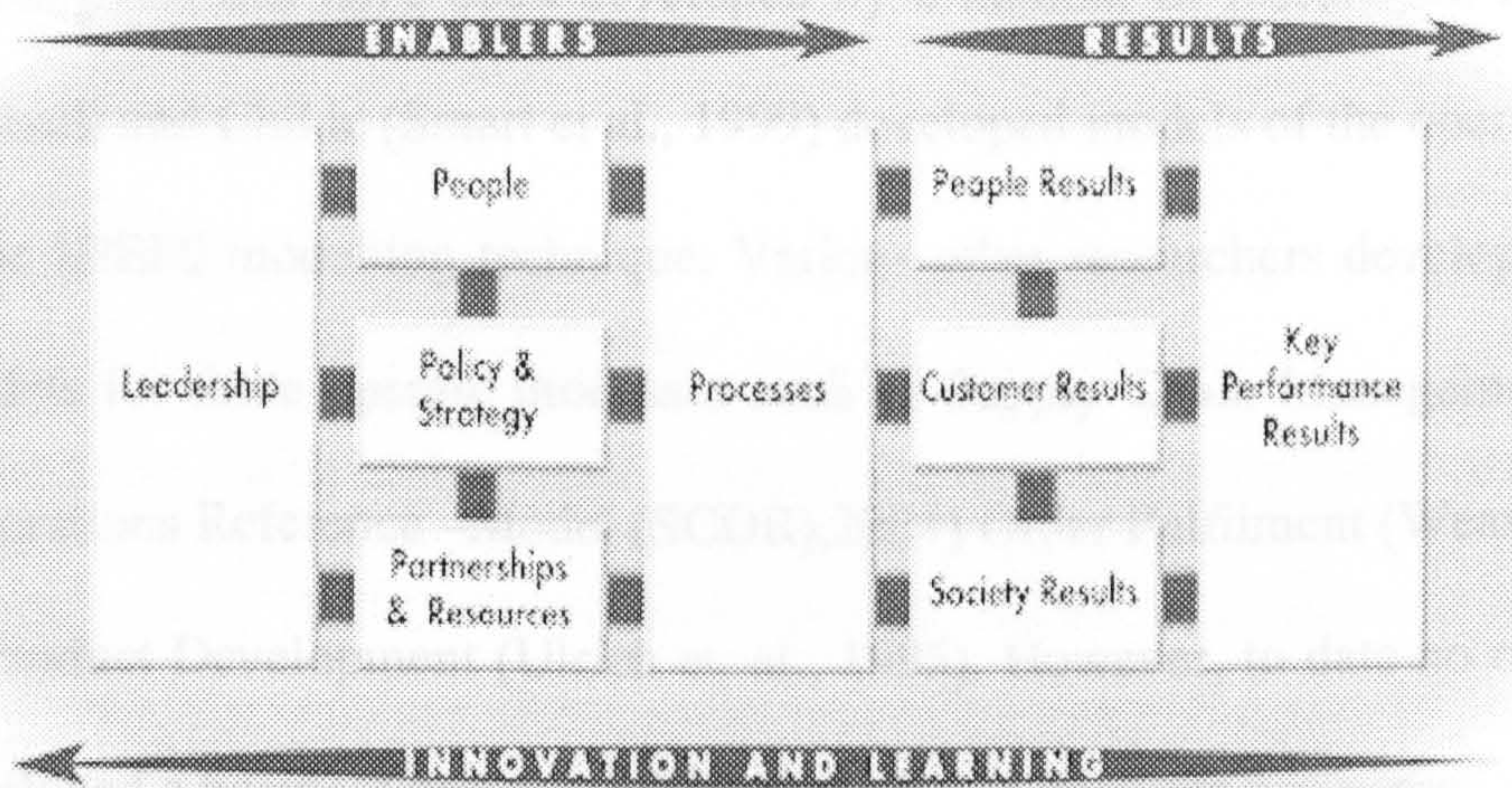


Figure 2.1. EFQM (European Foundation for Quality Management) excellence model

Furthermore, the 90s were also about business processes. Since the seminal paper by Hammer and Champy (1993) there has been a lot of work investigating and researching business process architectures and models. The CIM-OSA Business Process Architecture (Maull et al., 1995 and ESPRIT Consortium AMICE, 1991) classifies business processes as Manage Processes, Operate Processes and Support Processes (Figure 1). Within this architecture HRM is classified as a support process together with finance ,technology etc.

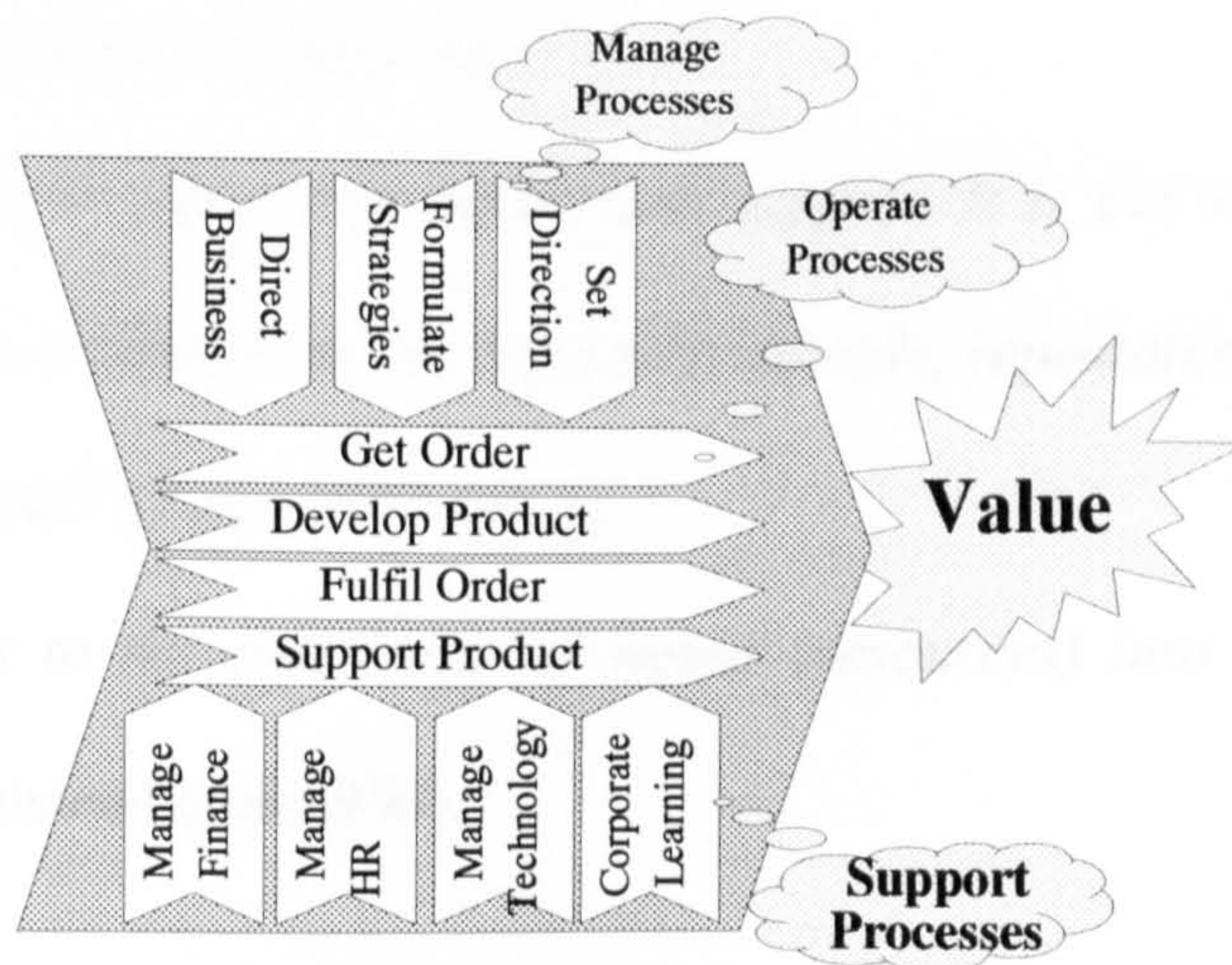


Figure 2.2. Business Process Architecture

Models for business processes have been developed by a number of researchers. For example, Smart, Maull and Childe (Smart et al., 1999) developed models of the operate processes using the IDEF0 modelling technique. Various other researchers developed more detailed models for these operate processes such as Supply Chain Management (Supply-Chain Operations Reference –Model (SCOR),2001) Order Fulfilment (Weaver et al., 1995) and Product Development (Ulrich et. al., 1995). However, to date no one seems to have developed a business process model of the HRM business processes.

1.2.2.2. FUNCTIONAL VERSUS PROCESS-BASED MANAGEMENT

The point of departure for this research was to examine HRM from a business process point of view, treating the HRM process as a support process providing critical support to the key value-add (operate) process within manufacturing.

2.2.2. BUSINESS PROCESS LITERATURE

2.2.2.1. A DEFINITION FOR BUSINESS PROCESS

Throughout the 90s, since the seminal paper on Business Process Re-engineering (Hammer et al, 1993), many organisations have adopted a business process based approach to management rather than a functional approach.

In this context, Process is defined as:

“An approach for converting inputs into outputs. It is the way in which all the resources of an organisation are used in a reliable, repeatable and consistent way to achieve its goal” (Zairi, 1997, pp..).

“Process refers to the conversion of inputs (resources) into outputs (goods and services)”(Armistead et al,1996).

Also, process is defined by Universal dictionary as “ a series of actions, changes, or functions that bring about an end or result”

Following definition is adopted for this research,

“A business process is an end-to-end version of this definition, that is, its inputs are from outside the boundaries of the organisation, and its outputs are delivered to customers outside the boundaries of the organisation” (Armistead et al, 1996).

2.2.2.2. FUNCTIONAL VERSUS PROCESS-BASED MANAGEMENT

In the literature there are some comments about process and functional management approaches. They explain why a process-based management is more popular than a functional one. According to Repenning and Sterman (2000), managers, consultants

and scholars have increasingly recognise the value of considering an organisation's activities in terms of processes rather than functions. The current popularity of the process approach stems from its ability to drive improvement within organisations. Starting with Total Quality Management (TQM) and continuing with Business Process Reengineering (Hammer et al, 1993) many recent trends in management focus on the process rather than the function as the critical unit of analysis for improvement.

According to Armistead and Rowland (2000) in order to understand functional and process trade-offs a model is needed to describe and discuss the polar differences between functional and processes-based management. They have summarised their model in Table 2.1.

Table 2.1. Armistead and Rowland's (2000) comparison of functional and process based approaches to management

<u>Dimension</u>	<u>Functional orientation</u>	<u>Process orientation</u>
Organisational Structure	<ul style="list-style-type: none"> • Hierarchical • Functional focus 	<ul style="list-style-type: none"> • Devolved • Process focus
Operational Process	<ul style="list-style-type: none"> • Owned by functions • Functional boundaries • Disconnected flows • Sub-optimised operations 	<ul style="list-style-type: none"> • Process-owned • Customer focused end to end • Simplified flows • Optimised for customer service, cost and efficiency
People	<ul style="list-style-type: none"> • Functional allegiance • Limited 'sight' of customer • Separation of specialist skills • Individual focus 	<ul style="list-style-type: none"> • Process allegiance • Customer-focused • Integration of skills • Team focus
Technology	<ul style="list-style-type: none"> • Discrete in functions • Measurement of functional objectives • Loose connection of planning and control 	<ul style="list-style-type: none"> • Integrate in processes • Basis for process measurement • Planning and control for the process
Communication	<ul style="list-style-type: none"> • Vertical orientation 	<ul style="list-style-type: none"> • Horizontal orientation
Culture	<ul style="list-style-type: none"> • Front-office/back-room divide • Functional baronies • Language of disciplines 	<ul style="list-style-type: none"> • Customer focus through the process • Process ownership • Language of service delivery

In presenting their argument they emphasise that functions still have a valuable role to play, in that they, provide:

- Centres of expertise in which knowledge and expertise in vital business skills can flourish.

- Means of collecting and disseminating information from outside the company, which can be internalised and used to add value.
- Opportunities for those within the business to advance without sacrificing professional growth.

This view is supported by Hammer (1999) who states that although processes are critical, functions are also necessary. But for process-based enterprises to work, the power base needs to lie with the process, where the function plays a training and development role.

Essentially Business-Process Management, it is a systems view that provides “end-to-end visibility of a system” from its inputs to outputs. Thus HRM process can be seen as a cross-functional business system, i.e. an end-to-end business process, which starts with the HR needs of an organisation and ends with fulfilment of these needs on a continuous basis.

2.2.3. A BUSINESS PROCESS VIEW OF HRM

2.2.3.1. SYSTEMS APPROACH

System approach originates from engineering design and computing. It is used in areas of problem solving, design and control, and is based on Systems Engineering principles. It has been adapted to many different fields.

Checkland (1984) has divided the Systems Approaches into two parts, Hard and Soft. The Hard system approach is concerned with “What is required?” and “How it can be provided?”. It involves having well-defined objectives and structures where problems and relationships are accurately depicted. Information is used to formulate

goals, identify problems, ascertain and evaluate options and, finally, to select and implement a rational plan to achieve the desired outcome.

Soft Systems approach is more interested in the problem of managing and designing of a methodology for situations where objectives and problems are ill structured. Problem identification doesn't take place at an early stage in the process. The focus is much less on the problem and more about defining what the system should do, how it should behave and so on. It refers to a problem situation with an emphasis on developing a conceptual model of how the system should operate (Kirk,1995).

2.2.3.2. HARD AND SOFT HRM

HRM literature regularly refers to Hard and Soft approaches to HRM. These approaches were detailed most clearly in the mid 1980s by two texts, the Michigan Model by Fombrun et al. (1984) and the Harvard Model by Beer et al. (1984).

Storey (1985) has distinguished between hard and soft models of HRM with respect to the Michigan and Harvard models. He offers the following definitions:

- **Hard HRM** emphasises the quantitative, calculative and business-strategy aspects of managing the headcount resource in as “rational” a way as for any other economic factor.
- **Soft HRM** traces its roots to the human relations school and emphasises communication, motivation and leadership.

According to Legge (1995), the hard approach to HRM reflecting a “utilitarian instrumentalism” and a soft approach to HRM is more reminiscent of “developmental humanism”. Hard approach to HRM is identified by Harvard School (Beer et al, 1984) and Soft approach to HRM is identified by Michigan School (Fombrun et al, 1984). Hard approach to HRM focuses on the crucial importance of the close integration of human resources policies, systems and activities with business strategy. In contrast, the soft approach to HRM, while still emphasising the importance of integrating HR policies with business objectives, sees this as involving and treating employees as valued assets, a source of competitive advantage through their commitment, adaptability and high quality (quality of performance, skills etc.). According to Beer and Spector (1985) employees are proactive rather than passive inputs into productive processes; they are capable of development, worthy of trust and collaboration through participation and informed choice.

Hard HRM focuses on the resource aspect of HRM. It emphasises costs in the form of headcounts. This places control firmly in the management hands. Their role is effectively to manage numbers, keeping the workforce closely matched with requirements in terms of both bodies and behaviour. In contrast soft HRM emphasises the human side of HRM. Its concerns are communication and motivation. People are led rather than managed. They are involved in determining and realising strategic objectives (Price,1997). Table 2.2 shows Kamoche ‘s (1991) hard and soft variants of HRM

Table 2.2. Hard and Soft variants of HRM (Kamoche, 1991)

Soft HRM	Hard HRM
Employees as a resource "People" issues Commitment (mutual) Integration / co-operation Qualitative / negotiation	Employees as a cost "Market" issues Compliance Control Quantitative / rational

There seems to be mismatch between the definitions for "Hard and Soft" as used in the HRM field and in the Systems Engineering field. Table 2.3 presents what is "hard and soft" HRM and systems approach.

Table 2.3. Hard and Soft HRM and Systems Approach

	HARD	SOFT
HRM Definition	<ul style="list-style-type: none"> Emphasises the quantitative, calculative and business-strategy aspects of managing the headcount resource in as "rational" a way as for any other economic factor (Storey, 1985). Variants of HRM (Kamoche, 1991) Employees as a cost, "Market" issues Compliance Control Quantitative /rational 	<ul style="list-style-type: none"> Traces its roots to the human relations school and emphasises communication, motivation and leadership (Storey, 1985). Variants of HRM (Kamoche, 1991) Employees as a resource "People" issues Commitment (mutual) Integration/co-operation Qualitative / negotiation
Systems Approach Definition	<ul style="list-style-type: none"> Concerns with "what is required?" and "How it can be provided?" Appropriate in well-defined technical problems. Information is used to formulate goals, identify problems, ascertain and evaluate options and, finally, to select and implement a rational plan to achieve the desired outcome. (Checkland,1984, 1999) and Kirk, 1995) 	<ul style="list-style-type: none"> Concerns with "what the system should do?, "how should behave" etc. and "How the system should operate?" Appropriate in ill-defined situation involving human beings and cultural consideration Information is used to formulate a methodology for situations where objectives and problem are ill structured. (Checkland,1984, 1999) and Kirk, 1995)

2.2.4. HRM LITERATURE

This research started with a study of existing models for HRM which led to identification of some gaps in knowledge with respect to the HRM models and business processes.

2.2.4.1. CLASSIFICATION OF HRM MODELS

In the literature, HRM models have been classified primarily by Legge (1995) Tyson (1995) and Storey (1994). Table 2.4. shows their classification of HRM models.

Table 2.4. Classification of HRM Models

Legge's Classification	Tyson's Classification	Storey's Classification
• Normative	• Normative	• Conceptual
• Descriptive-functional	• Descriptive	• Descriptive
• Descriptive-behavioural	• Analytical	• Prescriptive
• Critical-evaluative		

Legge has classified HRM models in the same way as personnel management models. She gives examples normative models of HRM from US sources such as Fombrun, et al. (1984); Beer et al. (1985); Walton (1985); Foulkes (1986) and from UK sources Hendry et al. (1986); Guest (1987); Torrington and Hall (1987), but she does not give a clear definition of her classification.

Tyson gives an HRM perspective of different models. However, his explanation is also not detailed enough to understand his classification of HRM models.

Storey, in his classification of HRM models, introduces the term “prescriptive model”. When he explained his approach, he defines prescriptive or normative model as follow “.. *prescriptive or normative modelling, which purports to tell how employment management should be conducted.*” (Storey, 1994, p 30). In fact, based

on his definition, there are no differences between a “prescriptive model” and a “normative model”.

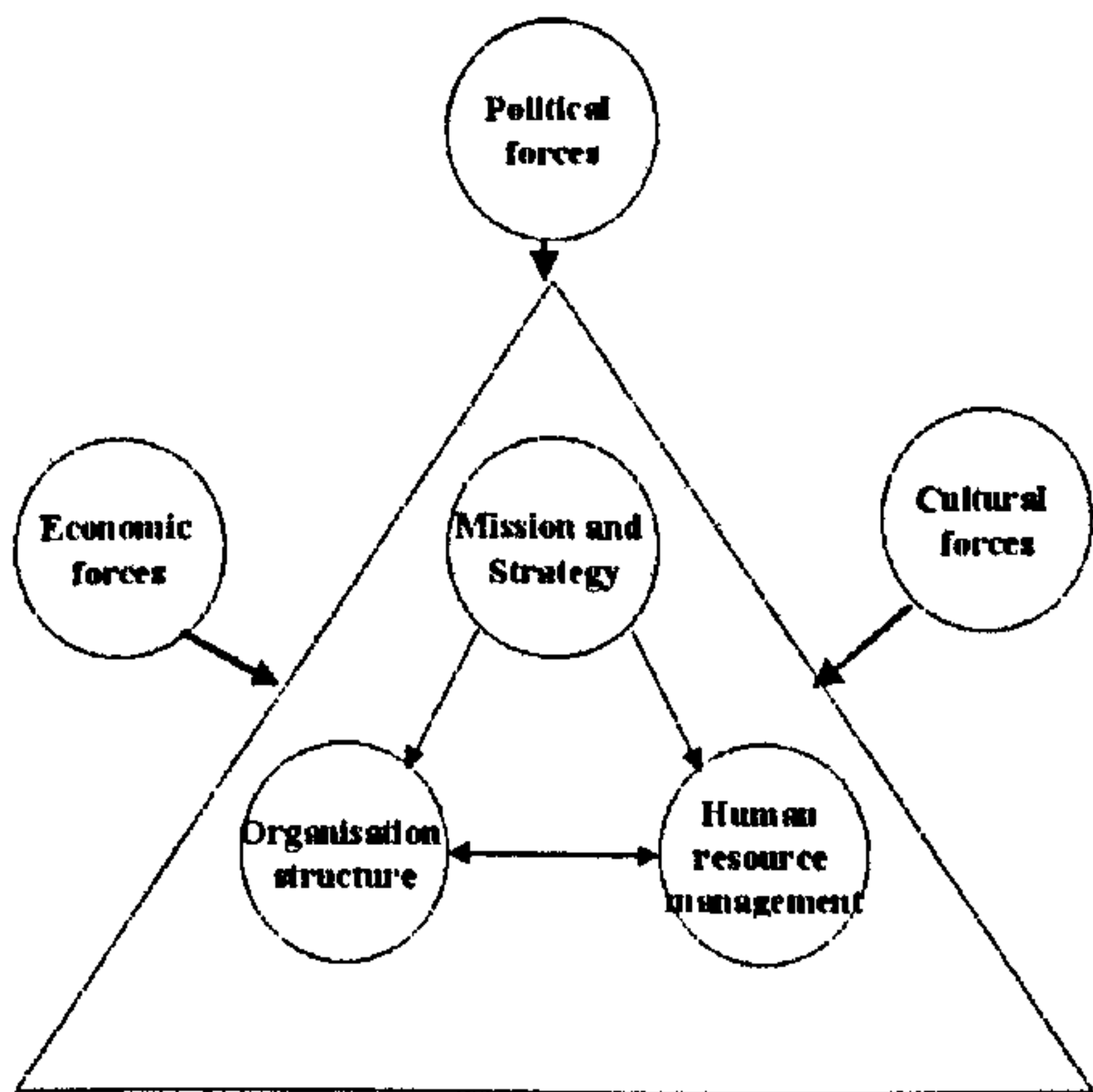
The problem is that none of these authors have given clear definitions of their classifications.

2.2.4.2. HRM MODELS AND THEIR CLASSIFICATION

In the literature there is further confusion concerning HRM models and their classification. The most commonly referred models for HRM include:

- Michigan Model (Fombrun et.al.,1984) which consists of two perspectives- (1) The strategic and environmental perspective and (2) the human resource perspective (see Figure 2.3). The strategic and environmental perspective represents the relationship between human resource management and organisational strategy as well as the political, economic and cultural forces which affect them. They have interactive relationships. The human resource perspective provides a simple framework to show what the relationship should be between selection, appraisal, rewards, training and performance.

MICHIGAN MODEL OF HRM
Strategic Management and Environmental Pressures



MICHIGAN MODEL OF HRM
The Human Resource Cycle

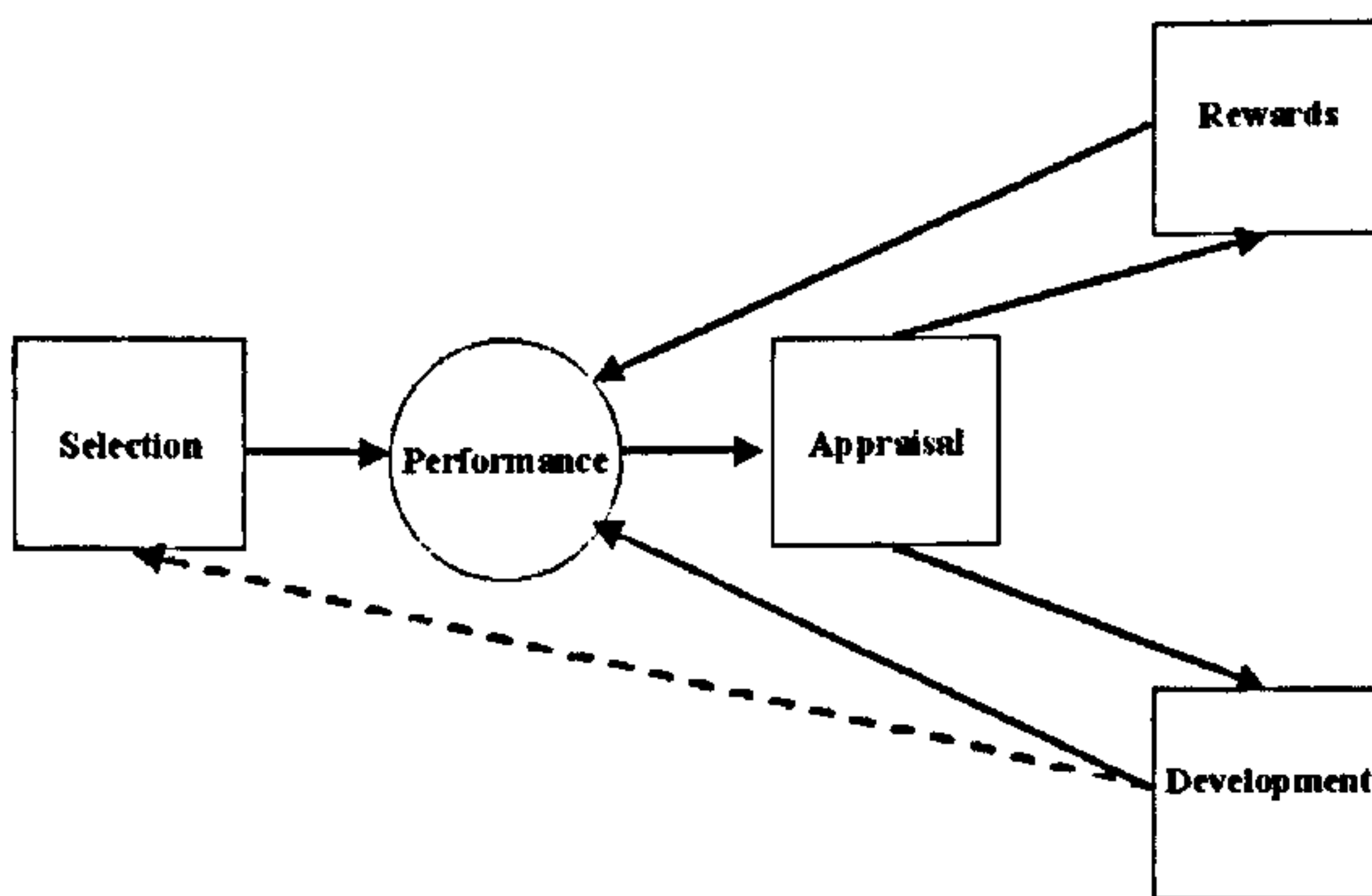
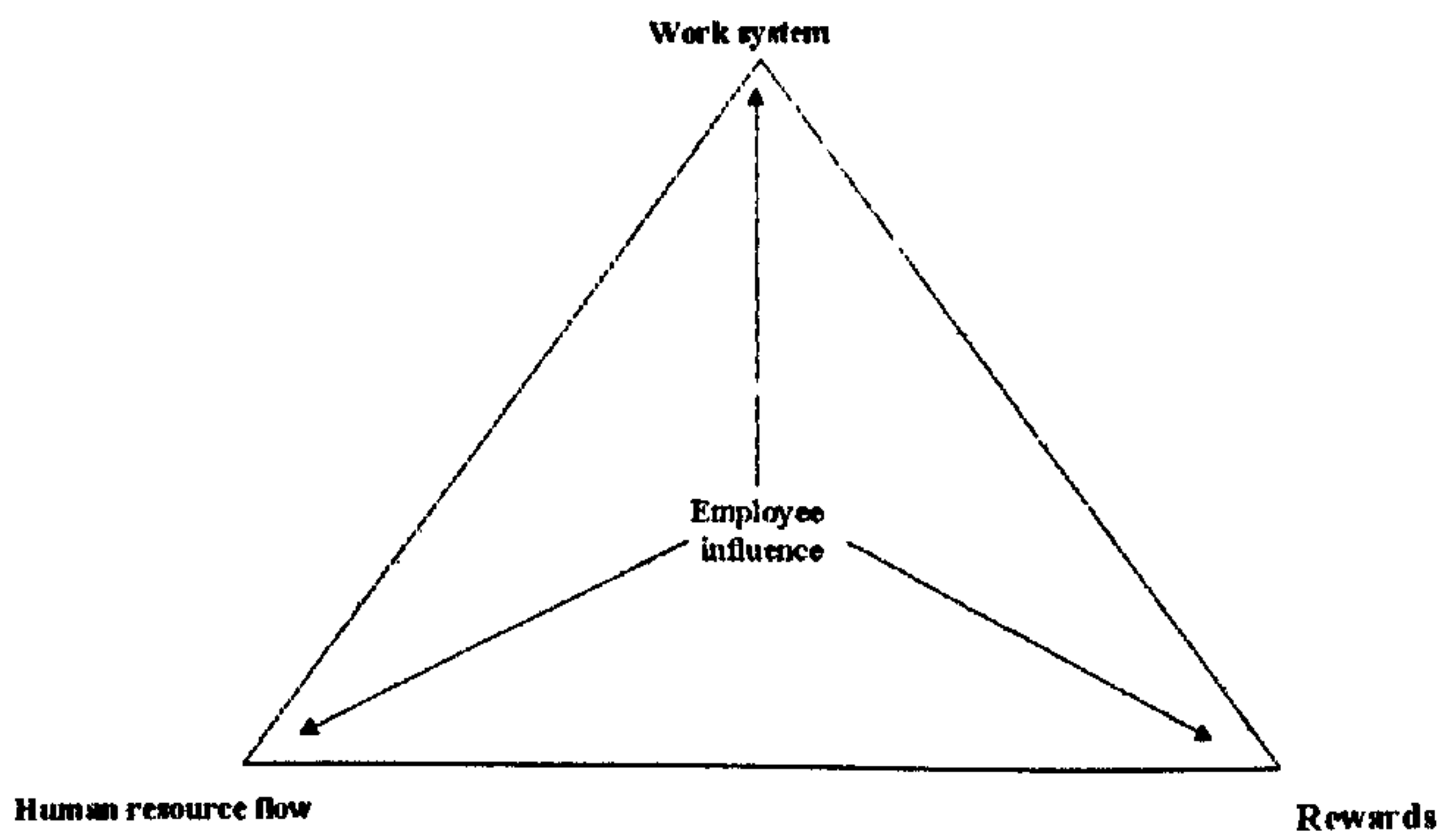


Figure 2.3. Michigan Model of HRM

- Harvard Model (Beer et al., 1984) consists of two parts- (1) the human resource system, and (2) a map of the HRM territory (see Figure 2.4). The human resource system represents labour relations and personnel administration perspectives under four human resource categories, which are employee influence, human resource flow, rewards and work systems. A map of the HRM territory shows how HRM is closely connected with both the external environment (i.e. stakeholder interests) and the internal organisation (i.e. situational factors).

HARVARD MODEL OF HRM
Human Resource System



HARVARD MODEL OF HRM
A Map of the HRM Territory

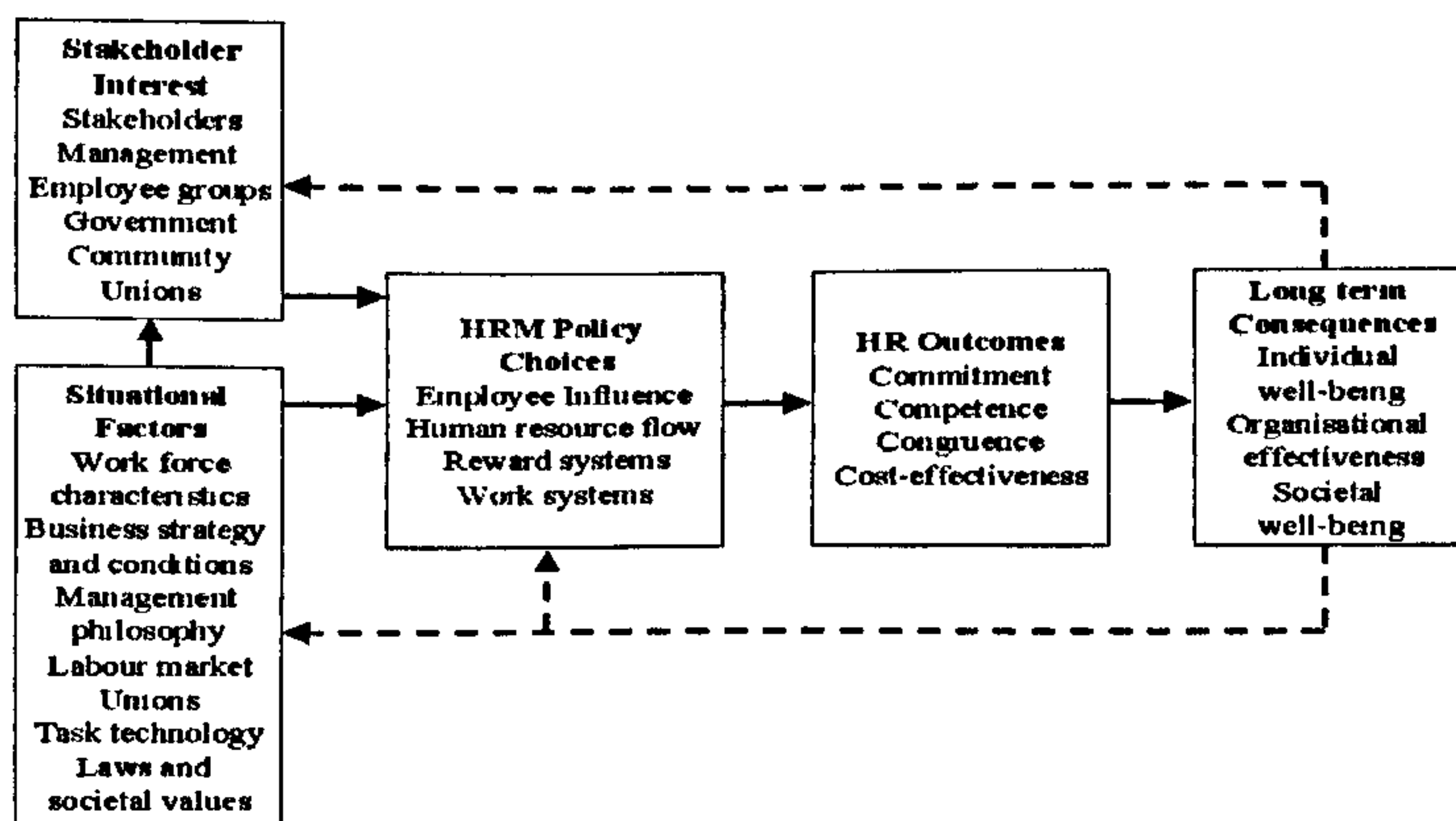


Figure 2.4. Harvard Model of HRM

- Guest's Model (Guest, 1987) involves seven policies for achieving the four main HR outcomes. According to Guest, these outcomes will lead to desirable organisational results. In this context it is similar to the Harvard Model, but has seven categories instead of Harvard's four (Figure 2.5). Guest's seven categories are broadly the same as Harvard's categories. For example, the Harvard Model has human resource flow, Guest has manpower flow and recruitment, selection and socialisation; the Harvard Model has work systems, Guest calls these organisational and job design. Both models have reward systems. Guest has three additional categories, which are policy formulation and management of change; employee appraisal, training and development; and communication systems.

GUEST'S MODEL OF HRM

<u>Policies</u>	<u>Human resource outcomes</u>	<u>Organisational outcomes</u>
Organisational and job design Policy formulation and Implementation/management of change	Strategic planning / Implementation	High job performance High problem - solving
Recruitment, selection and socialisation	Commitment	Successful change
Appraisal, training and development	Flexibility / adaptability	Low turnover
Manpower flows - through, up and out of the organisation		Low absence
Reward systems	Quality	Low grievance level
Communication systems		High cost - effectiveness i.e. full utilisation of human resources

Figure 2.5. Guest's Model of HRM

- Warwick Model (Hendry and Pettigrew, 1992) of HRM consists of inner and outer context and it places more emphasis on strategy. It is based on the Harvard Model, but concentrates more on strategy (Figure 2.6). For example, the Harvard Model has HRM policy choices which consist of employee Influence, human resource flow, reward systems, work systems and the Warwick Model has HRM context which consists of human resource flows, work systems, reward systems and employee relations. Both are the same. The Harvard Model has business strategy in situational factors, the Warwick Model has business strategy content and the Harvard Model has task-technology in situational factors part. The Warwick Model has task-technology in inner context.

**WARWICK MODEL OF HRM
Strategic Change and HRM**

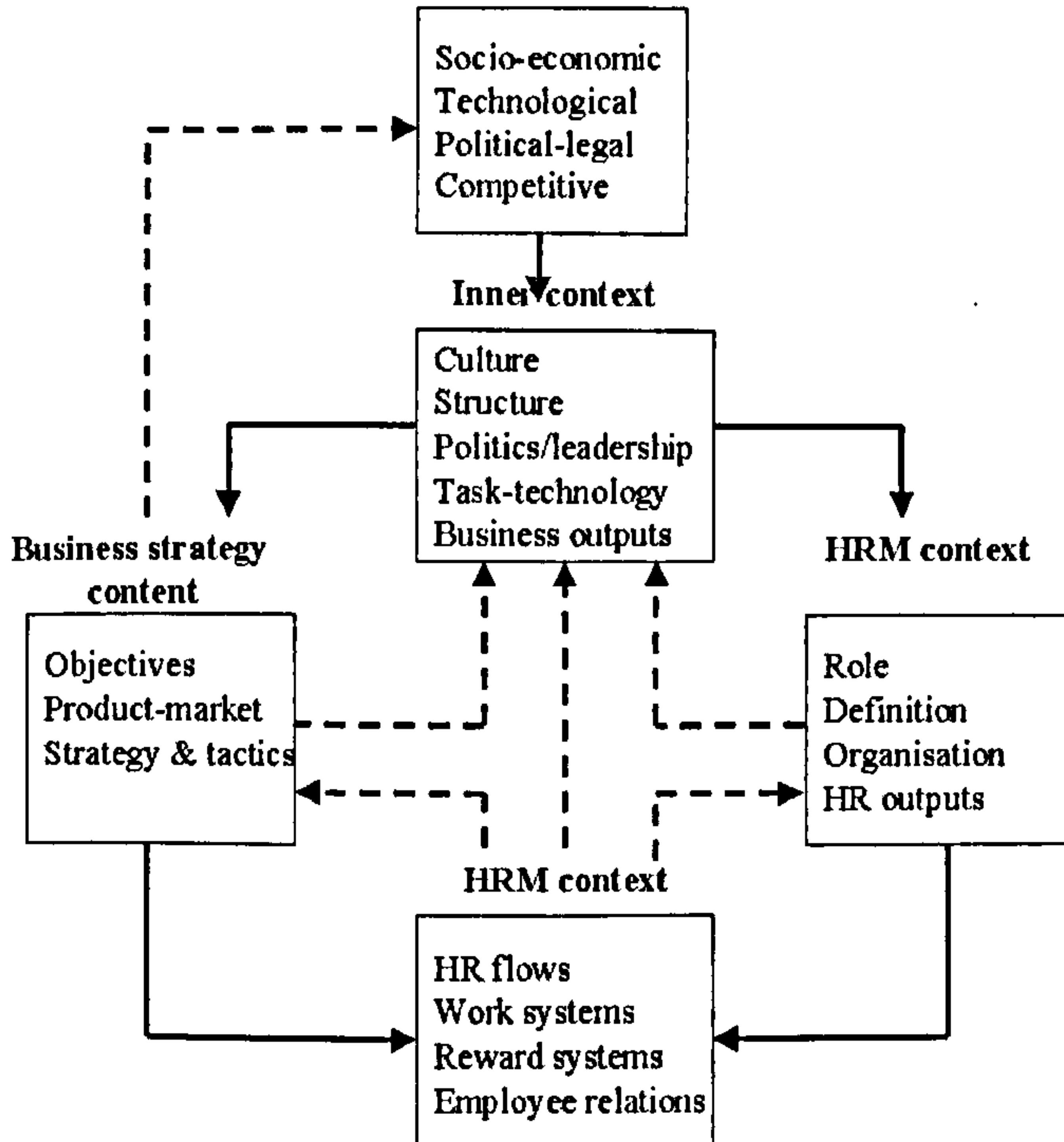


Figure 2.6. Warwick Model of HRM

The HR Scorecard(Becker et. al., 2001) based on the strategic mapping technique and Seven-Step HR architecture. The Seven –Step model for implementing HR’s strategic role’s is presented in Figure 2.7. It illustrates how HR can link its deliverables to the company’s strategy implementation process. The HR Scorecard focuses on linking people strategy and performance. It concentrates on how to create an HR Scorecard and shows the HR’s contribution to performance.

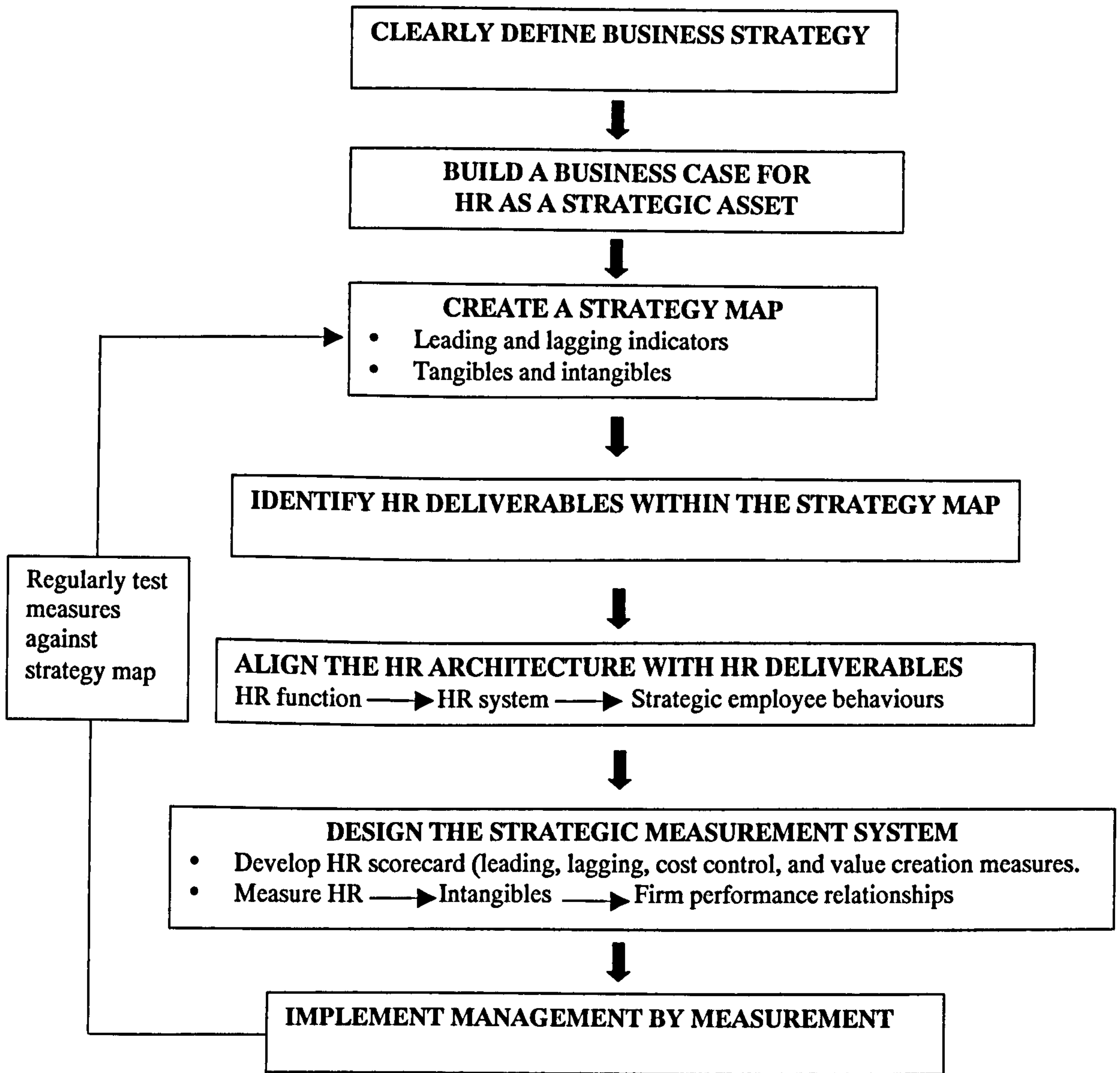


Figure 2.7. The seven-Step model for implementing HR's strategic role

Various aspects of these models have been summarised in Table 2.3.

Generally, there is confusion in the literature with respect to the definitions of different types of models. Storey (1994) and Tyson (1995) made a similar observation with respect to this point. According to Storey (1994):

“It is often not made clear whether a prescriptive model or a descriptive model or a conceptual model (is being used). Discussion became hopelessly confused because unsignalled switching occurs between all three.”

According to Tyson:

“ A major difficulty has been confusion over types of model being used: sometimes they are normative or prescriptive, sometimes descriptive or analytical.”

Tyson (1995) has also discussed the difficulties of applying these classifications (i.e. descriptive, analytical and normative).

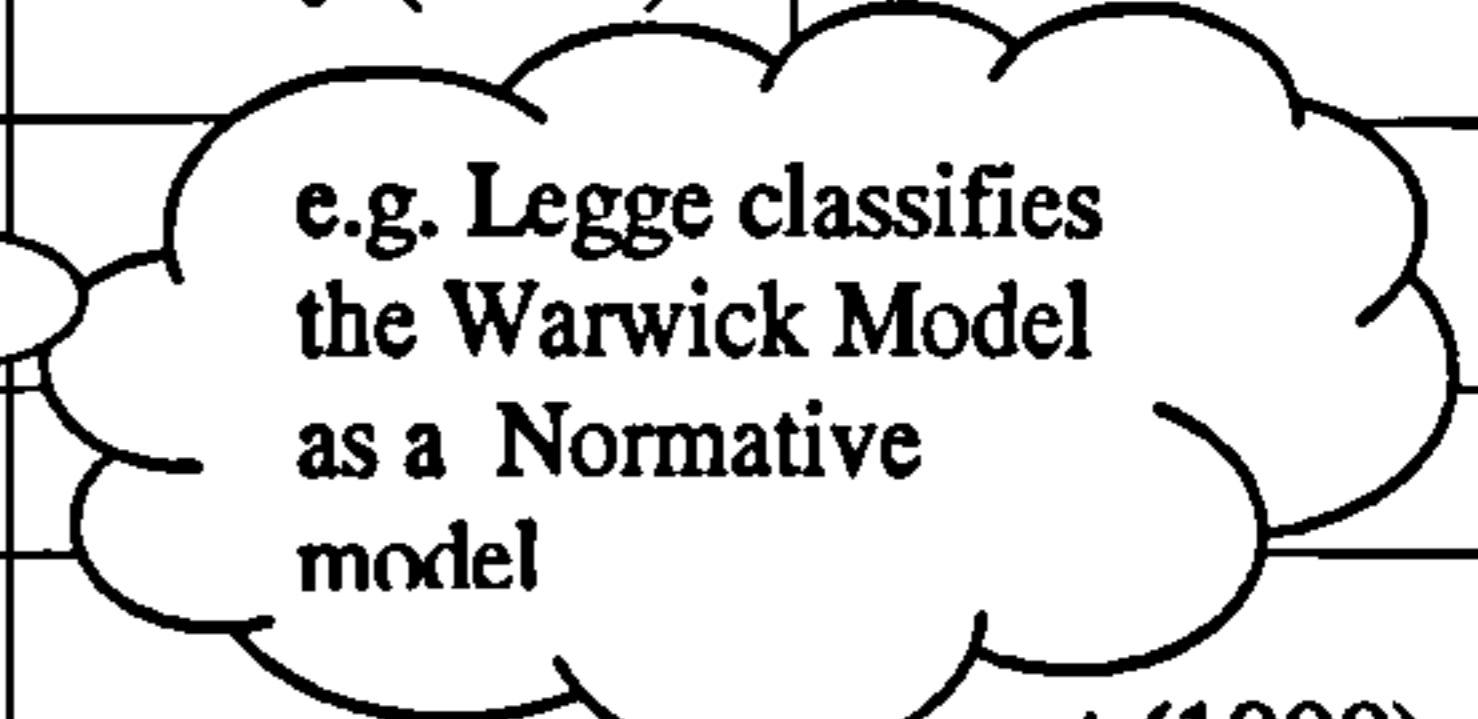
“The descriptive models have alluded to the way human resources management is conducted.” Tyson states *“Symbols depend for their meaning upon the context in which they are used. For example, the particular symbolic values employees attach to rewards are dependent upon whether there are changes in the relativities between the various occupational groups in the pay structure, when general pay raises are granted. In studying organisations, the research is looking for systems of symbols which are interpreted as much by the employees concerned as by management.*

Table 2.5. Comparison of Various HRM Models

Models Aspects	Michigan Model	Harvard Model	Guest Model	Warwick Model	The HR Scorecard
Focused on	Individual and organisational performance	People	HR and organisational outcomes	Strategic change and development of human resource management	Linking people, Strategy and Performance
Based on	Strategic control, organisational structure systems for managing people	Individual influence, work systems, rewards, human resource flow	Four HR outcomes- strategic integration, commitment, flexibility and quality	The processes of strategic and HRM change	Strategy mapping technique as in BSC and HR architecture
Concentrates on	Managing human assets to achieve strategic goals	Outcomes for people	Desirable organisational outcomes	Interactive relationship between business strategy and HRM	Creating HR Scorecard and outcome measurement
Classification	Normative	Analytical	Normative	Analytical	Normative
Contributes to	HR (i.e. people) performance	Individual and social well-being and organisational effectiveness	HR and organisational effectiveness	Business strategy and HR strategy	HR Strategy and outcome measurements
HR Approach	Hard HRM	Soft HRM	Soft HRM	Hard HRM	Hard HRM
Contents	The human resource cycle and strategic management and environmental pressures	Human resource system and map of the HRM territory	Policies for identifying human resources and organisational outcomes	Strategic change and human resource management	Strategic mapping technique and HR architecture (seven –step process)
Components	Organisational structure, mission and strategy, human resource management, selection, performance, appraisal, rewards, development	Work system, human resources flow, rewards Stakeholder interests, situational factors, HRM policy choices, HR outcomes, long-term consequences	HRM policies, human resource outcomes, organisational outcomes,	Outer context (socio-economic, technological political-legal, competitive) inner context (culture, structure, politics/leadership s, task-technology, business outputs), HRM context (role, definition, organisation, HR output), HRM content (work systems, reward systems, employee relations), business strategy content (objectives, product-market, strategy and tactics)	Business Strategy, HR Strategy, Strategy mapping, High performance work System, HR System alignment, HR deliverables, HR efficiency

For example, the Harvard Model of HRM (Beer et al., 1984) is described by Torrington and Hall (1998, pp.36) as an Analytical model rather than Normative or Prescriptive. At the same time Pinnington and Edwards (2000) and Noon (1992) described the same model as Normative. Actually, the Harvard Model is made up of both normative and analytical elements. The literature contains numerous examples of this type of confusion which is further illustrated in Table 2.6.

Table 2.6. Classification of various HRM models by different authors.

	Analytical	Prescriptive	Normative	Conceptual	Descriptive
Guest		Pinnington&Edwards, Torrington & Hall	Legge (1995)	Storey (1994)	
Warwick	Torrington & Hall (1998)		Legge (1995)		
Michigan		Truss (1999)	Legge (1995)		
Harvard	Torrington & Hall, Lundy&Cowling(1996)	Storey (1994)	Pinnington & Edwards(2000)		
					Guest (1999)

In this respect we have identified another source of confusion, i.e. the problem with allocation of various HRM models into a classification.

This research, demonstrated that in the HRM field there are two fundamental gaps which are:

- Lack of clarity on type of models (i.e. classifications) and their definitions. (see section 2.5.1)
- Lack of consensus on the classification of different type of HRM models. (see section 2.5.2).

It becomes somewhat surprising to the author that, although the HRM community has been engaged in a vigorous discussion over different types of models as

demonstrated above, no one seems to have attempted to apply the systems engineering approach and develop a business process view of the HRM process.

2.2.5. THE LIMITATION OF THE BUSINESS PROCESS APPROACH TO HRM

2.2.5.1. ORGANISATIONAL COMPLEXITY

In a functional organisation people have a sense of belonging and they associate themselves with one function. In a business process focused organisation people are likely to be involved in more than one business processes. This leads to a matrix type of organisation model, which is inherently more complex.

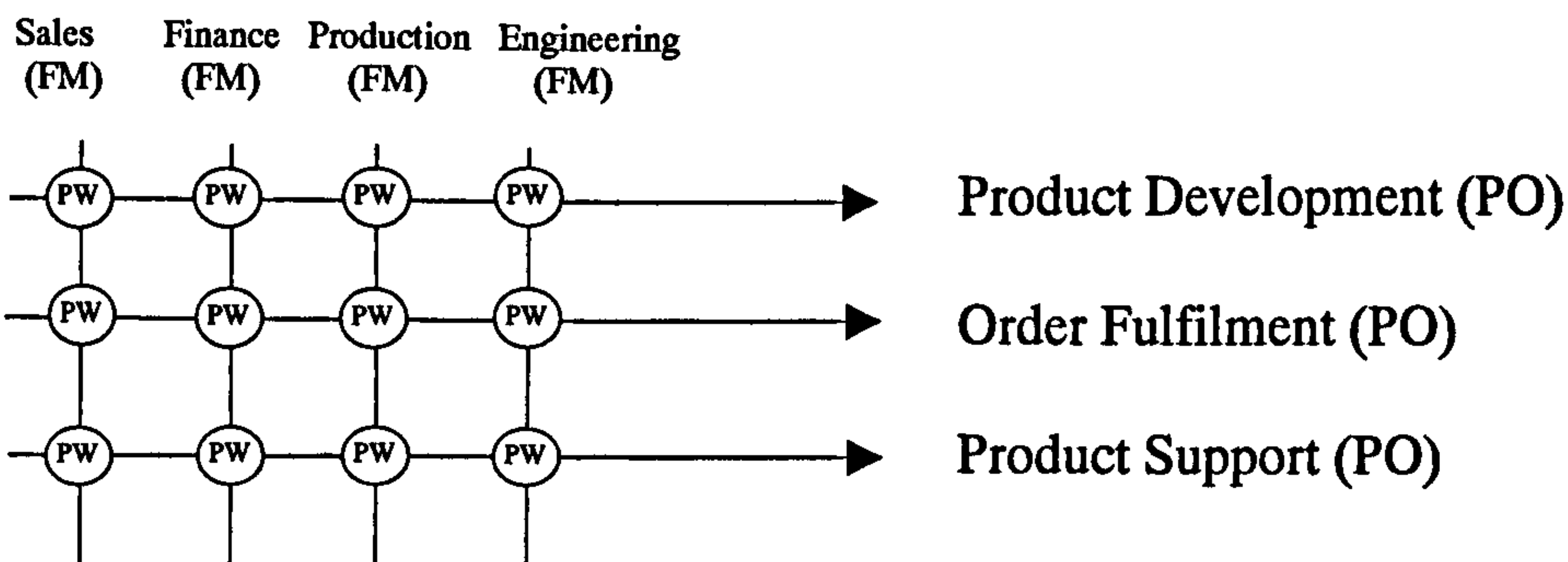


Figure 2.8. Matrix type of organisation

2.2.5.2. CO-ORDINATION COMPLEXITY

Considering an end-to-end business process, number of people involved in the process can be significantly higher than number of people involved in each function.

e.g.

Functional Organisation

In a functional organisation HRM & D objectives are much clearer because there is a single decision maker i.e the Functional Manager (FM)

Business Process Organisation

In a business process focused organisation, because of the matrix structure the HRM& D objectives would be significantly more complex where the engagement of the Process Owner (PO), Process Worker (PW) and the Functional Manager would be required.

2.2.6. DEVELOPMENT AND TRENDS IN HRM

Origin of the name of Human Resource Management came from British literature as personnel management.

Mary Felice starts the history of HRM / Personnel Management from the Romans time. According to her, ancient Romans structured work to be done by trained specialists who in turn were co-ordinated and motivated by managers (Felice,1998).

“These elements of human resource management- specialisation by skill, co-ordination through hierarchy and motivation by reward and punishment- prevailed throughout the Middle Ages and into the Industrial revolution” (Baird, 1992). Again, according to Felice (1998) “In the craft economy, workers were autonomous and had broad skills”.

Generally in literature history of HRM / Personnel Management starts from 1700s with Industrial Revolution in England (UK). In 1764, the steam engine invented by James Watt largely replaced human and water power for factories. In 1776 Adam Smith published “*The Wealth of Nations*”. In this work he wrote about the economic benefits of the division (i.e. specialisation) of labour (Felice, 1998, Gaither et al, 2002). Thus the late 1700s factories had both machine power and ways of planning and controlling the task of workers. (Gaither et al, 2002). The industrial revolution

extended from England to other European countries and US. In 1790 an American, Eli Whitney, developed the concept of “interchangeable part”. By industrial revolution societies change from agricultural to industrial societies.

In 1800s the previous “cottage system” of production had been changed by the “factory system”. (Gaither et al, 2002). Therefore, The mentor & apprentice model of work changed from guild and home shops to assembly line. That means repetitive tasks of works required few skills. Workers were interchangeable. In 1832 Charles Babbage wrote the book *On the Economy of Machinery and Manufactures*. In this book he expands on Smith’s division of labour. It was proposing that specialisation is relevant to mental work as it is to physical labour. In 1890s the term of shop management systems was born and workplace dominated by machines and technology. Also in 1890s personnel management was recognised as a function in the USA since NCR opened the first personnel office (www.hrnguide.net, 2004, Human Resource Management in a Business Context, 2nd edition). In 1895 “scientific management” was born with Frederick W. Taylor. Taylor published the definitive work *The Principles of Scientific Management* in 1911. His shop system employed these steps:

- Each worker’s skill, strength, and learning ability were determined.
- Stopwatch studies were conducted to precisely set standard output per worker on each task.
- Material specifications, work methods and routing sequences were used to organise the shop.
- Supervisor were carefully selected and trained.
- Incentive pay systems were initiated.

According to Freeman, “Most of the ideas in scientific management work were already known before Taylor’s time. Taylor’s contribution was to combine them into one, all-inclusive philosophy” (Freeman, 1996). In 1920s, Ford Motor Company’s operation embodied the key elements of scientific management:

Standardized product design

- Mass production
- Low manufacturing costs
- Mechanized assembly lines
- Specialization of labour
- Interchangeable parts

In 1913 Industrial Psychology influenced the development of HRM / personnel management. Managers realised that the one scientific way of doing a job did not work; that led to recognition of the importance of the people (individual). “Hugo Munsterberg, an experimental psychologist at Harvard University, contributed methods for analysing jobs in terms of their mental and emotional requirements and devised testing to help people perform their jobs better” (Felice, 1998). In 1932 Hawthorn Studies, conducted by Elton Mayo, concluded that human factors were often more important than physical conditions in motivating employees to greater productivity (Felice, 1998). (They focused on improving the productivity of individuals by experimenting with groups). As a result both researchers and managers alike were recognising that human psychological and sociological factors affected production. In 1920s in the engineering industry and other industries had new job titles “employment manager” and had “personnel departments”. Also between the first and second world wars, some of large companies like ICI, Pilkingtons and Marks & Spencer had their personnel department and own HR

specialist. In 1945 welfare work and employment management was used under the broad term “personnel management”. (www.cipd.co.uk, 2004).

In the 1950s and 1960s behavioural science subject of human relations and human factors approach had some movement to motivation and human performance. For example Maslow’s (1954) hierarchy of needs theory is published in his book *Motivation and Personality* provided an individual focus on the reasons why people work and a framework for gaining employees’ commitment. In 1954 Drucker published his book, *The Practice of Management* and he introduced in this book the five basic roles of managers. Also in this book, Drucker used the term “Human Resource Management (Ozbilgin, 2004). According to Baird, in 1960s “Managers began to realise that solution to productivity problems did not lie in either the job or the employee, but in a combination of the two. Managers became concerned about both the job and the worker and saw productivity as the results of properly matched jobs and people” (Baird, 1992). Douglas McGregor’s (1960) Theory X and Theory Y principles influenced the design and implementation of personnel policies and practices for over a decade (Felice, 1998). Niven’s classic history *Personnel Management 1913-1963* is the first reference book in UK under the name “Personnel management”. In 1968, Herzberg wrote in Harvard Business Review, that to improve job satisfaction, get full use of employees. As a result, during the 1950s and 1960s a lot of the work concerned with managing individuals in organisation underlined individual needs and motivation. Work in performance appraisal and training progressed. Many applied work in these fields related to managing and motivating individuals needs to identify with personnel psychology and industrial and organisational psychology. The more theoretical work came under the new area of organisational behaviourists.

In 1970s, Workers smothered by too much bureaucracy have leaders realising that job design, employee satisfaction and morale are as important as hiring, benefits, and crisis management. The human potential movement leads to job enrichment and integrated task teams. In 1973, David McClelland a Harvard University psychologist opened the discussion on how to test for competency. He wrote *Testing for Competence Rather Than for "Intelligence"* in *American Psychologist*. He asked "Do intelligence tests tap abilities that are responsible for job success?" (Felice, 1998). Also during the 1970s another discipline Organisational Behaviour, evolved under the name of Human Resource management, and was concerned the with safety and health of workers as well as individual satisfaction and performance.

In the early 1980s the term of Human Resource Management (HRM) arrived from USA. HRM is claimed to have originated only in the 1950s in North America with the works of Drucker (1954) and McGregor (1954) in academic area (Ozbilgin, 2004). However, the concept of HRM has got wider international recognition both by academics and practitioners by 1980s, specially in the English-speaking countries (Sparrow and Hiltrop, 1994). The modern view of HRM first gained fame in 1981 with the introduction of the MBA course in HRM| at Harvard Business School. The Harvard MBA provided a blueprint for other courses. The first publications on HR came from academics from Harvard Business School by Beer et al (1984) *Managing Human Assets* and university of Michigan by Tichy et al (1984) *Strategic Human Resource Management* from the US. From a practical point of view, in 1980s companies realise that encouraging commitment and increasing productivity at the same time as undertaking significant downsizing, requires employees to be involved in work redesign efforts (Felice, 1998). By the 1980s Personnel had become a well defined but low status area of management. For example British Institute of

Personnel Management (now the Institute of Personnel and Development) works were largely pragmatic and commonsensical and did not present a particularly coherent approach to people management even though the knowledge and practices encouraged draw on psychology and sociology, (www.hrsguide.net, 2004, Human Resource Management in a Business Context, 2nd edition). Management trends in 1980s included quality circles, employee attitude surveys, team-building programs, and Japanese style management. In the 1980s HRM was influenced by these management trends.

Management trends in 1990s included Change Management, Process Reengineering, Outsourcing, and Internet, Intranet, Extranet. By nature HRM followed the same trend as management. In the 1990s, the role of HR has changed from administrative to strategic partner (management) and from reactive to proactive. Thus, Human Resource Management takes each key area of HR management and summarises the “best proactive” approaches being adopted by leading edge organisations to accomplish this business-oriented role. Moreover the HR manager’s role is seen in its broadest possible extent and covers topics such as total quality management change management and organisational behaviour with which HR managers have begun to deal.

In 2000s Human resource management is becoming more important than ever. Line managers are getting involved in human resource management, and human resource managers are becoming an important component of the management team.

Compared with the past, today and tomorrow’s features (characters) of human resource management follow the more concentrated levels of national, regional and

global competition, projected demographic and workforce figures, expected legal and regulatory changes, and major technological improvements.

General trends in 2000s from a practical point of view, moved from centralising personnel responsibilities to returning them to line responsibilities. Trend goes toward greater decentralisation. e.g. Flexibility to cope with change, openness and simplified policies.

The 2000s have seen dramatic changes in international trade and business. As the increasing number of international companies, a large proportion of workforce is located in other countries. Consequently HR departments and their professionals have to be aware of operating across multiple countries and multiple cultures in a global context.

Competition gained a different dimension through some major environmental changes in organisational strategy and structure. These environmental changes need speed, quality, innovation and globalisation for companies that desire to survive internationally. As a result international Human Resource Management and Strategic International Human Resource Management concepts started to emerge.

Human Resource Management has a significant role in globalisation process of companies. Therefore new trend in Human Resource Management is globalisation.

Globalisation can have comprehensive implications for human resource management and management practice. Globalisation makes pressures for a common, often taken as best transferable set of HRM practices that can be extended around the world.

Currently, in HRM field people consider how they can effectively transfer the generic HRM practices (i.e. mobility).

Current and projected trends in HRM field are Internet recruitment and computerised human resource management information systems, which are enabling;

- Reduction of administrative work
- Placement of HR support remote from the actual place of work, consequently outsourcing becomes more realistic proposition.

2.2.6.1. CONCLUSION

It is now becoming clear that HRM is a business process, which needs to be part of every function within organisation and not just part of the HR department. Increasingly operational managers such as product development, engineering, production, sales etc are taking the responsibility for managing their own Human Resource with the HR function acting as the consultant with HR specific expertise.

Traditionally large organisations had large HR functions and smaller organisations, which could not justify a dedicated HR function, distributed the operational HR management responsibility to operational managers whilst hiring HR specialists on part time or consultancy basis to provide the required specialist expertise.

The trend now seems to be gravitation towards the small company model, with HRM being seen as an integral part of every function. Increasing number of large organisations are downsizing their HRM departments and redistributing the HRM responsibility to operational functions whilst keeping small core HRM department acting as the subject specific experts or they are outsourcing all of the HRM support functions (not the person) by transferring the administrative and specialist HR activities to business process outsourcing companies whilst maintaining the operational responsibility for HRM and development within operational functions.

Business Process Outsourcing (BPO) is a growing trend where companies are outsourcing non-core activities to companies who specialise in these activities. The most commonly outsourced processes include:

- **Finance and Administrations:**
- **Sales, marketing and customer care:**
- **Procurement Services**
- **Human Resources**

The most commonly outsourced HR activities are Payroll/ Benefit processing, Training and development, Hiring / Staffing, Employee benefits and Management.

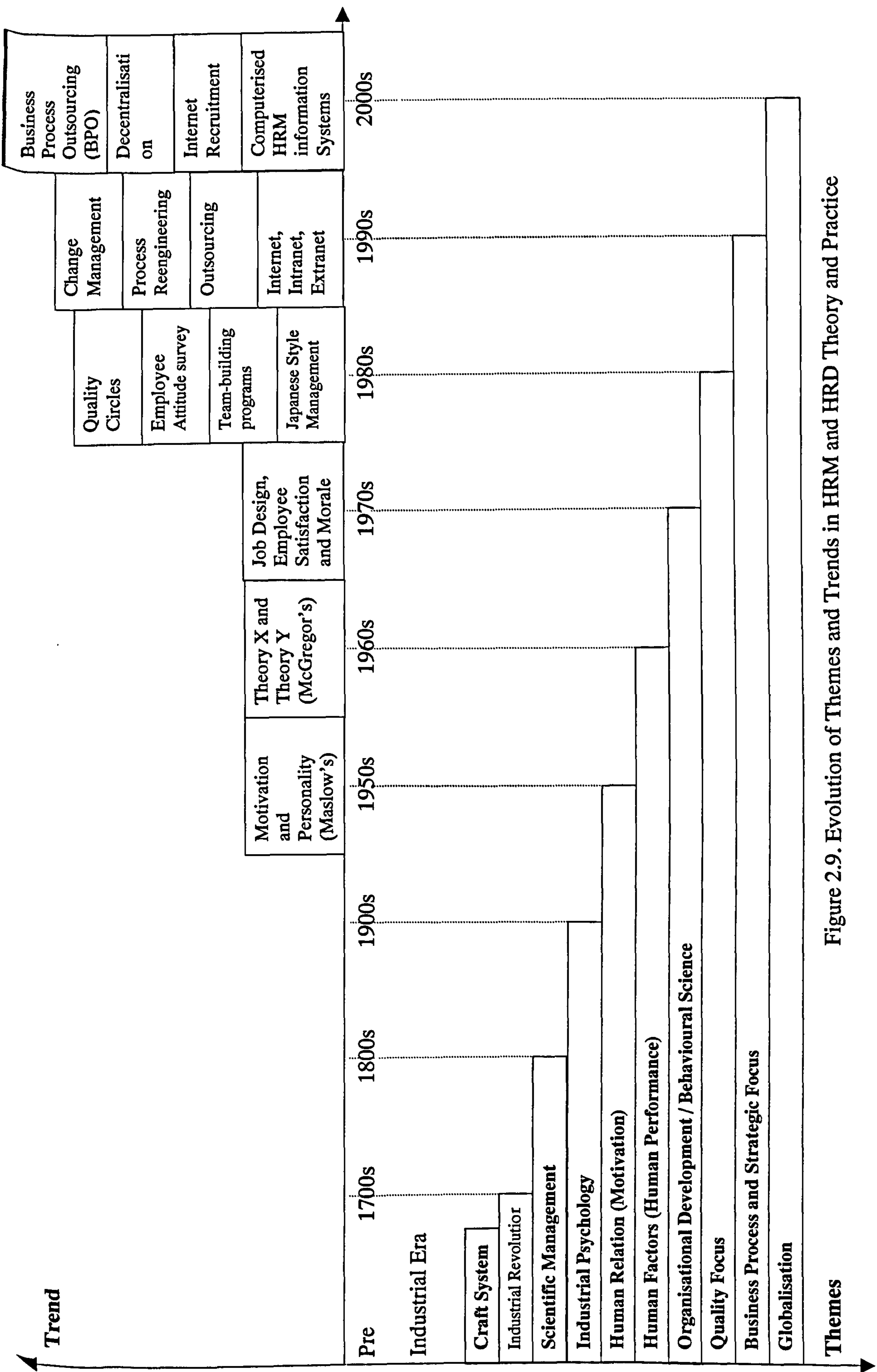


Figure 2.9. Evolution of Themes and Trends in HRM and HRD Theory and Practice

2.3. CONCLUSION

In this chapter, research adopted the Business Process Management systems view that provides end to end visibility of system from its inputs to outputs to HRM process. Then research mentioned the “hard and soft” HRM and systems approach and realises that there is a mismatch between the description (definitions) for “hard and soft” as used in the HRM field and systems engineering field. The research has analysed (criticise) the HRM literature and demonstrated two fundamental gaps which lack clarity on type of models (i.e. classifications) and their definitions, and lack of consensus on different types of HRM models.

The primary-objective of this research was to investigate the HRM practices from a business process viewpoint and to clarify the confusion in the field it was decided to take a hard system approach to modelling the HRM Business Process. The decision of taking a hard system approach to modelling the HRM Business Process is because it is more consistent with business processes approach.

For the reasons discussed above, the researcher decided to adopt a Business Process viewpoint to develop a Systems Model of HRM. The assumptions of this research are:

- HRM is a business process
- HRM is a support process therefore it starts with HR needs of an organisation and ends with fulfilment of this need on a continuous basis.
- HRM Process contributes to business objectives and strategy by providing HRM and HRD (Human Resource Development) support to all other processes. Therefore, it is a supplier to all other business processes.

Research questions (RQ) for this research introduces as follows:

RQ 1. Can HRM be defined and described as a Business Process?

RQ 2. Can the HRM Business Process Model be described both in its Hard and Soft context?

RQ 3. Is the reference model valid and completed?

RQ 4. Does reference model act as a guide for assessing HRM Business Processes?

RQ 5. Can we model the customer-supplier relationship in the HRM process and core processes and can we measure this relationship?

CHAPTER 3

RESEARCH METHODOLOGY

3.1. INTRODUCTION

This chapter introduces the research methodology design and quality criteria adopted in order to conduct this research. It starts with introducing the decision tree (Figure 3.1) for this research and then goes on to justify the decisions made along this decision tree.

3.2. RESEARCH PHILOSOPHY

In this chapter, the philosophy part of the research methodology is explained. The Research Decision Tree (Figure 3.1) summarises the research plan and consists of three parts:

- **Research Paradigm:** Positivistic and Phenomenological
- **Theoretical Framework:** Literature Based Theory Building and Grounded Theory
- **Methodology:** Action Research, Case Study Research and Constructive Research

This research follows the phenomenological research paradigm, Literature Based Theory Building and Constructive Case Study Research Methodology. Structured interviews and questionnaire are the two main research tools used.

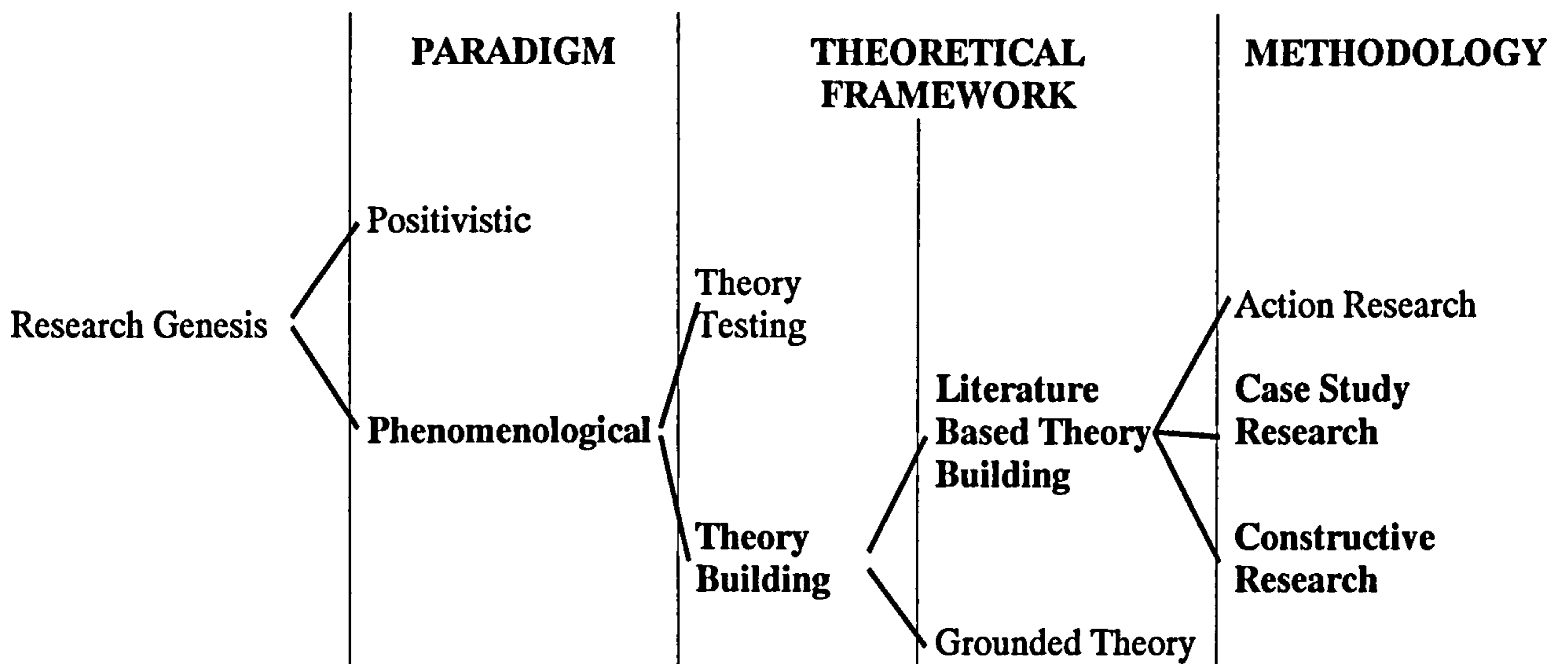


Figure 3.1. Research Decision Tree

3.2.1. RESEARCH GENESIS

The research began the same way as most research: with only a vague idea of the topic to be investigated and with the depth of research still to be discovered. In this case, the topic of interest was the Human Resource Management practices from a business process perspective.

3.2.2. RESEARCH PARADIGM

In academic research, the term paradigm is not clear and can mean different things to different people. Three definitions are given. Hussey & Hussey's (1997) definition of paradigm is the progress of scientific practice based on people's philosophies and assumptions about the world and the nature of knowledge; in this context, about how research should be conducted. Vogt's (1993) definition of a paradigm is "scientific discipline's orientation or way of seeing its subject matter". Marshall's (1994) definition of paradigm is "to signify a model, principle or an example to be used or followed".

Generally, there are two main research paradigms in research (Hussey & Hussey 1997). These are the positivistic and phenomenological / interpretivist paradigm. Positivist and Phenomenological paradigms have gone under a variety of other names (see Table 3.1). In a recent publication (2nd edition) by Easterby-Smith et al (2002) they use the two paradigms positivism and social constructionism. However, in their previous publication (1st edition) under the same name (Management Research, An Introduction (1999)), they categorised the research paradigm as positivistic and phenomenological or social constructionist. However, explanations and the meaning of ‘social constructivism’ are the same as phenomenological paradigm.

Table 3.1. Alternative paradigm names

Positivist	Phenomenological
Quantitative	Qualitative
Objectivist	Subjectivist
Scientific	Humanistic
Experimentalist	Interpretivist
Traditionalist	

Source: Hussey & Hussey 1997.

Hussey & Hussey (1997) defined Positivistic and Phenomenological paradigm as follows:

“Positivistic Paradigm: A paradigm based on the natural sciences which assumes that social reality is independent of us and exists regardless of whether we are aware of it. Therefore, the act of investigating reality has no effect on that reality and little

regard is paid to the subjective state of the individual. It is usual to associate a positivistic paradigm with measurement.

Phenomenological Paradigm: A paradigm, which assumes that social reality is in our minds; a reaction to the positivistic paradigm. Therefore, the act of investigating reality has an effect on that reality and considerable regard is paid to the subjective state of the individual. It is concerned with understanding human behaviour from participant's own frame of reference.”

Table 3.2 represents characteristics of Positivist and Phenomenological paradigm. The phenomenological paradigm is concerned with what, how and why questions of a complex phenomenon.

Like most business research, phenomenological paradigm has been chosen as the research paradigm here. Using subjective, interactive and interpretative processes. It assumes that the researcher is part of field (observation). The aim is to capture the insights and understanding of individuals and to give these expression and coherence through a process of analysis and interpretation. This research presents the measurements and meaning and understanding. However, it is more focus on meaning and understanding. The following phenomenological paradigm criteria are identified for this research:

- **Research questions:** Research questions for positivistic paradigm suggests that express a relationship between variables. Most of the time research questions

states as hypotheses and it identify the dependent and independent variables. Hypothesis shows the relationship between the dependent and independent variables. Also building a hypothesis has standard (Language) e.g. Null hypothesis (H0), alternate hypothesis (H1). In phenomenological paradigm, research questions are more subjective. There is an interaction between researcher and subject of study and research questions often evolve during the process of research (study progresses). The language of the questions is different from the positivistic paradigm. It is more flexible. In this research, like as most business research, phenomenological research paradigm language of the question style used. The research questions are:

- Can HRM be defined and described as a Business Process?
 - Can HRM Business Processes Model be described both in its Hard and Soft context?
 - Is reference model valid and completed?
 - Does reference model act as a guide for assessing HRM strategies?
 - Can we model the customer-supplier relationship in the HRM process and core processes and can we measure this relationship?
-
- Research plan: Developing the new theory and construct to explain the phenomena
 - Research location: Generally, research location for phenomenological paradigm is natural and conducted in the field and the researcher does not attempt to control anything. This research was located in several companies and that was

natural location. Researcher did not attempt to control any aspects of the phenomena.

- Research scope: HRM, BPM (Business Process Management)
- Type of data: Qualitative

Table 3.2. Paradigm features

Issue	Positivist	Phenomenological
(1) Reality	Objective and singular	Subjective and multiple
(2) Researcher-respondent relationship	Independent of each other	Interact with each other
(3) Values	Value-free=unbiased	Value-laden=biased
(4) Researcher language	Formal and Impersonal	Informal and personal
(5) Theory and methodology	Deductive	Inductive
	Simple determinist	Freedom of will
	Cause and effect	Multiple influences
	Static research design	Evolving design
	Context-free	Context bound
	Laboratory	Field/ethnography
	Prediction and control	Understanding and insightful, decision-making
	Reliability and validity	Verification
	Representative surveys	Case studies
	Experimental design	
	Nomothetic	Idiographic

Source: Adapted from Creswell (1994), Hussey & Hussey (1997) and Barker et al (2001)

3.2.3. THEORETICAL FRAMEWORK

The theoretical framework is used as a starting point for investigation, and as guidance for the first steps in the field. In this research the theoretical framework is divided into two parts: Literature Based Theory Building and Grounded Theory.

Research follows Literature Based Theory Building. The reasons are first; research developed theory from literature, second, case study and time availability.

- 1. Research developed the theory from literature:** The starting point was a literature review of business process architectures and models. Then research examined EFQM model and CIM-OSA Business Process Architecture in detail. The research concluded that Human Resources are key assets to the business and have a significant impact on the business results. The research used the existing theory and knowledge because; the existing literature provided what the research needs. So research does not need to collect data from companies for theory building (Grounded theory), because already there is significant information in the HRM field and results are accepted by industrialists and academics.
- 2. Case study availability:** Company structure (infrastructure) should be available to build theory according to research requirements. Data collection point in the company has to be available to give information. People working in the company should be available to give their time to help the researcher. Also, providing a place, arranging meetings etc. are very important. The company should also be suitable for research requirements also.
- 3. Time availability:** Searching and finding a suitable company, going and doing a case study there and arranging all the above, takes long time. Also, for generalisation (generation) theory research needs to approach more than one company.

3.2.3.1. LITERATURE BASED THEORY BUILDING

Generally all research starts with literature reviews and then research moves on to theory building. The theory building in literature pays more attention to grounded theory. Searching the words “theory building” generally comes across grounded theory. It gives information about grounded theory and its processes. There is no general knowledge about how to build theory from literature or what is the theory building process. Except Smeltzer and Zener, (1992) but they do not give anything about general process of literature based theory (Model) building. Lynham, (2000) openly criticises the lack of theory building methods. As a result of research for this point, Eisenhardt (1989) and Stake (1994) worked methods of theory building from case studies, Glaser and Strauss (1967) and Strauss and Corbin (1990) worked methods of grounded theory. However, there is no specific work for literature-based theory building methods and no one has attempted to develop literature based theory-building methods.

The literature classifies most of the research into inductive and deductive point of view. This research used the theory building and theory testing instead of inductive and deductive. Hussey & Hussey (1997) definitions of inductive and deductive research are as follow:

“Inductive research (Theory Building): A study in which theory is developed from the observation of empirical reality; thus general inferences are induced from particular instances.”

“Deductive research (Theory Testing): A study which aims to describe phenomena as they exist; it identifies and obtains information on the characteristics of a particular problem or issue.”

According to Gummesson (2000), “deductive research primarily tests existing theory, whereas inductive research primarily generates new theory“.

This research can be described in two parts. The first part as inductive and second part deductive. The literature-based theory (model) is grounded on the extant literature. Research used the existing knowledge as data and evidence then synthesises these results and develops model (theory). Research finished this part with validations. The second part is test the theory in the companies on the real world. Research finished second part with case studies results.

This research used accepted knowledge from the literature. The results are supported by several case studies.

The processes of theory building for this research is as follows:

Broad literature review: The starting point was Business Process, Business Strategy, Performance Management, and Performance Measurement.

Conclusion and Decision (Part 1): Research concluded the first part of literature review and decided to continue on Human Resource Management, Business Process and Modelling fields (Chapter 2).

Narrow literature review: Research concentrated on Human Resource Management, Business Process and Modelling literature i.e. existing Business Process models and HRM Models (Chapter 2).

Analyse data from Business Process literature: Research was starting to analyse well-known existing models in the business process literature, especially EFQM and CIM-OSA Business Process Architecture (Maull et al., 1995 and ESPERIT consortium AMICE, 1991). Narrow and deep literature review analysis results from business process point are as follows:

- The CIM-OSA Business Process Architecture classified Human Resource Management (HRM) as a support process together with finance and IT.
- The European Business Excellence Model (EFQM) makes the customer-supplier link between operate and HRM practices more explicit by highlighting the robust HRM practices to support the business process that delivers business results.
- Models for business processes have been developed by a number of researchers. e.g. Childe and Maull developed models of the operate processes using IDEF0 modelling technique. To date no one seems to have developed a business process model of the HRM business processes.

Analyse data from HR literature:

Research was continued with a study of existing models for HRM. Namely Michigan Model (Fombrun et al., 1984), Harvard Model (Beer et al., 1984), Guest's Model (Guest, 1987), Warwick Model (Hendry and Pettigrew, 1992).

Human Resource Management literature points of analysis results are as follows:

- There are confusions in the literature with respect to the definitions of different types of classification e.g. Analytical, Normative and allocation of various HRM models into that classification.
- No one seems to have attempted to apply the systems engineering approach and develop a business process view of the HRM process.

Develop model: The first version of Human Resource Management Business Process Model was initially developed following an extensive literature survey in the field of HRM (chapter 4).

Validation: Validation of the model has involved several companies in the UK. The first version of the model was validated through a questionnaire, which was sent to more than fifty companies. Fourteen responses were received. According to their comments and recommendations a second version of the model was developed. The second version of the model was validated by eight academics (chapter 4).

3.2.3.2. GROUNDED THEORY

Grounded theory was developed in 1967 by Glaser and Strauss. The method is also called the constant comparative method. Strauss and Corbin (1990, 1998) suggest that grounded theory is a technique which can be used to develop a theory and to ground the theory in the data, which supports the existence of a theory. This is a qualitative method. The primary aim of grounded theory is to construct theory from data collected from the field. The Strauss' and Corbin's (1990, p 24) definition of grounded theory is given as "a qualitative research method that uses a systematic set of procedures to develop and inductively derive grounded theory about a phenomenon". Glaser's (1992, p16) definition of grounded theory is "the grounded theory approach is a general methodology of analysis linked with data collection that uses a systematically applied set of methods to generate an inductive theory about a substantive area".

In this research theory investigation and model creation is based on literature review. Further development is based on responses received from industrialists and academics.

3.2.4. METHODOLOGY

Three main research methodologies were considered.

3.2.4.1. ACTION RESEARCH

The term Action Research was introduced in the paper "Action Research and Minority Problems" by Kurt Lewin in 1946. It characterises Action Research as "a

comparative research on the conditions and effects of various forms of social action and research leading to social action” using a process of “a spiral of steps, each of which is composed of a circle of planning, action and fact- finding about the result of the action”. (www.infed.org , the home of informal education, Action research, a guide to reading, prepared by Mark K. Smith, Last update: July 14, 2002, www.fau.edu Florida Atlantic University, How is Action Research Defined)

The assumption is that the social environment is consistently changing and research and researcher are part of this change (Hussey & Hussey, 1997, p64). In Action Research, the research should be relevant for scholars and practitioners. The definition of action research by Rapport is as follows:

“Action research aims to contribute both to the practical concerns of people in an immediate problematic situation and to the goals of social science by joint collaboration within a mutually acceptable ethical framework”.

According to Hussey & Hussey (1997) “the aim of action research is to enter into a situation, attempt to bring about change and monitor the results. The close collaboration required between the researcher and the client company poses a number of problems”.

Gummesson uses the term “Action Science” which suggested by Argyris et al (1985) who highlighted the difference between Action Research and Action Science. There are two reasons for suggesting action science. Firstly, projects based on action

research do not contribute enough to scientific research; it is closer to consultancy or journalism. Secondly, action researchers want to apply most of their time to traditional methodology that stems from the positivistic paradigm. According to Gummesson (2000, p17) “The combination of research and management consultancy that involves intervention into processes of decision-making, implementation and change is known as action research or action science. But it is difficult to establish criteria for good research and good consultancy respectively that would allow the same individual to take on both roles to the satisfaction of both the academic and the business community.” Hussey & Hussey summarised the main characteristics of action science, which are described by Gummesson as follows

- Action science always involves two goals: solve a problem for client and contribute to the science
- The researcher and the client should learn from each other and develop their competencies
- The researcher must investigate the whole, complex problem, but make it simple enough to be understood by everyone
- There must be cooperation between the researcher and the client, feedback to the parties involved and continuous adjustment to new information and new events
- Action science is primarily applicable to the understanding and planning of change in social systems and thus is a suitable research and consulting strategy for business organisations
- The corporate environment and the conditions of business must be understood before the research starts

- The methodology should not be judged solely by the criteria used for the positivistic paradigm, but by criteria more appropriate for this particular methodology.

Action research is also a process. Stephen Kemmis and his colleagues at Deakin University developed a basic model for the Action Research process. It consists of two cycles, each cycle having four steps. Cycle 1: Plan, Action, Observe, Reflect. Cycle 2: Revised Plan, Action, Observe, Reflect (adapted from Dick, 2000, Gabel, 1995, Seymour-Rolls and Hughes 2000). Gerald Susman (1983), also developed a model. These process models consist of five parts. Diagnosing: Identifying or defining a problem; Action Planning: Considering alternative courses of action; Taking Action: Selecting and executing a course of action; Evaluating: Studying the consequences of an action; Specifying Learning: Identifying general findings. The process continues until the problem is resolved.

3.2.4.2. CASE STUDY RESEARCH

Hussey & Hussey's (1997) definition of case study is a methodology which focuses on understanding the dynamics present within a single setting and is often used in the exploratory stages of research.

Yin (1998) distinguishes three types of case studies: Explanatory, Descriptive and Exploratory. Explanatory case study is to understand what is happening by using existing theory. Descriptive case study objective is restricted to describing current practice. Gummesson (2000) describes (Yin's) exploratory case study as a pilot study that can be used as a basis for formulating more precise questions or testable

hypotheses. According to Hussey & Hussey (1997) case studies are often described as exploratory research, used in areas where there are few theories or insufficient knowledge.

The objective of case study is to carry out intensive research on a specific object, usually a social object such as an individual person, a group, an institute, or a community (www.Metodix.com., 2002).

The characteristics of case study research are as follows (Yin 1994):

- The research aims are to explore certain phenomena and understand them within a particular context.
- The research is not limited regarding the starting point. e.g. set of questions and notions
- The research data collecting method can be both qualitative and quantitative

According to Hussey & Hussey (1997) the stages of case studies are as follows:

Selecting your cases, it can be a representative case or cases for statistical generalisations, or for theoretical generalisations, or critical case or cases which are more interesting for a researcher.

Preliminary investigations, it is helpful for conducting research

The data stage, determines how, where and when to collect data. Data collection usually combines data collection methods such as archive searching, interviews, questionnaires and observations. The evidence might be qualitative, quantitative or both.

The analysis stage, the researcher has a choice between case analysis and cross-case analysis.

The report stage, writing up case study material, both in determining an appropriate structure and demonstrating that analysis and conclusions link data mass.

3.2.4.2.1. LIMITATIONS OF THE CASE STUDY APPROACH

Although a case study approach is a very satisfying methodology, there are some limitations. Table 3.3 shows the strengths and weaknesses of the case study approach and data collections methods. Access to the appropriate organisation is often difficult to negotiate and the process of the research can be very time consuming. It is also difficult to define boundaries for the study and to select the right people sample. Finally, with a limited number of cases generalisation is difficult.

The following paragraphs describe how these limitations were dealt with during this research.

Time consuming: This is a fundamental limitation of case study research issues. The study was limited to four case studies, which were selected to represent a spread of small and large companies as well as high and low performing companies.

Sample size: In this case the sample size refers to two issues.

1. The number of companies selected. This will be dealt with under Generalisability (see below), and
2. Number and selection of people interviewed. In this research for each case study we interviewed people in three levels Managing Director (MD), Functional Manager and Functional Employee

Managing Director(MD) : As there is only one MD in each company the MD was interviewed.

Functional Manager: Each of the companies had a number of Functional Managers ranging between 2 and 5. It was decided that by interviewing only one Functional Line Manager the sample size would be 20% in the worst case. The Functional Manager to be interviewed was selected after consultation with the Managing Director (MD), as a typical representative of the Functional Managers in the organisation.

Functional Employee: In each company only one functional employee was interviewed. This was decided to be appropriate after discussion with each Functional Manager. The key requirement was that the Functional Employee had to

be balanced and typical representative of the functional employees across the organisation.

Type of visit: The options available to the research were Snapshot or Longitudinal studies. The snapshot option was selected as the preferred approach for the following reasons:

1. The objective of the study was to conduct an audit which tends to be snapshots in time by nature. The interview results were cross checked with company documentation available, which ensured reliability of findings, thus removing the need for longitudinal studies.
2. Availability of the time of the researcher.
3. Availability of access to the companies involved.

Generalisation: It is recognised that it is not possible to generalise the results with a limited number of (four) cases. However, it is argued that the results of the research are valid based on the evidence provided through these cases, therefore it is likely to be valid for other companies.

Table 3.3. Strength and weaknesses of the data collection techniques.

Adopted and Modified from Martinez 2003

Source of Evidence	Strengths	Weaknesses
Case Study	<ul style="list-style-type: none"> • Provide rich quantify of unpublished data • It gives a work reality, which is often absent from surveys • It is cheap, even one researcher can conduct it. • Does not compromise the objectives and time of the organisation under research. 	<ul style="list-style-type: none"> • It is time consuming • The whole issue of generalisation should be handled with caution • Since the case study provides rich information, this has to be handled logically and systematically
Interviews	<ul style="list-style-type: none"> • Targeted-focuses directly on the topic • Insightful-provide perceived causal inferences • When it is face-to-face the interviewer can clarify misunderstandings. • Effective for collecting large quantities of in-depth data • Researcher is not required to spend long periods of time on site. 	<ul style="list-style-type: none"> • Bias due to poorly constructed questions • Response bias • Reflexivity- the interviewee give what the interviewer wants to hear • One interview equal to one example of the whole population • Interviewing is time consuming • Data analysis is time consuming • Requires the researcher to gain access to the knowledge and meaning of informants.
Questionnaire	<ul style="list-style-type: none"> • Very time efficient for researcher and respondents • Respondents can be quantified for ease of analysis 	<ul style="list-style-type: none"> • Data collection depends on respondents goodwill • Quantity of data collected is limited • No opportunity for clarifications and deeper questions
Documentation	<ul style="list-style-type: none"> • Stable-these can be reviewed repeatedly • Data can be traced back over time • Multiple source can facilitate data triangulation 	<ul style="list-style-type: none"> • Documents may be limited and unavailable • Bias selectivity

3.2.4.3. CONSTRUCTIVE RESEARCH

According to Kasanen et al (1993) the constructive approach means problem solving through the construction of models, diagrams, plans, organisations, etc. According to Kari Lukka (2001) all human artefacts are constructions, such as models, diagrams, plans, organisation structures, commercial products and information system designs. The main characteristics of constructions are that they must be invented and

developed, not discovered. The constructive research approach stresses creativity and innovation in solving the problem (Olkkonen, 1994, adapted from Kleemola, A.,2002). The solution is based on using a theoretical framework in the normative part of the research process. Process follows verification and validation through an empirical study (Kasanen, 1991, adapted from Kleemola, A., 2002). Constructive research tries to close the gap between practice and academia.

According to constructive approach, the research process is divided into the following six phases (Kasanen et al, 1993):

1. Find a practically relevant problem which also has research potential.
2. Obtain a general and comprehensive understanding of the topic.
3. Innovate, i.e., construct a solution idea.
4. Demonstrate that the solution works.
5. Show the theoretical connections and the research contribution of the solution concept.
6. Examine the scope of applicability of the solution.

The constructive study characteristic is that the researcher's empirical intervention is explicit and strong (Lukka, 2001). According to Kari Lukka (2001), the ideal result of a constructive project is that a real-world problem is solved by an implemented new construction, which has both practical and theoretical contribution. He also mentioned that from an academic point of view, some projects that fail at a practical

level can still have significant theoretical implications (Lukka, 2001). Figure 3.2. shows the elements of constructive research (Kasanen et.al. 1993).

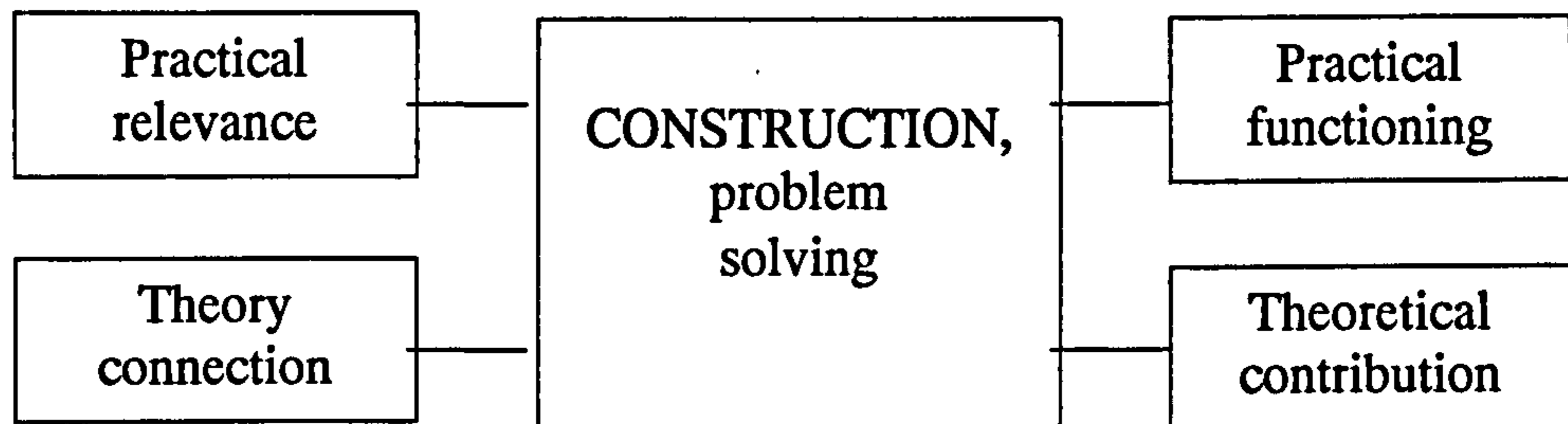


Figure 3.2. Elements of constructive research (Kasanen et al, 1993).

Constructive research is a type of applied study which produces new knowledge in the form of normative applications. Analytic model building also represents applied studies. However, the primary aim of analytic model building is “to produce an elegantly proved problem solution which works in principle but whose actual practical adequacy usually remains unclear” (Kasanen et al, 1993). In this case, according to Kasenen et al, (1993), constructive research is normative in nature. They also put the constructive approach in the Neilimo and Nasi classification as a normative-empirical area (Figure 3.3.).

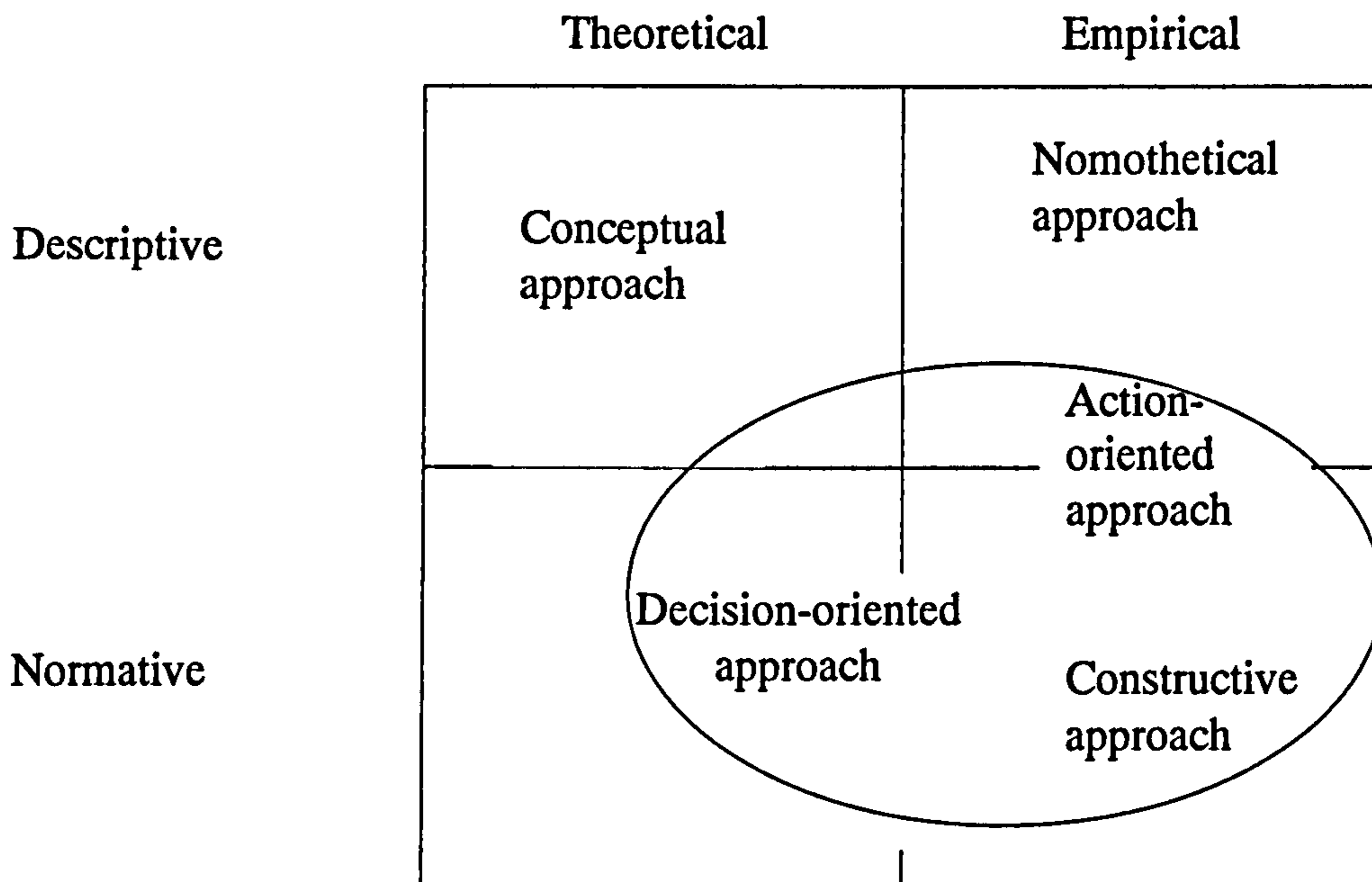


Figure 3.3. The location of the constructive approach into the established accounting research approaches (Kasanen et al, 1993).

Figure 3. is explained by Kasanen et al (1993) as follows:

The conceptual approach produces new knowledge primarily through the method of reasoning.

The nomothetical approach (natural scientific) is closely linked to the modernist (positivist) research tradition. The underlying explanatory model is causal and attempts are made to state findings in the form of laws.

The decision-oriented approach (management science oriented) is grounded on assumptions similar to the nomothetical one. However, the fundamental nature of the research, which in this case is normative, there is a difference, i.e. the results are meant to help management in running the firm.

The action-oriented approach (hermeneutic) brings the human being into the focus of analysis. The explanatory model is often teleological and the historical background of the phenomena studies is examined carefully.

The construction approach takes a position in the lower section of the typology, as shown in Figure 3.3 by an ellipse. It is normative and for the most part in the empirical area.

3.2.4.4 CONCLUSION

This chapter developed the research decision tree (Figure 3.1.) and introduced the concepts of components. According to this tree, research follows the Phenomenological research paradigm, Literature Based Theory Building and Constructive Case Study Research Methodology.

3.3. QUALITY OF THE RESEARCH

Based on the above conclusion Literature Based Theory Building and Constructive Case Study Research this research follows the Kasanen et. al.(1993), Yin(1994) and Gummesson (2000) quality criteria. The criteria are used to evaluate and discuss the quality of the research processes and the outcome of the research. This research follows the criteria based on the following contents.

3.3.1. CONSTRUCTIVE RESEARCH QUALITY CRITERIA BY KASENEN et al (1993)

According to Kasanen et. al. (1993) the quality criteria for constructive research are as follows:

- Practical and epistemological utility
- Theoretical connection
- Theoretical novelty
- Innovative solution or model
- Relevant, simple and easy to use (Relevance, simplicity and easiness of operation)
- Practical relevancy (relevance)

Furthermore, Kasanen et. al. (1993) states market test of construction and its pragmatic adequacy. These market tests are based on the concept of innovation diffusion. According to Kasanen et. al. there are three types of market test. Namely:

Weak Market test: Has any manager responsible for the financial results of his or her business unit been willing to apply the construction in question in his or her actual decision making?

Semi-strong market test: Has the construction become widely adopted by companies?

Strong market test: Have the business units applying to the construction systematically produced better financial results than those which are not using it?

3.3.2. CASE STUDY QUALITY CRITERIA BY GUMMESSON (2000)

According to Gummesson (2000) the quality criteria for case study research are as follows:

- The reader should be able to follow the research process
- The research (process) should allow the readers to draw their own conclusion
- The researcher should present his/her paradigm and pre-understanding
- The research should possess credibility
- The researcher should have adequate access to the process
- The research process should make a contribution
- The research process should be dynamic
- The researcher should possess commitment and integrity
- The researcher should have flexibility and openness (being able to adjust to changed conditions and new information)
- The researcher should satisfy the requirements of the researcher role such as personal experience, candour and honesty

3.3.3. QUALITY CRITERIA BY YIN (1994)

According to Yin (1994), the quality criteria for case study research and research design consist of following four tests:

- **Construct validity:** establishing correct operational measures for the concepts being studied;
- **Internal validity:** establishing a causal relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships;
- **External validity:** establishing the domain to which a study's findings can be generalised;
- **Reliability:** demonstrating that the operations of a study - such as the data collection procedures can be repeated, with the same results.

Furthermore Yin (1994) prepares the Table 3.4 about tactics for four design tests.

Table 3.4. Case study tactics for four design tests.

Tests	Case study tactics	Phase of research in which tactics occurs
Construct validity	<ul style="list-style-type: none"> • Use multiple sources of evidence • Establish chain of evidence • Have key informants review draft case study report 	Data collection Data collection Composition
Internal validity	<ul style="list-style-type: none"> • Do pattern-matching • Do explanation-building • Do time series analysis 	Data analysis Data analysis Data analysis
External validity	<ul style="list-style-type: none"> • Use replication logic in multiple-case studies 	Research design
Reliability	<ul style="list-style-type: none"> • Use case study protocol • Develop case study data base 	Data collection Data collection

Source: Yin (1994)

3.4. RESEARCH DESIGN

In this section, the research design and development process of model construction is presented. The process both data collection is outlined, as different phases of the process are described. The development of the research process is described as a whole process. In this picture, the research consists of seven parts. Namely, preunderstanding and understand, research design, constructing, validating and testing construct analysing the cases (companies) and validating and evaluating the research. The objective is to show how the data was gathered, which methods were used and how the interpretation of data was carried out.

This is constructive-case study research. Constructive research has been used to develop theory from literature and case study research has been used to test the theory against practice. Therefore, it is natural to follow the guidelines of constructive and case study research. The phases of the study are as follows (Figure 3.4):

- Preunderstanding and Understanding
- Research Design
- Constructing (Constructing Model)
- Validating Construct (Model)
- Testing Construct (Audit Workbook)
- Analysing the Four Cases (companies)
- Validating and Evaluating the Research

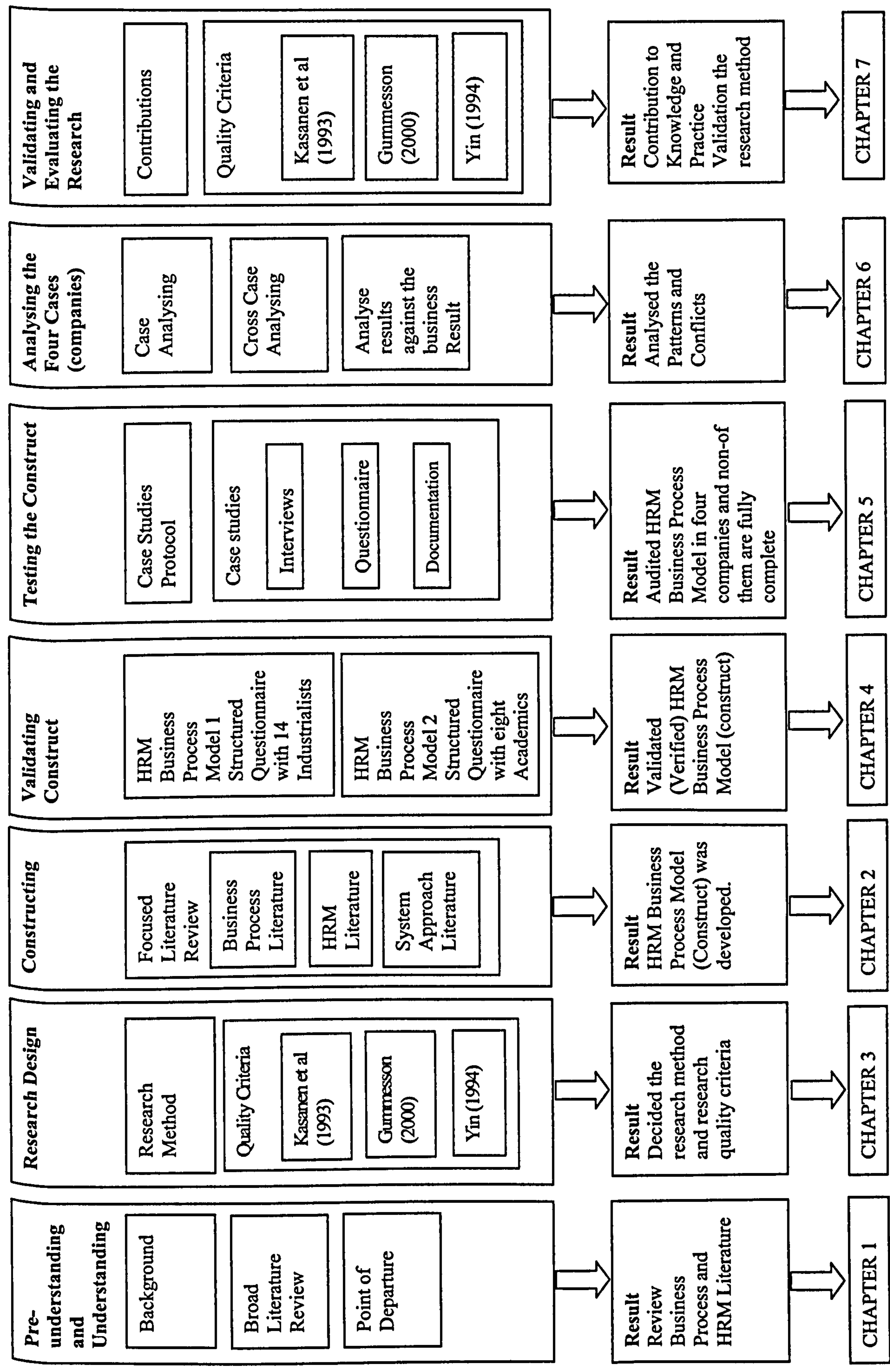


Figure 3.4. Phases of the research

3.5. RESEARCHER ROLE IN THE RESEARCH

The figure 3.5 summarised the researcher role in this research.

Pre-understanding and Understanding	Research Design	Constructing	Validating Construct	Testing Construct	Analysing the Four cases (Companies)	Validating and Evaluating the Research
Designing the research Carrying out the preliminary study Literature review	Review research methodology literature Design research method Analyse the research quality criteria and make a decision for this research	Conducting an extensive literature review Designing the construct (Model) Designing the questionnaires and doing corresponding Testing construct (model) together with academics and industrialist Organising interviews and analysing the data from industrialist and academics Designing the structure and the contents of the construct Making inferences for further development of the construct	Validating construct (model) together with academics and industrialist Sending standard questionnaire and information Conducting correspondence Collecting and analysing data	Prepare the Case Study Protocol for this research Conducting interviews Designing questionnaire Coding, categorising and analysing of all data from different sources and by different methods Conducting case studies Making inferences	Analysing raw data Turning raw data into knowledge Write a report for each case Analyse the (case and cross case) results	Ensuring the quality of research Ensuring the validity of the research outcome Evaluating the research

Figure 3.5. The researchers role in the case studies and different phases of the research

3.6 CONCLUSION

Research present in this chapter philosophical part of research methodology and the research design. In the philosophical part research decisions tree is developed and

followed the Phenomenological research paradigm, Literature Based Theory Building and Constructive Case Study Research Methodology.

Researcher's role in each phase presented in Figure 3.5.

As a summary, quality criteria applicable for this research is presented in table 3.5

Table3.5. Quality Criteria for this research

- The research project should be conducted in a manner that allows the readers to draw their own conclusion.
- The researcher should present his/her paradigm.
- The research should possess credibility.
- The researcher should have adequate access to the process.
- A statement should be made regarding the validity of the research.
- The research should make a contribution
- The research process should be dynamic
- The researcher should have commitment and integrity
- As an individual, the researcher should satisfy requirements such as pre-understanding through study and personal experience, candour and honesty

- Pragmatic and epistemological utility
- Innovative solution
- Usability
- Theoretical connection
- Potential fore more general adequacy
- Relevance, simplicity and easiness of operation

CHAPTER 4

EVOLUTION OF THE HUMAN RESOURCE MANAGEMENT (HRM)

BUSINESS PROCESS MODEL

4.1. INTRODUCTION

This chapter introduces the evolution of the HRM Business Process Model. It is structured in two sections. (1) Model development (2) Model validation. The model development part explains what the starting point was, why the researcher decided to develop this model and how the researcher developed the model. The model validation part explains the procedure and gives the validations results.

4.2. MODEL DEVELOPMENT

Two versions of the HRM business process model were developed. The first version was initially developed following an extensive literature survey in the fields of HRM, Business Process Reengineering (BPR) and Business Process Management. It was decided to divide the Model development into two parts; -General Process and HR-specific. The general process part explains where the research starts and the HR-specific part explains how the context of the HRM Business Process Model was developed.

Part One: General Process

The research began by reading literature on Business Process Reengineering, Business Process Management, Performance Management and Performance Measurement. During the literature review the researcher analyse two very well-known business process models -the EFQM Excellence Model (Figure 4.1) and

CIM-OSA Business Process Architecture (Maul et al, 1995 and ESPRIT Consortium AMICE, 1991) (Figure 4.2). These two models stress the same point, which is the importance of Human Resource Management (HRM).

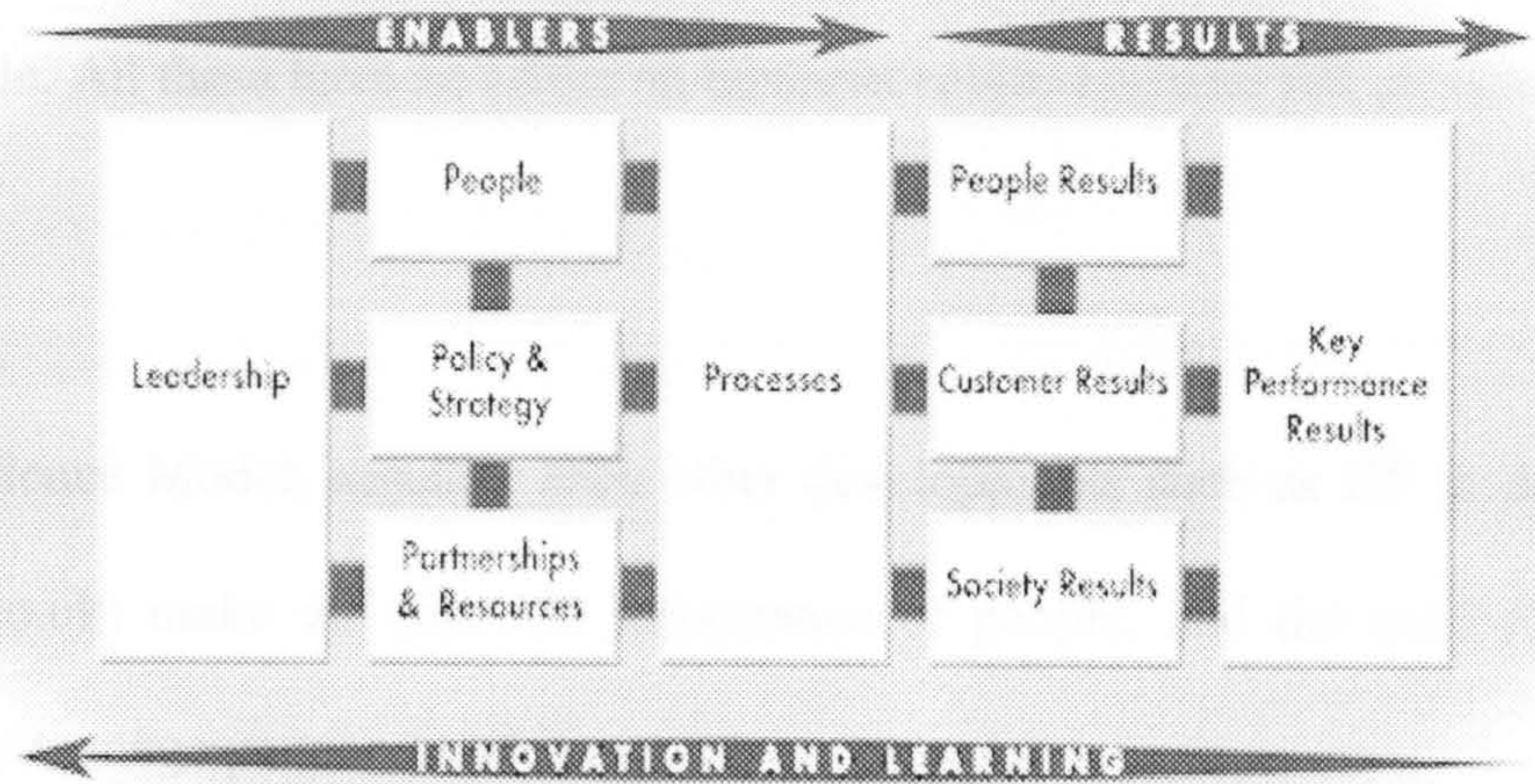


Figure 4.1. The EFQM Excellence Model

The EFQM Excellence Model was introduced in 1992 as the framework for assessing applications for The European Quality Award. The latest version of the EFQM Excellence Model is based on nine criteria, five being ‘Enablers’ and four ‘Results’. According to the EFQM web page (www.efqm.org), “the ‘Enabler’ criteria covers what an organisation does and the ‘Results’ criteria covers what an organisation achieves. “‘Results’ are caused by ‘Enablers’ and feedback from ‘Results’ help to improve ‘Enablers’. “The EFQM Excellence Model, which recognises there are many approaches to achieving sustainable excellence in all aspects of performance, is based on the premise that: Excellent results with respect to

Performance, Customers, People and Society are achieved through Partnerships and Resources, and Processes.” (www.efqm.org, Jan 2003).

The results of analysing the EFQM Excellence Model, People (Human Resources) criteria covers planning HR, managing and improving HR; identifying, developing and sustaining peoples’ knowledge and competencies; and involving and empowering people. All these have an effect on business results because HR are seen as key assets.

The EFQM Excellence Model, together with other developments such as IIP in the UK (www.iipuk.co.uk) make the role and importance of people, and the need for robust processes to manage people, explicit.

The CIM-OSA Business Process Architecture (Maull et al, 1995 and ESPRIT Consortium AMICE, 1991) classify business processes as Manage Processes, Operate Processes and Support Processes (Figure 4.2.). *Manage Processes* are processes that are concerned with strategy and direction setting, as well as with business planning and control. *Operate Processes* are processes directly related to satisfying the requirements of the external customer. *Support Processes* are processes, which support manage and operate processes through the resources provided (Childe, Maull and Benett, 1994). Within this architecture, HRM is classified as a Support Process together with finance and IT.

The business process architecture was adopted to provide the foundation and contextual fabric for the HRM business process model. This led to the adoption of the following viewpoints:

- HRM process is a support process. It exists to support all other processes within an organisation. Therefore, all other processes are customers of the HRM business process.
- The HRM process, in supporting its customers, must ensure that it maximises its contribution to the overall business objectives and strategy.
- Like any other business process, the HRM process is continuous, in line with Deming's PDCA (Plan, Do, Check and Act) cycle to continuous planning and improvement. Therefore, the HRM process should consist of the following sub-processes which make up the continuous cycle:


- Plan (Re-plan) HRM Strategy
 - Implement HRM Strategy
 - Monitor Impact on Business Results
- 



Figure 4.2. CIM-OSA Business Process Architecture

Part Two: HR-Specific

HRM literature can be divided into two parts -general (global) and strategic HRM. In this research the model, concept was developed from strategic HRM literature for the following reasons:

- Strategic HRM stresses the integration and adaptation of strategy (i.e. Schuler, 1992, Schuler and Jackson, 1999, Guest, 1989).**
- Strategic HRM is concerned with the contribution of business objectives and strategy.**

As numerous books and articles have been written in this field, the researcher concentrated on well-known selections. As mentioned above the HRM Business Process model consists of sub-processes and activities. Table 4.1 gives all these activities and the authors who emphasise them. The named activities are specific to this research model. In other words, the research developed its own terminology. For example the “establish current capabilities” activity, is referred to as “human capital” by some authors (i.e. Mark Huselid, Susan Jackson, Randal Schuler). Descriptions of these activities are given in section 4.4 (Description of HRM Business Process Model).

The concept of HRM Business Process Model activities was developed after a detailed analysis of the literature review in the HRM field, for example, Set Objectives. Many authors such as Shaun Tyson (1994, 1997), Michael Armstrong and Phil Long (1994), Michael Armstrong (1992), Randall Schuler and Susan Jackson (1999) stress the importance of “set objectives” activities in Strategy and HR

strategy. Shaun Tyson (1997) defined the HR strategy and stressed the importance of organisational objectives linking with HR objective. In the publication by Michael Armstrong and Phil Long "The Reality of Strategic HRM" (1994) one of the strategy formulating process components is "set objectives".

The following list comprises the research literature used in compiling the context of the HRM Business Process Model. .

Books
Michael Armstrong and Phil Long, (1994), "The Reality of Strategic HRM".
Michael Armstrong, (1998), "Human Resource Management strategy & Action".
Ian Beardwell and Len Holden, (1997), "Human Resource Management: a contemporary approach."
Randall S. Schuler and Vandra L. Huber, (1993), "Personnel and Human Resource Management."
John Storey and Keith Sisson, (1993), "Managing Human Resources and Industrial Relations".
John Storey, (1994), "Developments in the Management of Human Resources, An Analytical Review".
Shaun Tyson, (1995), "Human Resource Strategy, Towards a general theory of Human Resource Management".

Articles

Catherine Truss and Lynda Gratton, (1994), "Strategic human resource management: a conceptual approach", *The International Journal of Human Resource Management* 5:3 September, pp. 663-686.

David E. Guest, (1997), "Human Resource Management and Performance: a Review and Research Agenda", *The International Journal of Human Resource Management*, Vol. 8, No. 3, June, pp. 263-276.

Mark A. Huselid, Susan E. Jackson, Randall S. Schuler, (1997), "Technical and Strategic Human Resource Management Effectiveness as Determinants of Firm Performance", *Academy of Management Journal*, Vol. 40, No. 1, pp. 171-188.

Ken Kamoche, (1996), "Strategic Human Resource Management within a Resource-capacity View of the Firm", *Journal of Management Studies*, Vol. 33, No. 2, March, pp. 213-233.

Patrick M. Wright, Gary C. McMahan, (1992), "Theoretical Perspectives for strategic Human Resource Management", *Journal of Management*, Vol. 18, No. 2, pp. 295-320.

Table 4.1. Activities and reference authors

	Set Objectives	Establish Current Capabilities	Plan	Negotiate Budget	Set HR Policies	Control HR	Recruit Assess Select	Train Educate Develop	Manage HR Performance	Manage Redeployment	Negotiations for Working Conditions
Michael Armstrong	✓	✓	✓	✓	✓	✓	✓		✓		
Ian Beardwell			✓		✓	✓	✓	✓	✓		✓
Lynda Gratton	✓		✓		✓						
David Guest					✓	✓	✓	✓	✓		
Len Holden					✓	✓	✓	✓	✓		✓
Vandra Huber	✓		✓	✓	✓	✓	✓	✓	✓		✓
Mark Huselid		✓			✓						
Susan Jackson	✓	✓		✓	✓	✓	✓	✓	✓		✓
Ken Kamoche		✓									
Phil Long	✓	✓	✓		✓	✓			✓		
Gary McMahan		✓	✓	✓		✓	✓	✓	✓		
Randal Schuler	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Keith Sisson			✓		✓		✓	✓	✓		
John Storey	✓		✓		✓		✓	✓	✓		
Catherine Truss	✓		✓		✓						
Shaun Tyson	✓		✓	✓	✓	✓	✓	✓	✓		✓
Patrick Wright		✓		✓		✓	✓	✓	✓		

4.3. MODEL VALIDATION

The validation process consists of two stages, stage one industrialists and stage two academics.

As previously mentioned, the first version of the model was initially developed following an extensive literature survey in the field of HRM. The first stage of the validation process involved several UK manufacturing companies and the first version of the model was validated through a structured questionnaire sent to more than fifty companies. Fourteen responses were received to this questionnaire and from comments and recommendations given, a second version of the model was developed. In stage two of the validation process, the second version of the model

was validated by eight academics. The questions posed, and the results for each case are summarised in Tables 4.2 and 4.3. The questionnaire details and validation results are given in Appendix 1(Model Validations).

Industrialists and academics were chosen to validate the model to gain a practical and a theoretical point of view respectively. As the model was developed from literature the first version was validated by industrialists first. Being theory the researcher wanted to prove that the model (sub-processes and activities) exists in real life. The second validation was for model description (e.g. normative).

Table 4.2. Validation results for version 1 of the HRM business process model

Company Code	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Do you agree that the "HRM Process Model" should exist in an organisation?	✓	✓	✓	✓	✓	✓	✓	✓	⊙	✓	✓	⊙	✓	✓
Should the activities included in the process model be part of the HRM process?	✓	✓	✓	✓	✓	✓	✓	✓	⊙	✓	✓	⊙	✓	✓
Do you agree that the model is complete?	✓	⊙	X	✓	✓	X	✓	✓	X	✓	✓	✓	⊙	X
Do you agree with the classification of activities?	✓	⊙	✓	✓	✓	✓	✓	✓	✓	⊙	✓	✓	✓	✓
Do you agree with the title of each activity?	✓	X	✓	✓	✓	✓	⊙	✓	⊙	X	✓	✓	✓	✓
Do these activities exist in your organisation?	◆	⊙	◆	◆	◆	✓	✓	✓	◆	◆	◆	⊙	✓	✓
Are these activities formal activities in your organisation?	◆	⊙	◆	◆	◆	✓	◆	◆	◆	⊙	◆	⊙	✓	◆

YES : ✓ NO : X Some and Most of them : ◆ No Comment : ⊙

Table 4.3. Validation results for version 2 of the HRM business process model.

	Karen Legge	Catherine Truss	Randall Schuler	Ashly Pinnington	David Guest	John Gennard	Roger Maull	Steve Childe
It is a System Model	X	✓	✓	X	✓	✓	✓	X
It is a Normative Model	✓	✓	✓	✓	✓	X	✓	X
It is complete	X	X	X	X	X	✓	X	X

Characteristics of academics summarised in Table 4.4.

Table 4.4. Academics name and their fields

Academics	Academics Field
Karen Legge (UK)	Human Resource Management (HRM from a personnel perspective)
Ashly Pinnington (Australia)	
John Gennard (UK)	
Randall Schuler (US)	Strategic Human Resource Management (HRM from a business perspective)
Catherine Truss (US)	
David Guest (UK)	
Roger Maull (UK)	Business Process Modelling and Business Process Reengineering
Steve Childe (UK)	

Through the two-stage validation process it is demonstrated that, from an industrial perspective, UK industrialists agree with the scope and completeness of the model, while academics seem to disagree. Although there is disagreement over the completeness of the model, the fact is that most of the respondents agree that the model presented is a systems model and it is normative. One may conclude therefore that the model is clear, understandable and unambiguous. Also, that research adaptation for a systems approach to HRM is successful. These results support a Systems Approach, which is based on Systems Engineering principles, that clarify any ambiguity that may arise.

4.4. DESCRIPTION OF HRM BUSINESS PROCESS MODEL

The HRM Process model presented in this research illustrates HRM as a business process. This model seeks to develop a better understanding of Human Resources Management and integrates HRM and business strategy.

The Human Resources Management Process model consists of three sub-processes:

- **Make HRM Strategy**
- **Implement HRM Strategy**
- **Monitor Impact on Business Results**

Each of these sub-processes consists of a number of activities. Figures 4.3 and 4.4 show the first and second versions of the Human Resources Process models developed in schematic format. Figure 4.5 illustrates version 2 of the HRM Business Process in an IDEF0 format and the following paragraphs provide an explanation of the model.

- ***Make HRM Strategy*** - uses business strategy and objectives and requirements of key business processes to formulate an integrated HRM (Human Resource Management) strategy by setting objectives, establishing current capabilities, negotiating appropriate budgets for realistic implementation of the plan and setting HR policies.
 - ***Set Objectives*** - activity interprets business strategy and objectives and requirements of other key business processes to HRM requirements and objectives.

- ***Establish Current Capability*** - activity establishes the current HR capability within business and its key processes to meet the set objectives.
- ***Plan*** - activity develops a plan, including budgets, which defines course of action the business needs to adopt to build upon its current capabilities and develop its HR in line with the stated HR objectives and requirements.
- ***Negotiate Budget*** - activity uses requirements of the plan to negotiate financial resources, which will lead to the successful implementation of HRM strategy.
- ***Set HR Policies*** - activity sets up types of compensation, staffing methods, appraisal methods, form of training and development and working conditions for relevant strategic needs.
- ***Implement HRM Strategy*** - sub-process implements the HR strategy by controlling HR planning, monitoring, utilising, recruiting, assessing and selecting the right people in order to develop, train and educate them. This is performed by managing HR performance through review and appraisal and will result in redeployment of Human Resources.
- ***Control HR*** - to make sure that Human Resources are planned and correctly applied and monitored in accordance with the objectives and requirements of the organisation.

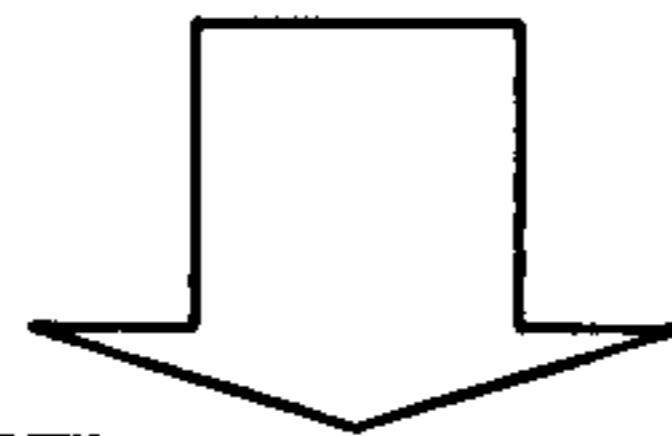
- ***Recruit*** - activity is concerned with bringing Human Resources (HR) positions in line with HR requirements from internal or external sources.
- ***Train, Educate, Develop*** - activity is concerned with upgrading existing people capabilities within the business in line with Human Resources objectives.
- ***Manage HR Performance*** - activity is concerned with setting targets for individuals, monitoring progress against targets and identifying necessary training, education and development needs, as well as deciding a reward and disciplinary action.
- ***Manage Redeployment*** - this activity, having identified a deficiency in a job position that cannot be rectified through training, education or development, is concerned with redeployment of the current job holder within or outwith the organisation.
- ***Negotiations for Working Conditions*** - activity concerns requirements of people and capacity of business. It is related to HR policies and HR plan (people (staff) terms and conditions).
- ***Monitor Impact on Business Result*** - this sub-process monitors the impact of the HRM process on business performance through monitoring its contribution to the business strategy and objectives and other key business processes.

- ***Monitor Impact on Business Strategy*** - this activity monitors the impact of HR strategy on business strategy, as well as business performance.
- ***Monitor Impact on People Satisfaction*** - this activity is concerned with establishing how well the business satisfies its employees.
- ***Monitor Impact on Manage Process*** - this activity is concerned with monitoring how well HRM strategy and implementation satisfies the requirements of manage processes. Manage processes formulate strategy and set the direction for the whole business.
- ***Monitor Impact On Operate Process*** - this activity is concerned with monitoring how well HRM strategy and implementation satisfies the requirements of operate processes. Operate processes consist of Get Order, Develop Product, Fulfil Order, Support Product.
- ***Monitor Impact On Support Process*** - this activity is concerned with monitoring how well HRM strategy and implementation satisfies the requirements of the support processes. The support processes, including finance and IT, enable the operate process function.

4.4.1. PRACTICAL CONSEQUENCES OF LINKING THE HR PROCESS TO STRATEGY

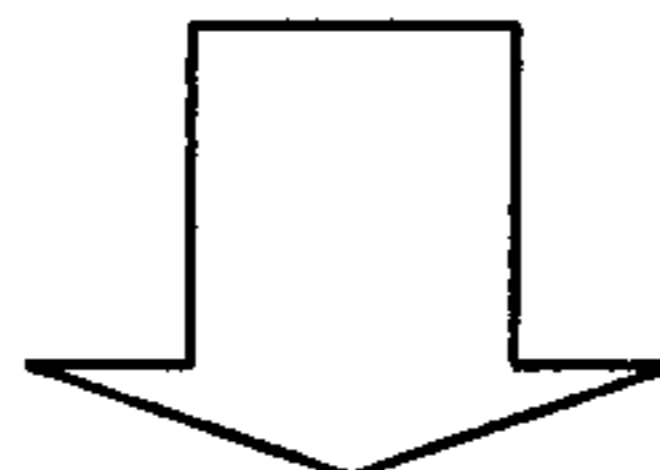
Following example demonstrates the linkage between strategy and HRM process, in terms of practical consequences.

Business Strategy: to provide a responsive service to the market which stands above our competitors.



Order Fulfilment Process: Ability to react to changer (up and down). In very short time scales with minimum or no additional cost. To achieve this we need to have

- Flexible equipment, which is early, configured.
- Multiskilled people who are flexible with their making times.
- Making contracts that optimises cost of working flexible times.



HRM Process needs to:

1. Develop a strategy for multiskilling
2. Develop a strategy for moving to flexible contracts which optimise the cost

If the HRM process fulfils its objectives, as stated in this example, the Order Fulfilment Process will become more responsive and flexible, thus contributing towards achievement of the Business Strategy.

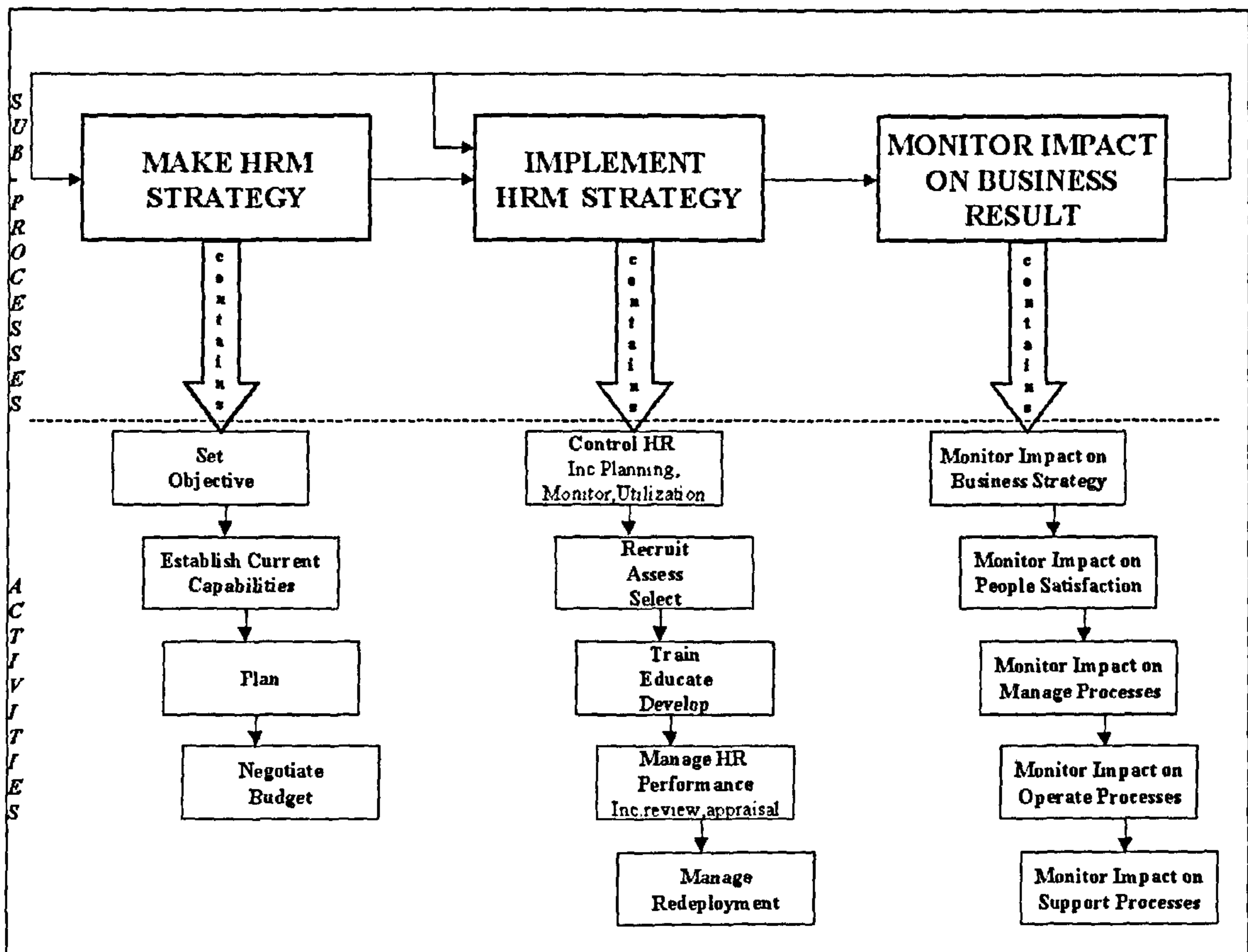


Figure 4.3. First Version of HRM Business Process Model

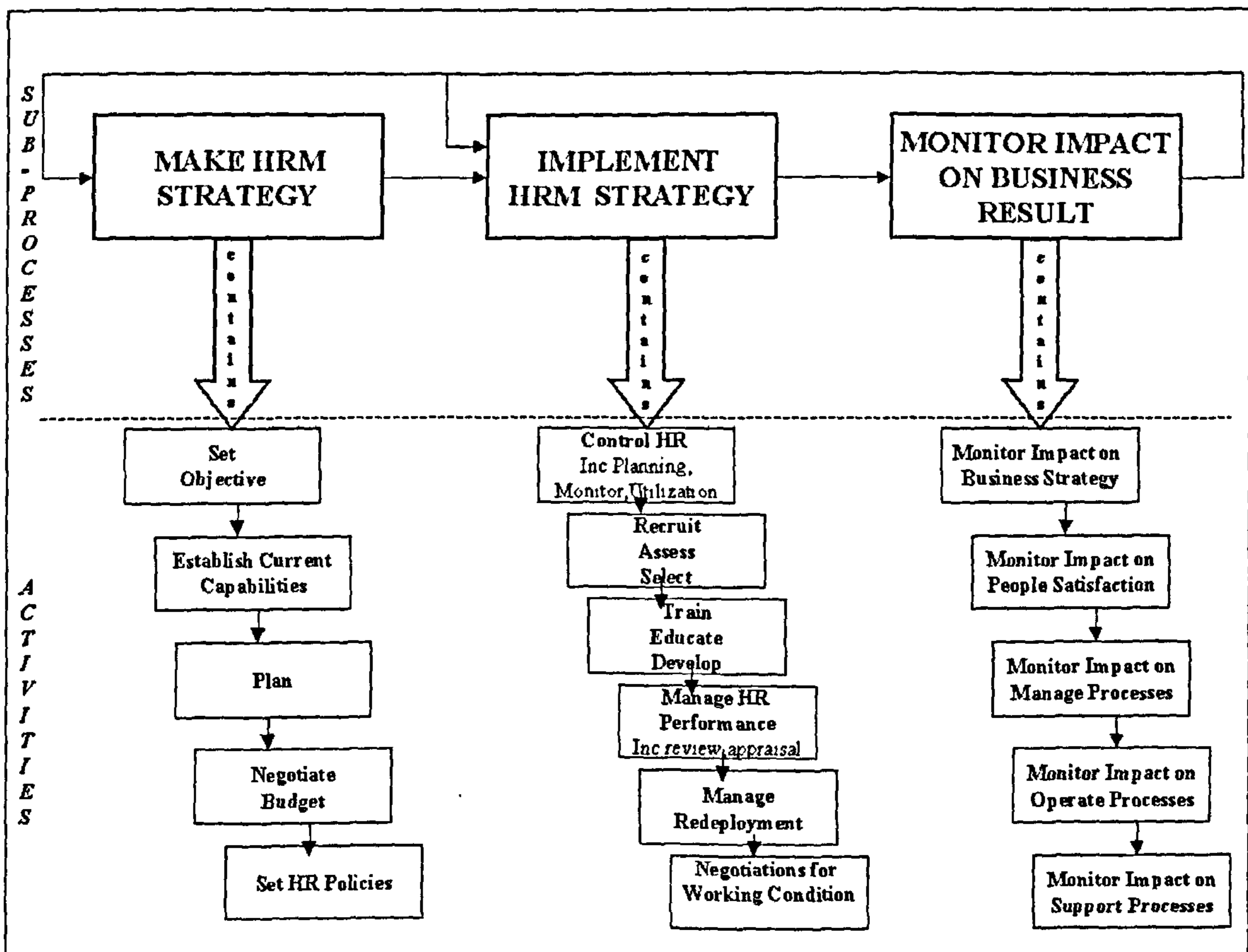


Figure 4.4. Second Version of HRM Business Process Model

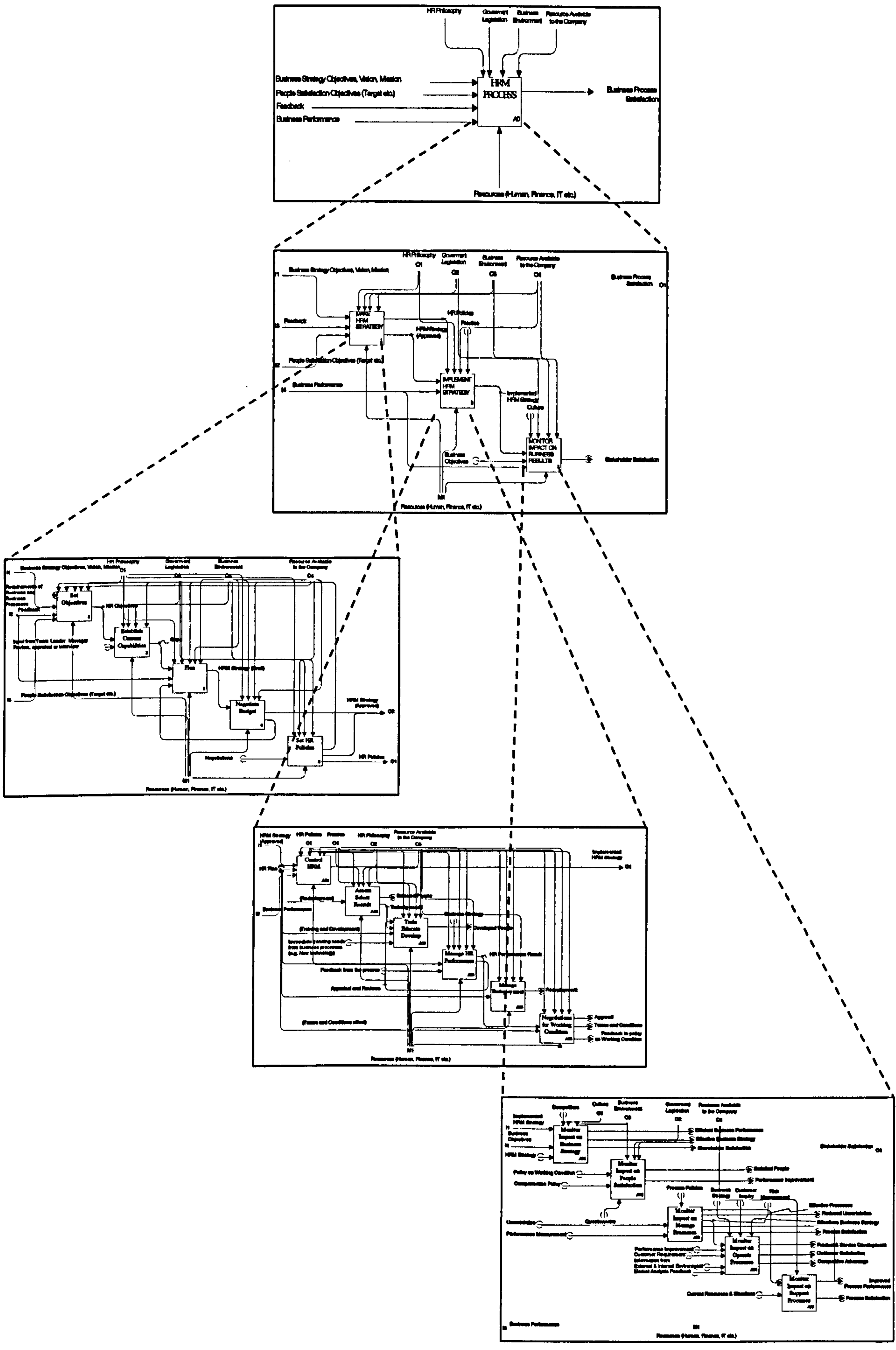


Figure 4.5. HRM Business Process Model on IDEF0

4.5. HUMAN RESOURCE MANAGEMENT (HRM) BUSINESS PROCESS MODEL IN IDEF0

The IDEF (Integrated Computer Aided Manufacturing Definition) method was developed by the US Air Force some 20 years ago as a complete systems modelling methodology. This method contains more than one technique, starting from IDEF0 to IDEF5 (www.Idef.com web page provides more detailed information about the IDEF family.). IDEF0 is a method designed to model decisions, actions and activities of an organisation or system. IDEF0 was derived from well-established graphical language, the Structured Analysis and Design Technique (SADT). IDEF0 is useful for establishing the scope of analysis, especially for a functional analysis. It is a top-down hierarchical method that provides a description of functions and processes. The configuration of IDEF0 is shown in Figure 4.6.

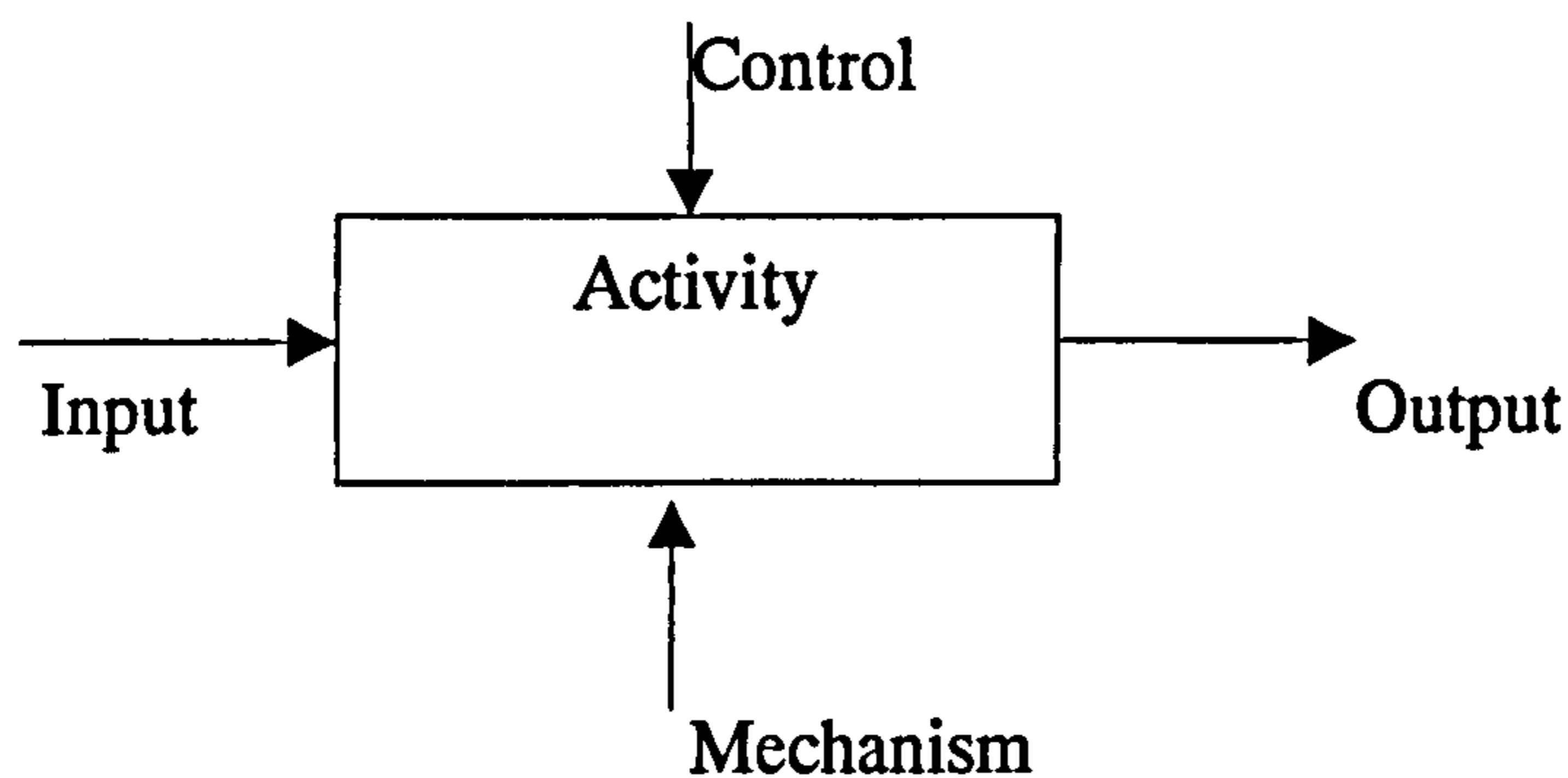


Figure 4.6. IDEF0 Configuration

The IDEF0 technique uses one box for all activities. IDEF0 asks the following questions:

- What activities, concerned with conceptualising business and HRM, are required?
- What inputs are transformed into what outputs?
- What controls these activities?
- What resources are needed to perform these activities?

As the objective of the research was to develop a complete process model for the HRM business process, it was decided, in the first instance, to develop a functional model using the well-known and broadly accepted IDEF0 technique.

The IDEF0 model for the HRM Business process was developed from an extensive literature survey (all inputs, outputs, control and mechanism). The HRM Business Process Model sub-processes and activities are presented as IDEF0 in Figure 4.5 and detailed Appendix 1(IDEF0).

CHAPTER 5

CASE STUDY PROTOCOL

5.1. INTRODUCTION

This chapter introduces the case study protocol, the first part giving general information and the second part giving detailed information.

5.2. GENERAL INFORMATION

Case study protocol is a guide containing all procedures and general rules that are followed to execute a case study. According to Yin (1994), protocol is a major component in asserting the reliability of case study research, i.e. the research mentioned in Chapter 3 in Table 3.3. The protocol should contain:

- Case study questions (specific questions that the investigator must keep in mind during data collection). These could be questions posed to the investigator and reminders regarding the information that needs to be collected.
- An overview of the case study project (objectives, case study issues, topic being investigated) which allows the reader to understand the general topic of inquiry and the purpose of the case study.
- Field procedures (credentials and access to site, sources of information). These procedures also cover data collection issues.
- A guide for case study report (outline, format for the narrative). This tells how the results should be reported. (Yin, 1994, p.64).

Stake (1995) and Yin (1994) identified six sources of evidence in case studies.

- Documents
- Archival records
- Interviews
- Direct observation
- Participant observation
- Physical artifacts

Documents can be letters, memos, agendas, announcements, newspaper articles, or any other document pertinent to the investigation, i.e. documents useful for deduction of events.

Archival documents can be service records, organisational records, maps and charts, lists of names, survey data, personal records.

Interviews provide one of the most important sources of case study information. There are several forms of interviews, namely, Open-ended, Focused and Structured or Survey. In an open-ended interview, the key respondents' opinion about events can be asked. The respondents might suggest solutions or provide an understanding of certain events. They might also confirm evidence obtained from other sources.

A focused interview is used when the respondent is interviewed for a short period of time and usually asked to answer set questions.

A structured interview is similar to a survey, when data is gathered in cases such as neighbourhood studies.

Direct observation is when a field visit is conducted during the case study.

Participant observation is when the researcher is an active participant in a case study.

Physical artefacts are instruments, tools or other physical evidence that might be collected during the study as part of the field work.

5.3. DETAIL INFORMATION FOR THIS RESEARCH

5.3.1. BACKGROUND OF THE RESEARCH AND OVERVIEW OF THE CASE STUDY

The background of the research and the model are detailed in chapter 1 and chapter 5.

The objective of the case studies conducted in companies was to compare the current HRM processes to the HRM Business Process Reference Model.

5.3.2. FIELD PROCEDURE

5.3.2.1. DATA COLLECTION

A combination of data collection methods was used throughout including interviews, questionnaire and documentation.

The reason the researcher used a combination of three different data collection methods was to strengthen the reliability of the research by verifying the validity of the data. The research compiled the data, based on interviews using a structured questionnaire and comments received. Documents were used to support interviewee answers and to check the consistency of the same. The researcher's interpretation was based on this evidence.

Interviews: The researcher used a structured interview questionnaire in all the companies, carrying out three interviews in each one. One interview was with the Managing Director, another with a Senior Manager (Manager 1) and the third with a Line Manager (Manager 2) who reported directly to the worked for the first mentioned Manager1. Each interview took between 50 and 90 minutes and was completed over two visits totalling approximately one-man day. During the interview the researcher and the person being interviewed had the same questionnaire. If more information was needed or if any point was misunderstood, the researcher was on hand to clarify things.

Questionnaire: An audit workbook was prepared by the researcher for use during the interview. The purpose of this workbook is to compare the HRM Business Process reference model and the company's HRM processes.

Documents: Documents were used by the researcher to support interviewee answers, i.e. to prove consistency between answers and reality and also to compare interviewees' answers.

The advantages of using a structured questionnaire for all the interviews are as follows:-

- Information and data is standardised
- Results are more reliable
- Research and case study has greater objectivity, consistency and compliance
- New insights can be brought to the research issue
- The process helps to minimise any misunderstanding
- Interviews are easier to conduct and considerably easy to analyse

5.3.3. CASE STUDY QUESTIONS

The researcher designed an audit workbook consisting of eleven sections totalling 54 questions. The questions in each section relate to the HRM Business Process Model. “Monitor Impact on Business Results” part was not used in the audit workbook because

1. The existing research both in the HR field (i.e. HR Scorecard) and in the Business Process field (i.e. EFQM Model) demonstrate strong links between HR Activities and Business Results.
2. The questions posed (i.e. 6,22,23,38, 39 in Appendix 2) already explore how the organisation monitors performance of its HR activities.
3. The researcher did not expect to get any sensible answer to further questions on how the impacts of HR activity/process on business results were monitored.

5.3.4. GUIDE FOR CASE STUDY REPORTS

The structure of the case study report is as follows:

Researcher prepared standard report format for all four companies (cases). This report represents an audit against the Reference Model. The following section (Section 3.4.1) presents the standard research report.

5.3.4.1. REPORT FORMAT FOR CASE STUDIES RESULTS

HUMAN RESOURCE MANAGEMENT BUSINESS PROCESS MODEL AUDIT WORKBOOK
AT (Company name)

Company Introduction: It gives information on the number of people working in the companies and tells whether they have HR department or some one has responsibility of HR.

Objectives: The objective of the study conducted in company was to compare its current HRM Processes to the HRM Business Process Reference Model.

Note: The reader should appreciate that this report represents an audit against the Reference Model, which is intended to be generic. As a result the audit may identify areas of weaknesses that may not be appropriate in specific cases. Therefore, it is recommended that in reading the results of the audit this point be borne in mind at all times.

Methodology: The audit workbook was applied at three levels - Managing Director, Manager 1 and Manager 2 - through interviews. The audit workbook was completed in two visits comprising almost one man day of company time.

Overall Conclusion: It gives information based on the audit results (according to the Reference Model) obtained from the company.

Research Data: The results of this audit are summarised in Table 5.1. as an example. This Table consists of two sections, the first section showing the completeness of the HRM Process in company, which, in turn, includes:

- effectiveness of approach, and
- degree of deployment

and the second section shows the congruence of views between the three respondents to statements posed during the interviews. It also includes summary congruence and detailed congruence for **exact responses** and summary congruence and detailed congruence for **similar responses** provided by the interviews. During the interview stage the respondents were asked to select one of five options for each statement. These options were "Strongly Agree", "Agree", "Strongly Disagree", "Disagree" and "Unsure". In the table for **similar responses**, the difference between "Strongly Agree" and "Agree" as well as "Strongly Disagree" and "Disagree" are ignored. Therefore, the five-point scale is reduced to three points, i.e. "Agree", "Unsure", and "Disagree". A definition of each score is provided in Appendix1 (Definition of Score).

Based on exact and similar answers the summary congruence is represented as follows:-

- Managing Director and Manager 1 : % (X out of 54 questions)
- Manager 1 and Manager 2 : % (X out of 54 questions)
- Managing Director and Manager 2 : % (X out of 54 questions)

The results of the exact and similar responses between three interviewees are represented in Figure 5.1.

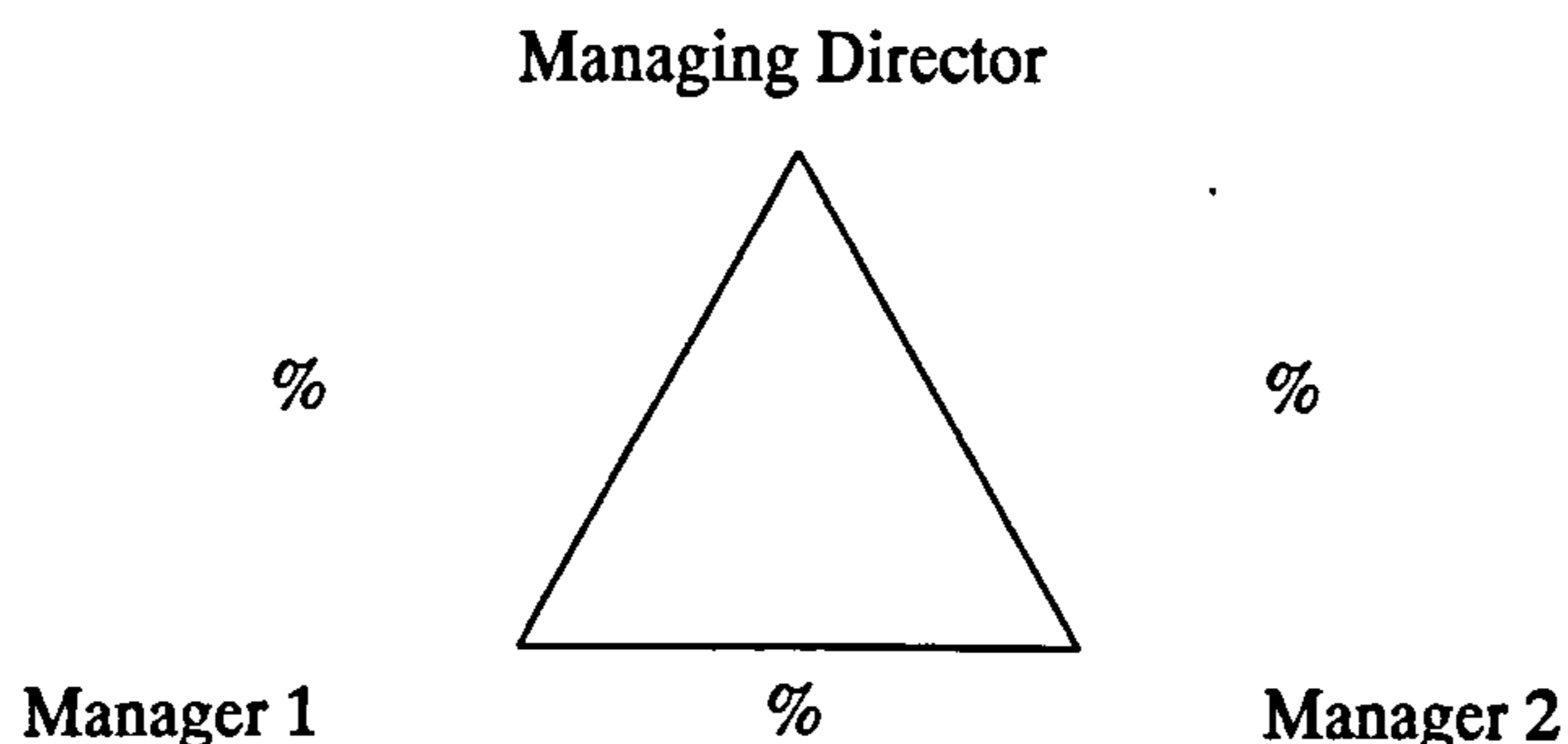


Figure 5.1. Exact and similar response results between Managing Director, Manager 1 and Manager 2

The congruence section of Table 5.1 presents detailed congruence from exact responses and is analysed on an activity basis.

Managing Director, Manager 1 and Manager 2 results are summarised in Diagram 5.1. This diagram shows their congruence very clearly. The analysis detail is provided in Appendix 2.

The completeness and congruence table (Table 5.1) consists of three parts,-Activities Criteria, Completeness and Congruence. The report is compiled based on interviews using a structured questionnaire and comments received during the interviews. The researcher's interpretation is based on this evidence. Figure 5.2 provide guidelines on the interpretation of Table 5.1.

COMPLETENESS			CONGRUENCE					
			Exact Response			Similar Response		
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities :	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%

Figure 5.2. Guidelines for interpreting Table 5.1.

Recommendations: The researcher's recommendations are based on the audit results against the Reference Model, which is intended to be generic.

Appendix 1: Definition of Score

Strongly Agree : When people answer "strongly agree" to a criteria, it means that they are very sure, because they either prepared the documentation or they participated in its implementation, i.e. they have evidence to support their agreement.

Agree : "Agree" means that they know they are doing something or working on that criteria, but they do not have documented evidence or did not participate in its implementation, i.e. they have circumstantial evidence to support their agreement.

Unsure : Unsure means that either the respondent does not know or they aware of some activity, but they do not have any evidence (circumstances of objective) to support the statement.

Strongly Disagree : Strongly disagree means that they demand something related to the criteria but they cannot get it, or they have a problem with that criteria, i.e. they have an objective evidence to support their disagreement.

Disagree : Disagree means that they know that they have no work or they are not doing anything about that criteria, i.e. they have circumstantial evidence to support their disagreement.

Appendix 2: Detail Analysis

In order to understand the HRM Business process audit workbook results better, three respondents' answers and their comments were analysed by the researcher. The audit workbook gives some criteria for each activity. A decision about the HRM Business Process Model in the company is made according to the answers given to each criterion.

Appendix 3: Reference Model

The HRM Business Process Reference Model is presented as Appendix 3 in the case study report.

5.4. CONCLUSION

Detail of case study protocol are presented in this chapter. The purpose of presenting such details is to strengthen the reliability of the research by verifying the validity of the data collected. Procedure for collecting data and the reasons why such procedure was preferred is also given.

The data collection procedure is summarised on the flow chart (Figure 5.3).

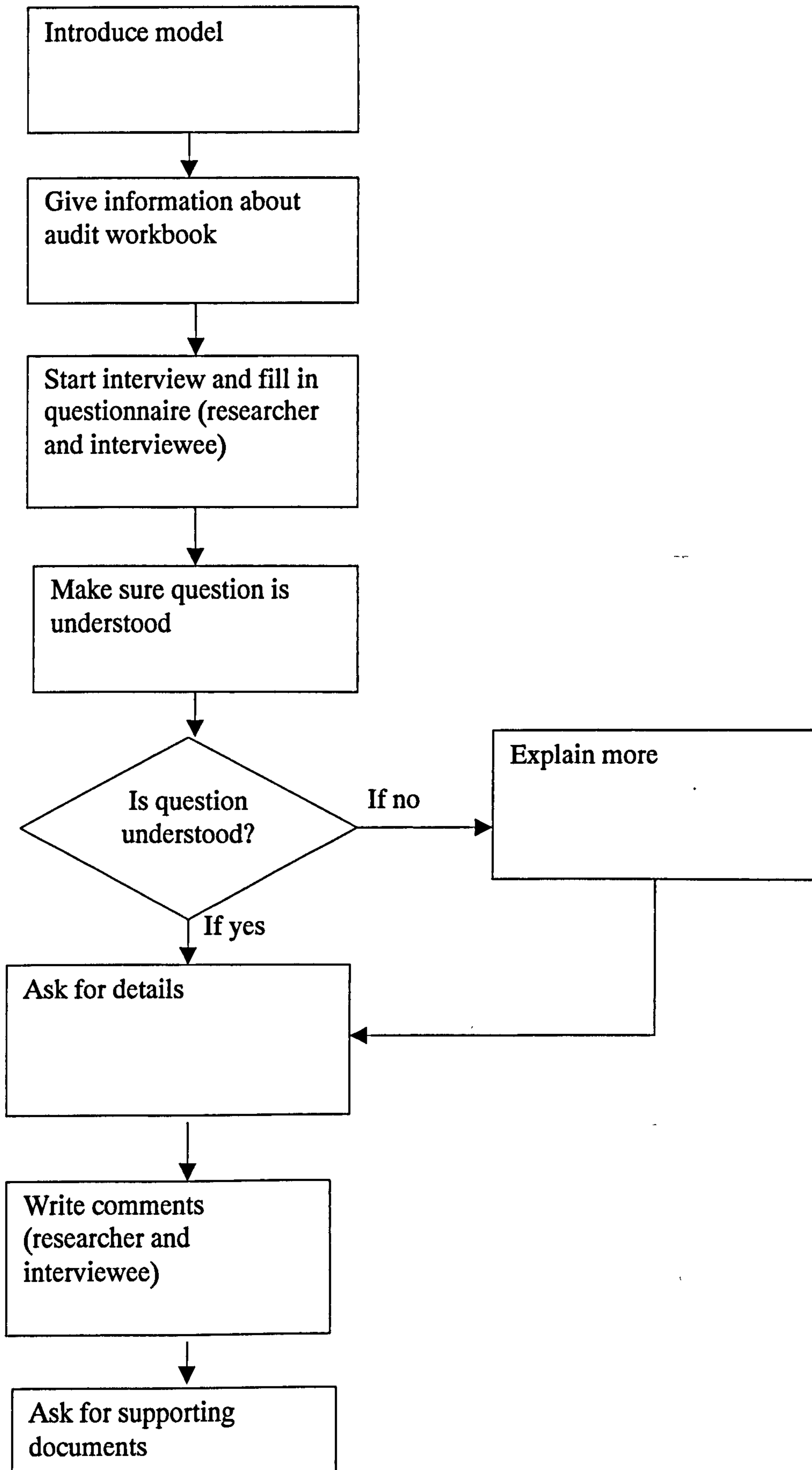


Figure 5.3. Data collection flow chart

		CONGRUENCE									
COMPLETENESS		Exact Response					Similar Response				
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing and Team Leader	Team Leader and Quality Manager	Managing and Quality Manager	Managing and Team Leader	Team Leader and Quality Manager	Managing and Team Leader	Team Leader and Quality Manager	Managing and Quality Manager	Managing and Team Leader
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%
Plan	Anecdotal	Little usage	0 out of 5 0%	0 out of 5 20%	2 out of 5 40%	1 out of 5 20%	0 out of 5 0%	2 out of 5 40%	1 out of 5 20%	0 out of 5 0%	2 out of 5 40%
Negotiate Budget	Anecdotal	Little usage	1 out of 8 12.5%	1 out of 8 12.5%	1 out of 8 12.5%	6 out of 8 75%	1 out of 8 12.5%	1 out of 8 12.5%	6 out of 8 75%	1 out of 8 12.5%	1 out of 8 12.5%
Set HR Policies	Some evidence of a system	Little usage	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	1 out of 6 16%	0 out of 6 0%	0 out of 6 0%	1 out of 6 16%	0 out of 6 0%	0 out of 6 0%
Control HR	Anecdotal	Little usage	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	0 out of 3 0%	1 out of 3 33%	1 out of 3 33%
Assess, Select, Recruit	Anecdotal	Little usage	1 out of 3 33%	1 out of 3 67%	3 out of 3 100%	2 out of 3 67%	1 out of 3 33%	3 out of 3 100%	2 out of 3 67%	2 out of 3 67%	3 out of 3 100%
Train, Educate, Develop	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%
Manage HR Performance	No evidence of existence	No usage.	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%
Manage Redeployment	Clear evidence of soundly-based system	Full usage	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%
Negotiations for Working Condition	Anecdotal	Little usage	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	4 out of 4 100%	1 out of 4 25%	0 out of 4 0%	4 out of 4 100%	1 out of 4 25%	1 out of 4 25%
Summary Congruence			8 out of 54 15%	6 out of 54 11%	17 out of 54 31%	25 out of 54 46%	17 out of 54 31%	17 out of 54 31%	25 out of 54 46%	17 out of 54 31%	17 out of 54 31%

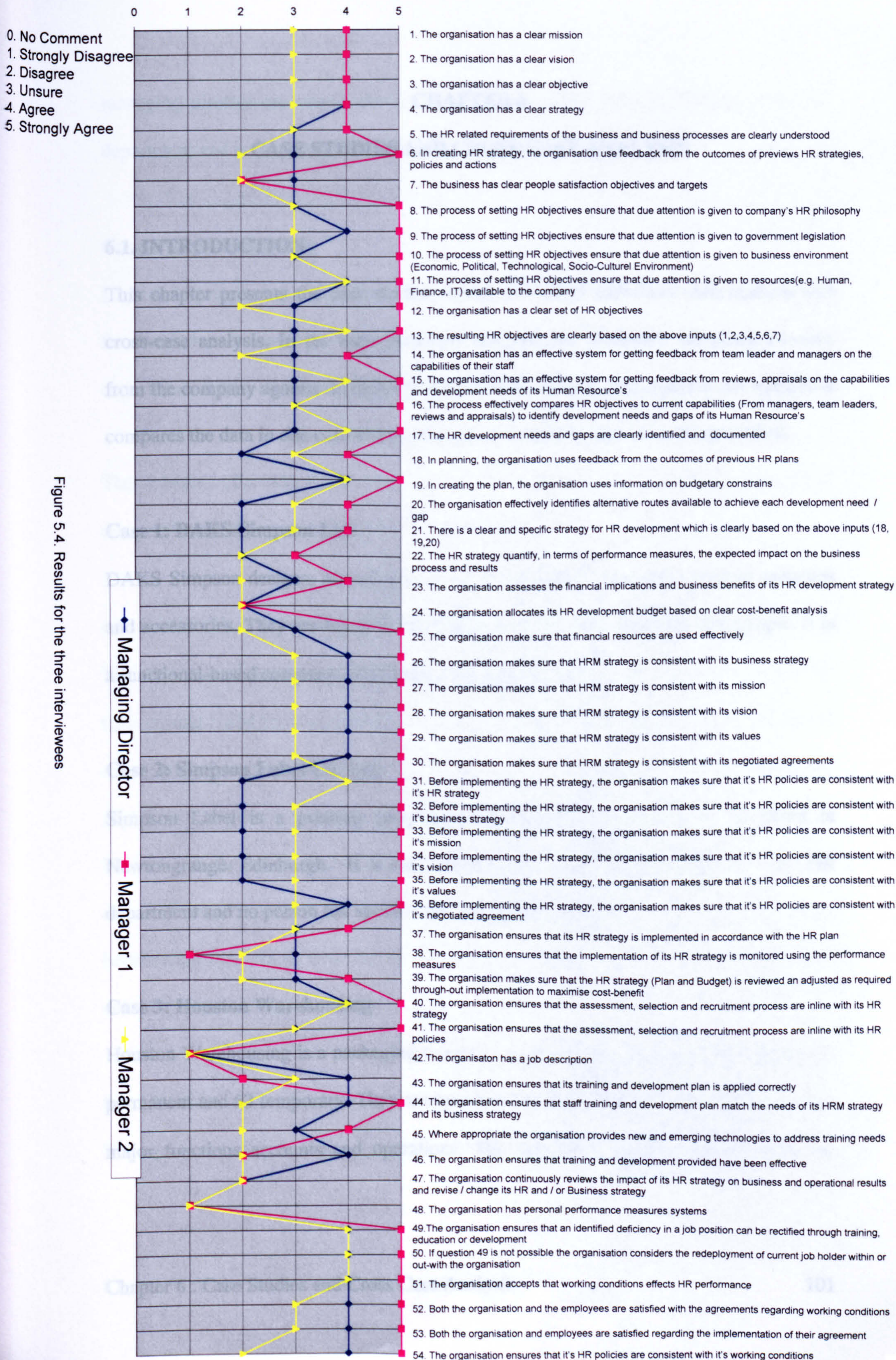


Figure 5.4. Results for the three interviewees

CHAPTER 6

CASE STUDIES AND CROSS CASE ANALYSIS

6.1. INTRODUCTION

This chapter presents the case studies, which consist of individual-case analysis and cross-case analysis. In the individual-case analysis, the researcher compares the data from the company against the HRM Business Model. Cross-case analysis, the researcher compares the data in one case to the other cases. A total of four cases are presented.

Case 1: DAKS-Simpson Ltd.

DAKS Simpson designs, manufactures and retails ladies' and gents' tailored garments and accessories. They are based in Larkhall and employ approximately 400 people. It is a functional-based company, which has a HR department.

Case 2: Simpson Label Co. Ltd.

Simpson Label is a printing company employing 64 people. They are based in Newtongrange, Edinburgh. It is also functionally based company. They have no HR department and no person has specific HR responsibility.

Case 3: Houston Warehousing

Houston Warehousing is a packaging company employing 110 people, 57 of whom are permanent and 53 temporary. They are based in Renfrew. The company consists of two major functions accounts and operations. The operations director together with the

managing director are responsible for sales and customer service. They have no HR department and no one person has specific HR responsibility.

Case 4: Highland Spring

Highland Spring is a natural mineral water company employing about 180 people. It is a functional-based company. They are based in Blackford, Perthshire. They have no HR department and no one person has specific HR responsibility.

The objective of a case study was to audit HRM Business Process Model in the above companies and thus test the HRM Business Process model.

6.2. OVERVIEW OF INDIVIDUAL CASES

The objective of the case studies conducted in these four companies was to compare their current HRM Processes to the HRM Business Process Reference Model. All results come from the audits conducted against the reference model using the audit method explain in Chapter 5. A summary of each case is presented in Tables 6.1, 6.2 and 6.3. Table 6.1 is the completeness table and shows the effectiveness of approach and the degree of deployment in all four cases. Table 6.2 and Table 6.3 show congruence between the answers of three respondents in each company. A detailed report for each company is provided in Appendix 3.

6.3. CROSS-CASE ANALYSIS

The cross-case analysis in this research focuses on four elements:

1. The effectiveness of approach for each activity: Evidence of a system to prove that the activity exists e.g. some documents or history of work etc.
2. The degree of deployment for each activity: How widely the activity is used in the company.
3. The congruence of respondents' answers to the questions on each activity: Comparison of the answers of the three respondents' looking for a degree of consistency or inconsistency.
4. The existence of an entire HRM Business Process Model: The completeness, i.e. the coexistence and simultaneous deployment of all the activities of the HRM Business Process model.

6.3.1. DATA ANALYSIS

All four cases are summarised in this section. The results are the researcher's interpretation, based on evidence given and comments made during audits. The results are first analysed activity by activity then for two sub-processes and finally for the whole HRM Business Process model. Table 6.1 provides a comparison of the results, which are further explored in the following sections.

6.3.1.1. DATA ANALYSIS RESULTS FOR MODEL'S ACTIVITIES

ACTIVITY: SET OBJECTIVES

CASE 1: DAKS SIMPSON

HR manager "strongly agrees" that the organisation has a clear vision, objectives and strategy. According to HR manager, clear vision and objective are crucial in this

industry for surviving. Clear strategy is necessary for HR and other relevant departments to set and develop their individual strategy. HR manager “agrees” that the organisation has a clear mission but due to the current climate and redundancy situation within the company this requires to be reviewed. Organisation has a set of HR objectives but sometimes this is not clear enough.

The HR manager is unsure that the HR related requirements of the business and business processes are clearly understood, because, certain processes in the company are aware of the HR function within the business requirement. However, majority of the people in the company still view HR as personnel welfare department.

The HR manager “strongly disagrees” that in creating HR strategy, the organisation uses feedback from the outcomes of previous HR strategies, policies and actions, because, there were no HR strategies and policies in place in the Company.

The Functional Senior Manager believes that the organisation has strategy, but this is not clearly communicated the Functional senior manager’s point of view on HRM is the same as the HR manager’s view as mentioned above. HR is treated like personnel welfare concerned with paying salaries, checking attendance, employing people. Their communication usually involves extraordinary situations such as discipline. Therefore functional senior manager is not sure that the requirements between the business processes and HR business process are understood.

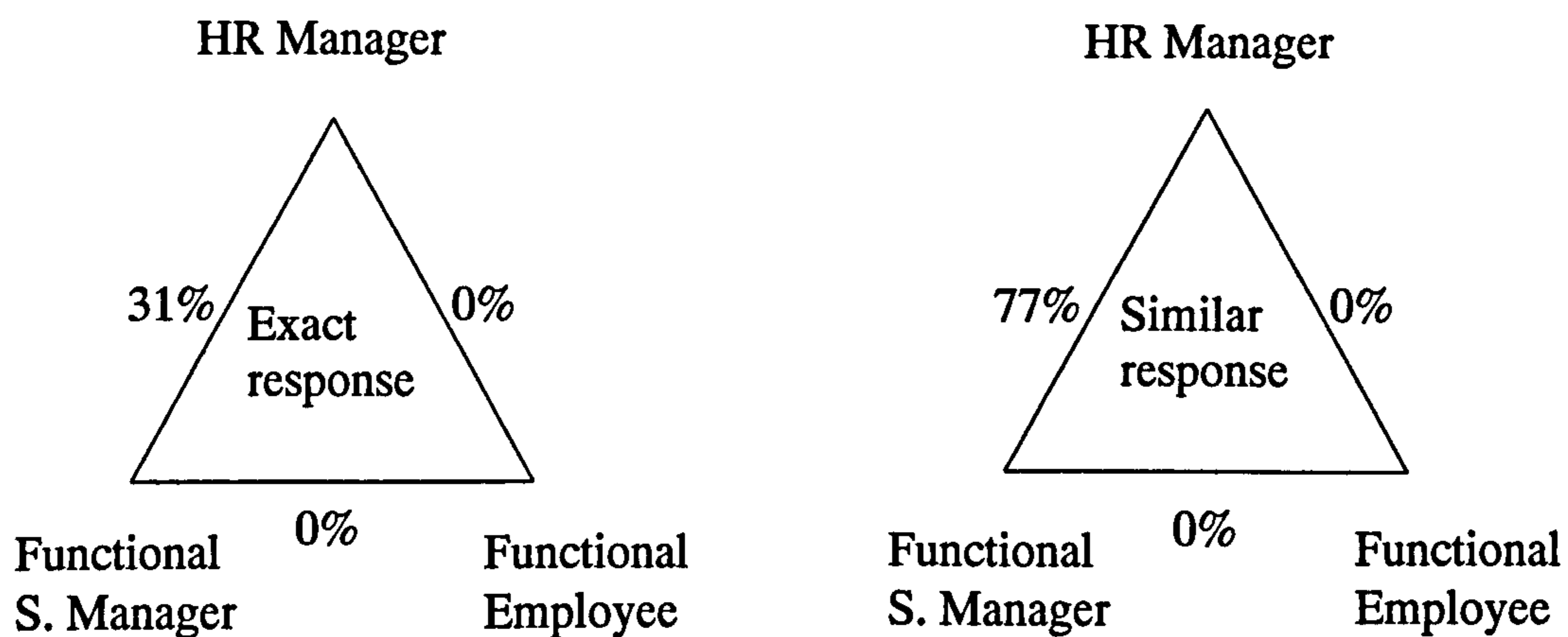
Employees in general are not aware of the business and HR objectives.

Effectiveness: Based on the above evidence there is a “some evidence of a system”.

The company has a documented “vision statement” and a “questionnaire” on the Company’s overall HRM strategy.

Deployment: “No usage”. There is some evidence of deployment. The Company has some documentation on this activity, i.e. a Vision Statement and the questionnaire. However, the employees have no idea what the company vision statement is and it would appear that questionnaire results are not in use. This in effect means that there is no usage of the “set objectives” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for set objectives activity as follows:



CASE 2: SIMPSON LABEL

According to the Managing Director and the Team Leader the organisation has a clear mission, vision, objective and strategy, but the Quality Co-ordinator who works with the

Team Leader, is “unsure” about this point. According to the Quality Co-ordinator, these (aims) are not clear enough, especially organisation strategy, which is not detailed or defined enough and not effectively communicated. According to the Team Leader, the organisation has a clear strategy because he creates that strategy. However, the Team Leader knows that this strategy is not clear enough for people who work in the Company. At this point, the important thing is the Team Leader’s awareness of this situation.

The organisation has no formal documented and integrated HR strategy. However, they have a documented employee development policy, communication strategy, employee training plan, objective plan etc. These are parts of HR strategy, but they are not integrated under an overall HR strategy.

The organisation has no people satisfaction measures and targets. The Team Leader believes that they do not need these, because they have open management style.

The Managing Director, Team Leader and Quality Co-ordinator “agree” that the process of setting HR objectives ensures that due attention is given to the resources (Human, Finance, IT) available to the company. The Team Leader states that they have a specific HR budget. However, the Quality Co-ordinator is not convinced that clear HR objectives are set, but he agrees in principle.

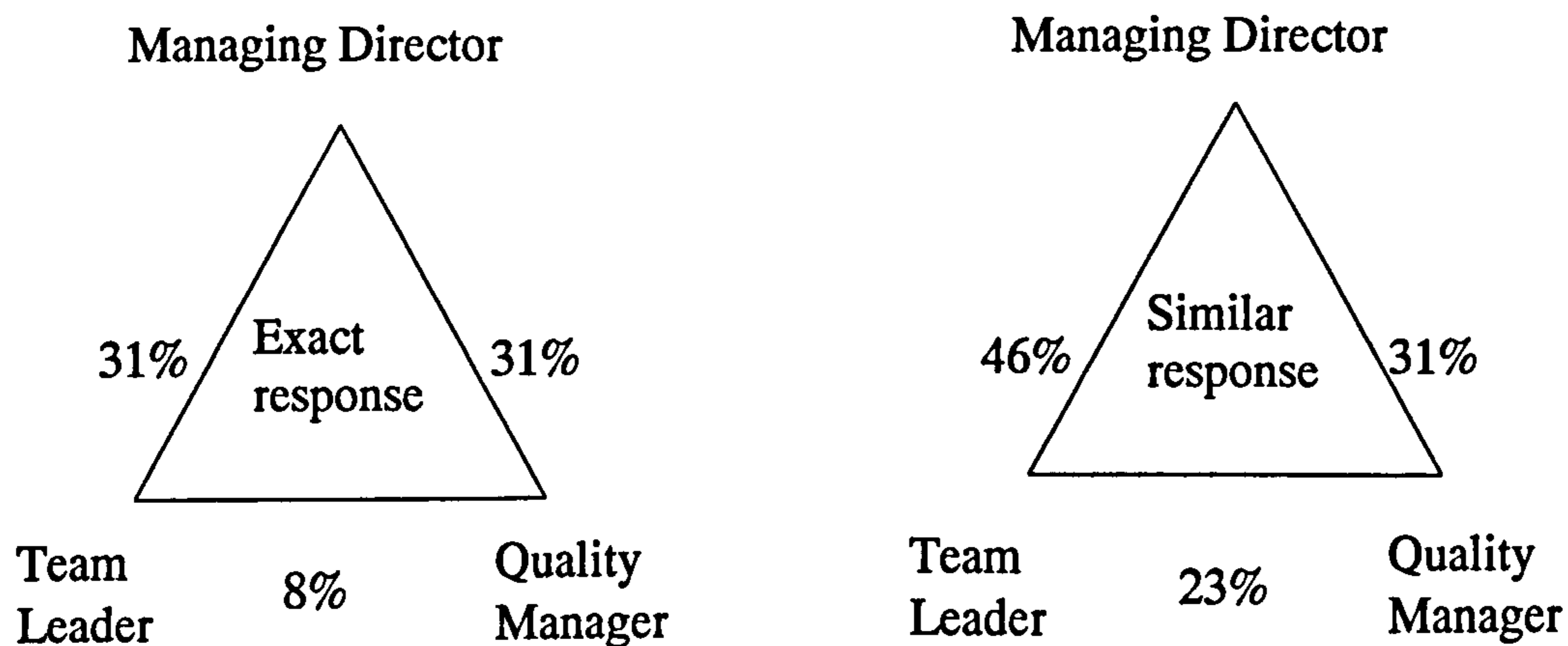
The Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that the organisation has a clear set of HR objectives. On the contrary the Team Leader strongly agrees that the organisation has a clear set of HR objectives because the Team Leader

creates them. In this situation, the reason might be that they have no formal documented HR strategy and/or HR objectives or the HR objectives might not be communicated clearly enough.

Effectiveness: Based on the above evidence there is a “some evidence of a system”. The company has an annual “objective plan” for people development as part of their HR objective, also forming part of their business objectives under the title “Our Aims”.

Deployment: “Little usage”. There is some evidence of deployment. An objective plan for people development is part of a HR objective. Business objectives are expressed under the title of “Our aims” and result is “little usage” of a “set objectives” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for set objectives activity as follows:



CASE 3: HOUSTON WAREHOUSING

According to the Managing Director, Operations Manager and Warehouse Manager the organisation has a clear mission, vision, objective and strategy. According to the

Warehouse Manager this is the case, only from the current year. They agree that the HR-related requirements of the business and business processes are clearly understood. The Managing Director, Operations Manager and Warehouse Manager have the same comments on this point.

The organisation has no formal documented HR strategy. The organisation does not have clear people satisfaction objectives and targets. However, they are working to achieve this. They carried out a survey relating to this point which identified certain requirements, e.g. training needs, and an analysis is being prepared.

The Managing Director is unsure if there is a process for setting HR objectives. Actually, the organisation has no documented HR objectives.

The Managing Director and Operations Manager disagree that the organisation has a clear set of HR objectives. The organisation has no formal documented HR strategy, objectives and policy.

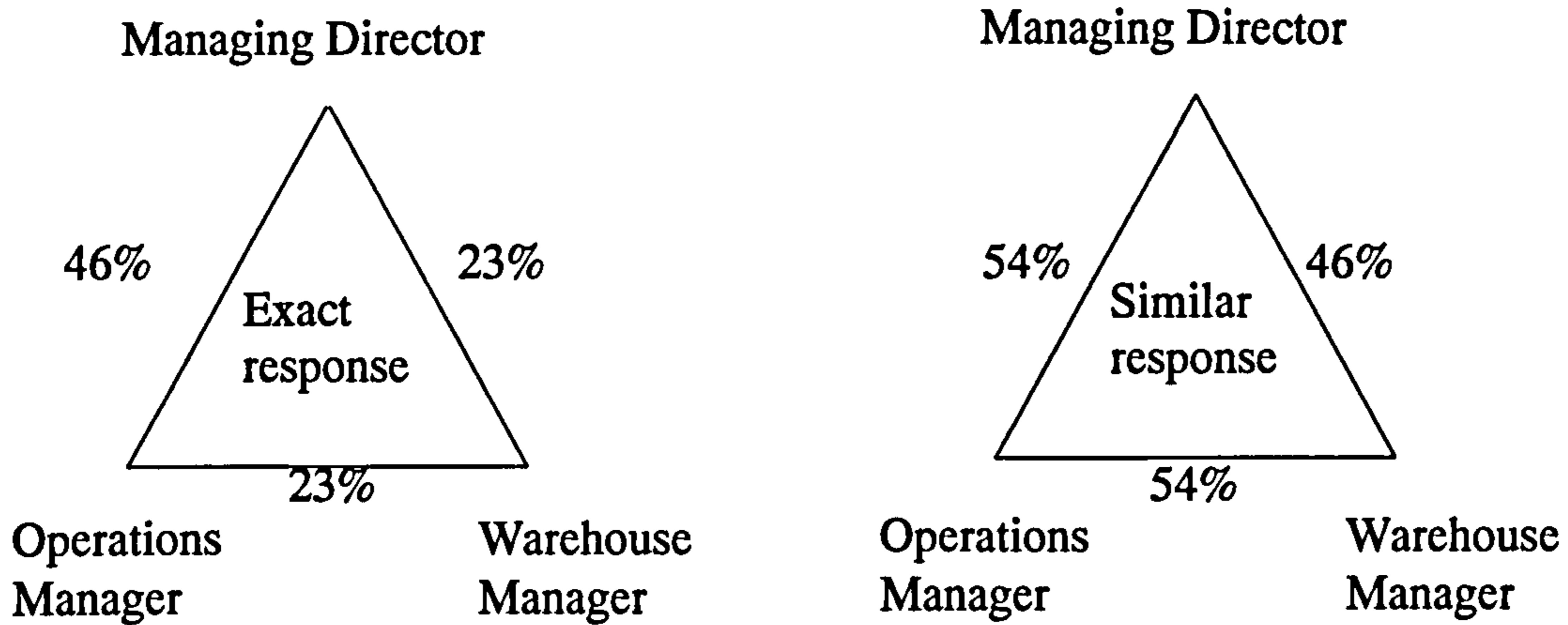
Effectiveness: Based on the above evidence there is “some evidence of a system”.

The company has a “strategy formulation” document. Also one of their proposal to their customer includes company aims and strategy.

Deployment: “*Little usage*”. There is some evidence of deployment. The company has done some work on strategy formulation and mentioned company aims in one of their

proposal to one company. The result is “little usage” of a “set objectives” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for set objectives activity as follows:



CASE 4: HIGHLAND SPRING

According to the Operations Director and Operations Manager organisation does not have a clear mission, vision, objective and strategy. On the contrary Production Team Leader “Agrees” that the organisation has a clear mission and vision and he “Strongly Agrees” that the organisation has a clear objective. Production Team Leader believes that they have clear mission, vision and objectives. He mentioned that their objective is “to be lowest cost producer”. Productions Team Leader believes these are documented as well. However, Operations Director and Operations Manager mentioned these are not documented. According to Operations Manager, there is no clear mission statement. Therefore no clear direction for all. He thinks that as an organisation they have no clear vision but only some individuals have a clear vision.

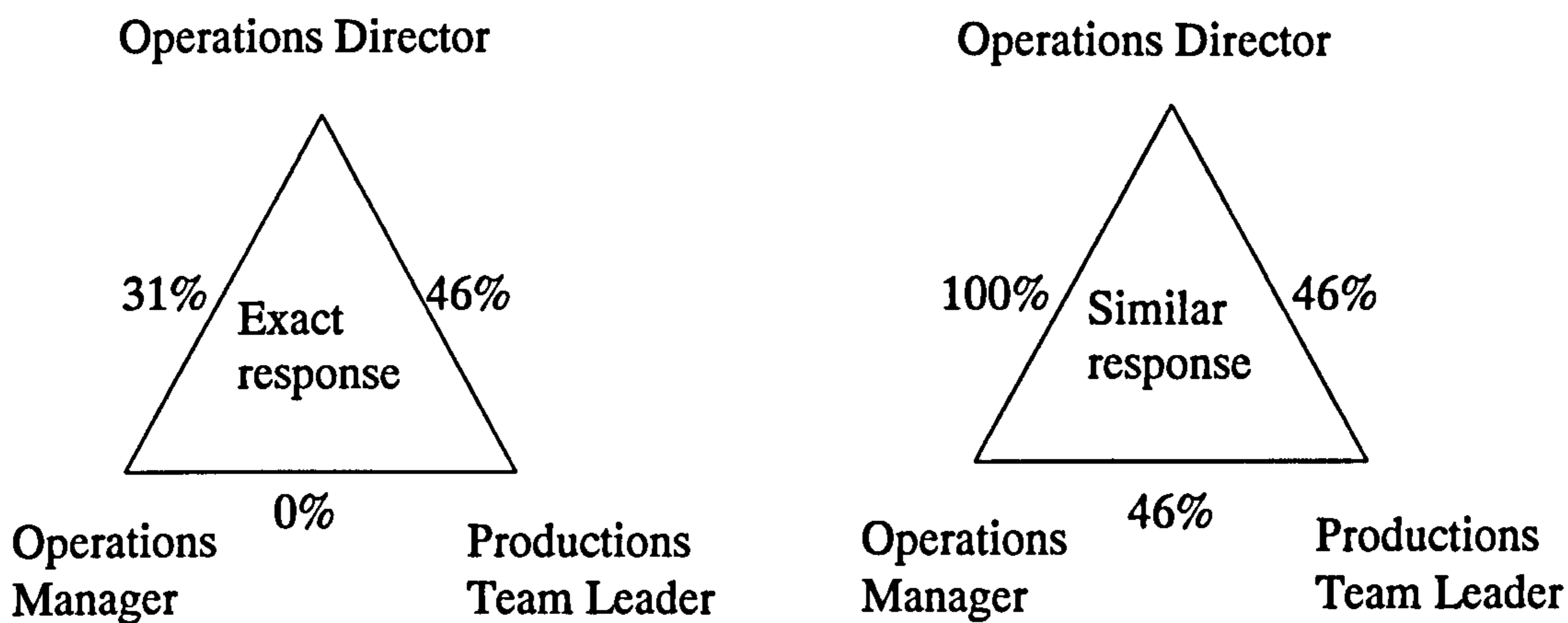
Operations Director “Disagrees” and Operations Manager “Strongly Disagrees” that the HR related requirements of the business and business processes are clearly understood. According to Operations Director and Operations Manager they do not have anything relating to HR. The Productions Team Leader is unsure about this point.

The Operations Director “Disagrees” and Operations Manager “Strongly Disagrees” with all the questions above (Questions from 6 to 13). That is because the organisation has no HR strategy. They also mentioned they have no HR department, strategy, objective, related HR. However, Operations Director stresses that they are aware that they consider the business environment and they comply with the government legislation, but not from a general point of view. He also added that they consider strongly Human, Financial and IT resources. The Production Team Leader “Disagrees” with all the questions related to HR strategy, objectives etc. as well. Except he “Agrees” that the business has clear people satisfaction objectives and targets, but is “unsure” that the resulting HR objectives are clearly based on the above inputs.

Effectiveness: Based on the above evidence there is a “some evidence of a system”. but the Company has no documentation. However, the Production Team Leader mentioned that their business objective is “to be low a cost producer”. This is anecdotal.

Deployment: “No usage”. Company has no formal detailed documentation for a “set objectives” activity. Therefore “no usage” a of “set objectives” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for set objectives activity as follows:



Overall Conclusion for “Set Objectives” Activity

Three of Companies believe that this activity should be in strategy. However Highland Spring does not agree with them. According to Highland Spring documented strategy is not necessary for the company.

Based on the model and audit workbook criteria, all four companies are not using this activity properly. However, according to the analysed results Simpson Label and Houston Warehousing are better than Daks Simpson, and Daks Simpson is better than Highland Spring.

Researcher’s assessments for four companies, on this activity are as follows:

Set Objectives
 Simpson Label = Houston Warehousing > Daks Simpson > Highland Spring

ACTIVITY: ESTABLISH CURRENT CAPABILITIES

CASE 1: DAKS SIMPSON

According to HR manager the organisation does not have an effective system of obtaining feedback from anywhere. She “strongly disagrees” that the organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource’s. Because, according to HR manager job descriptions are not in place for all employees. This system was introduced to the executive team prior to the redundancy. Researcher interpretations in here, there is no system for getting feedback or for using feedback information.

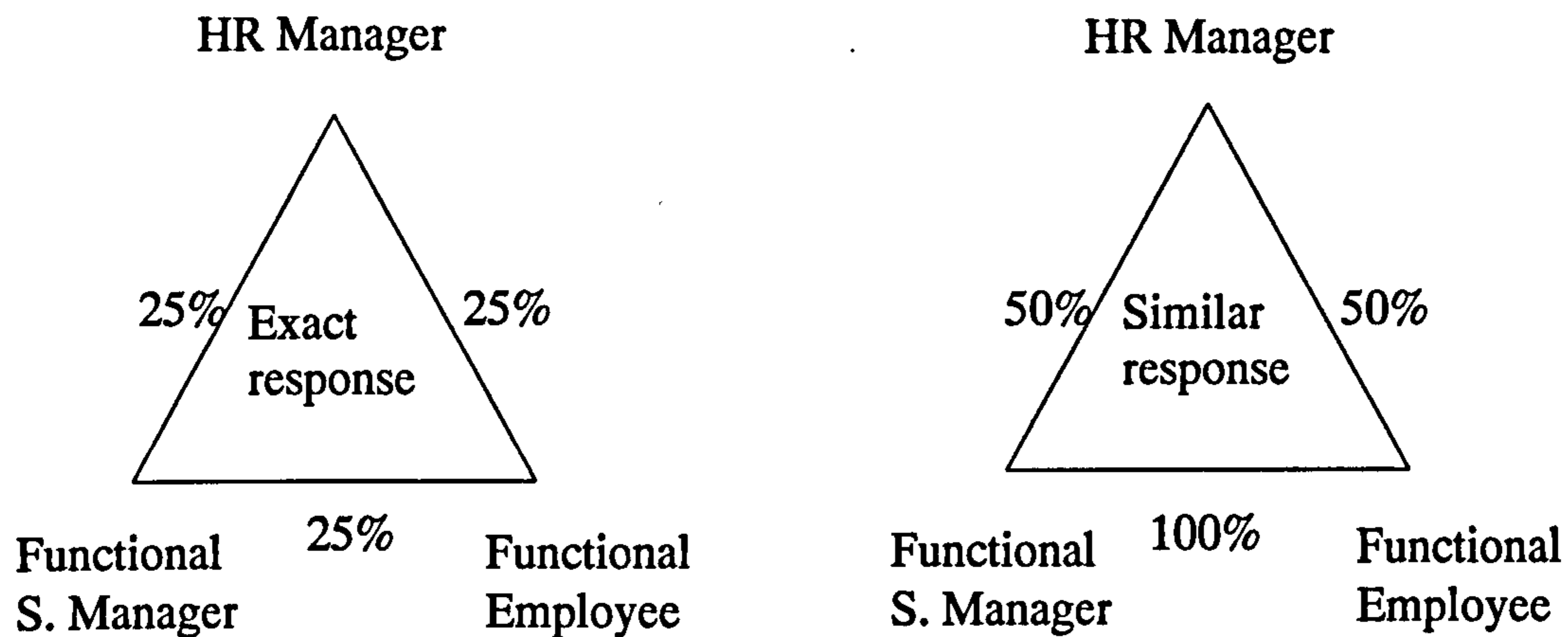
As far as the researcher understands, there is no working relationships between the functional senior manager and the HR department. Functional senior manager does not write regular reports to HR department on the current capabilities of his staff, to improve most needs.

The functional employee’s believe that there has been no system available to the organisation in order for them to obtain feedback.

Effectiveness: Based on the above evidence there is “no evidence of existence” for this activity.

Deployment: *“No usage”*: Company has no evidence of “establish current capabilities” activities. Result is no usage of “establish current capabilities” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “establish current capabilities” activity as follows:



CASE 2: SIMPSON LABEL

According to the Team Leader the organisation is very small and they have an effective system for getting feedback, but the Managing Director is “unsure” about this. The Quality Co-ordinator “disagrees” with this point. According to the Quality Co-ordinator, the system is not as effective as it could be. The Managing Director, Team Leader and Quality Co-ordinator “agree” that they have a system, but the Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that it is effective.

The Team Leader strongly “agrees” that the organisation has an effective system for getting feedback from reviews and appraisals on the capabilities and development needs of its Human Resource’s. The Quality Co-ordinator “agrees” that there is scope for

improvement. The Quality Co-ordinator says that there is an appraisal procedure, but the Managing Director is “unsure” of this.

The Team Leader “strongly agrees” that the process effectively compares HR objectives to current capabilities (from managers, team leaders, reviews and appraisals) to identify development needs and gaps in its Human Resource’s. The Quality Co-ordinator and Managing Director are “unsure” about this. The reason might be that HR objectives are not documented specifically. Actually, the organisation has an “objectives plan” and an “employee-training plan” and they are documented in detail. These documents involve employee’s name, development need, method/action, timescale, etc. Also, the organisation has an employee development policy.

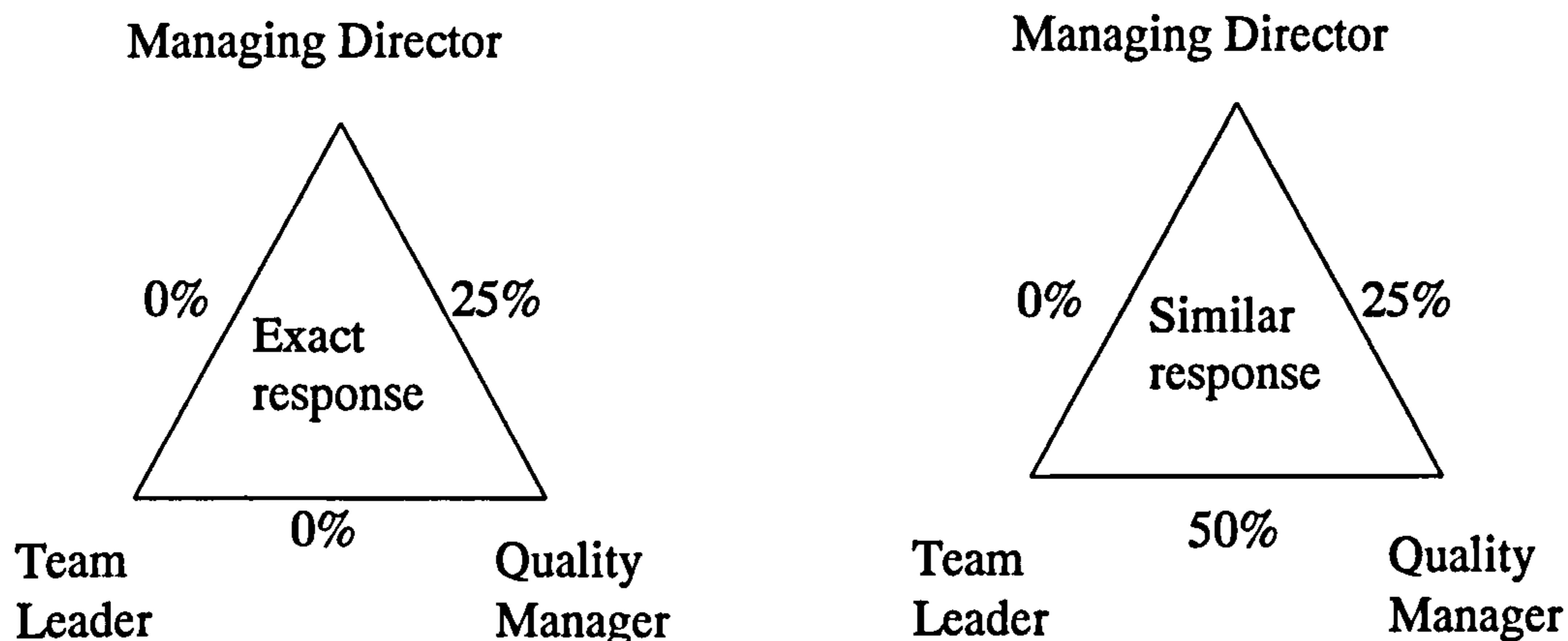
The Team Leader “strongly agrees” and the Quality Co-ordinator “agrees” that HR development needs and gaps are clearly identified and documented, but the Managing Director is still “unsure” at this. They do have documentation i.e. “objective plan”, “Team development plan”.

Effectiveness: Based on the above evidence there is “clear evidence of a soundly-based system” for “establish current capabilities” activity.

Deployment: “*Part usage*”. Company has clear evidence of this. However, according to the interview results, the system is not effective enough to satisfy employee expectation

and needs additional work. Result is part usage of “establish current capabilities” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “establish current capabilities” activity as follows:



CASE 3: HOUSTON WAREHOUSING

The Managing Director is “unsure” that the organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff. According to him there is a system, but it has not been formally developed and he is not sure how effective it is. The Operations Manager “strongly agrees” with this point as the organisation has formal documented “Person Specification” and “Training Needs Analysis” which were prepared following comments from the team leaders and managers. The Warehouse Manager “disagrees” because, according to him, the system does not work.

Both the Operations Manager and Warehouse Manager “agree” that the organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resources. However, the Managing Director is “unsure” on this point, because, according to him, the system is only being introduced now, it is not formally developed and is not fully effective.

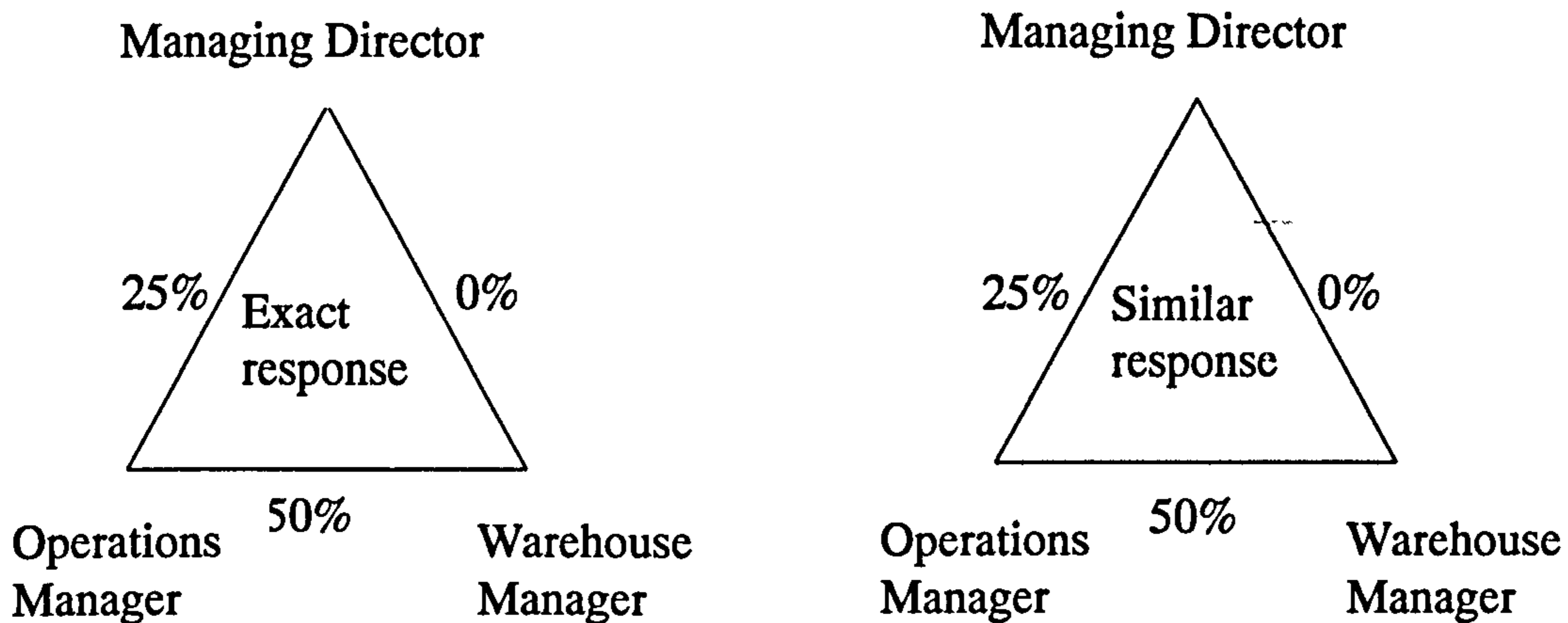
The Managing Director “disagrees” that the process effectively compares HR objectives to current capabilities (from Managers, Team Leaders, reviews and appraisals) to identify development needs and gaps of its Human Resources. Because, according to him the process has just started and HR objectives are not clear enough. The Operations Manager and Warehouse Manager also mentioned that the process has just started and agree that it is effective.

The Warehouse Manager “agrees” that the HR development needs and gaps are clearly identified and documented. However, he reiterated that the process has just started. The Managing Director “disagrees” as the system is only now being established. The Operations Manager disagrees as well. According to him more work is required.

Effectiveness: Based on the above evidence the company has “some evidence of a system” e.g. Person Specification, for “establish current capabilities” activity.

Deployment: *“Little usage”*. Company has some evidence on this point. However, more work is still required. Result is little usage of “establish current capabilities” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “establish current capabilities” activity as follows:



CASE 4: HIGHLAND SPRING

The Operations Director, Operations Manager and Productions Team Leader “Disagree” that the organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff. However, Operations Director and Operations Manager mentioned that systems are starting to develop.

The Operations Director “disagrees” that the organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resources’. According to him there was no system before. They are starting to develop. The Operations Manager “strongly disagrees”, because, according to him on

an organisational basis that is certainly not true. The Productions Team Leader is “unsure” on this point.

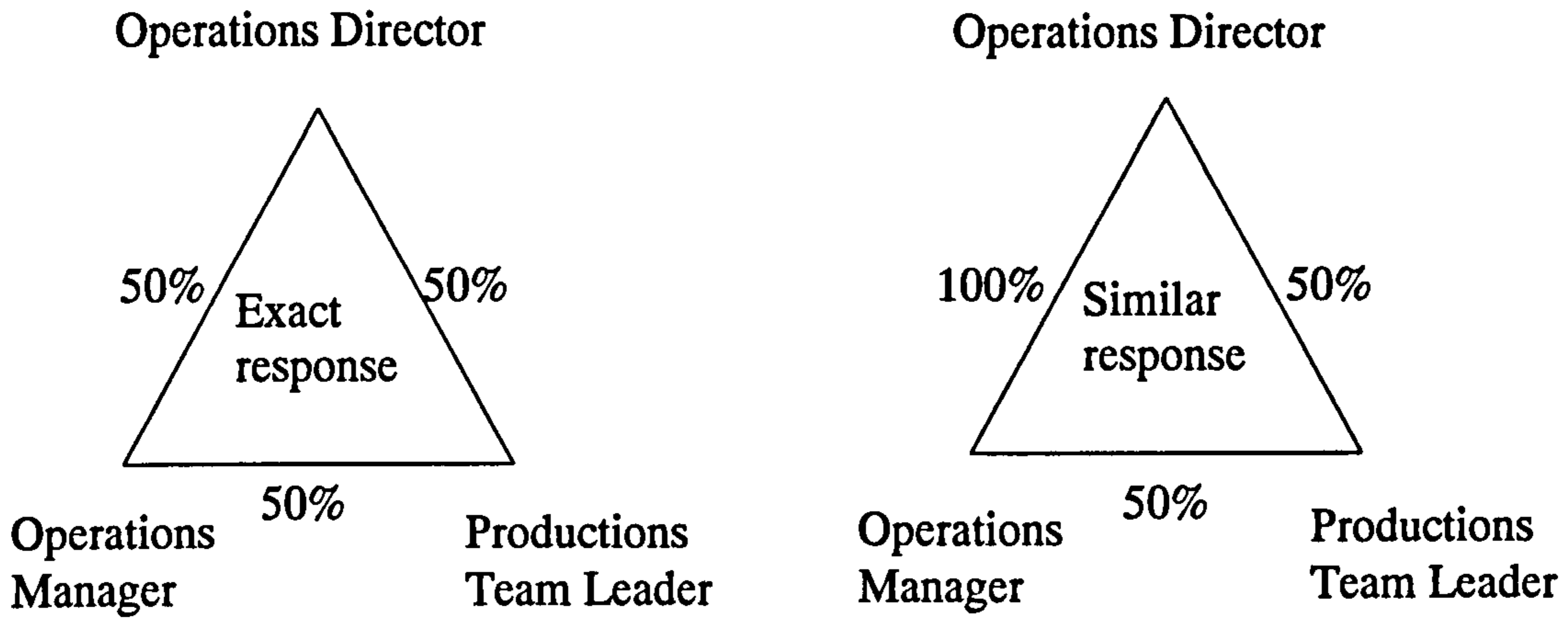
The Operations Director “disagrees” and the Operations Manager “strongly disagrees” that the process effectively compares HR objectives to current capabilities (from Managers, Team Leaders, reviews and appraisals) to identify development needs and gaps of its Human Resources. The main reasons, first, they are just starting to develop the system and the second they have no HR objectives. The Production Team Leader is “unsure” because, he believes there is a system but not effective enough and also he know the organisation do not have HR objectives.

The Operations Director, Operations Manager and Production Team Leader “disagree” that The HR development needs and gaps are clearly identified and documented. According to the Operations Manager the systems are not developed enough to allow this.

Effectiveness: Based on the above evidence there is “some evidence of a system”. Highland Spring is starting to work a Hi-SAS (Highland Spring Appraisal System). Hi-SAS is detailed in documentation. The company also has an “individual skills matrix”.

Deployment: “*Little usage*”: Company has a new system which is documented in detail. However, the application part has not been completed as yet. Result is little usage of “establish current capabilities” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “establish current capabilities” activity.



Overall Conclusion for “Establish Current Capabilities” Activity

Based on audit workbook criteria this activity is not used in Daks Simpson. Highland Spring and Houston Warehousing have some evidence supporting the existence of this activity. However, in both companies, systems are very new. Simpson Label has clear documentation of using this activity. However Simpson Label has used part of this activity. If researcher compares four companies, Simpson Label is better than Highland Spring. Highland Spring and Houston Warehousing look the same. However Highland Spring’s new system (Hi-SAS) is more detailed than Houston Warehousing and it is likely to be more complete in future.

Researcher’s assessments for four companies on this activity are as follows:

Establish Current Capabilities
 Simpson Label > Highland Spring ≥ Houston Warehousing > Daks Simpson

ACTIVITY: PLAN

CASE 1: DAKS SIMPSON

According to HR manager there is a clear and specific strategy for HR development and it is valuable. However, it cannot be fully implemented at that time, because of the situation at the time of data collection within the company. The HR manager believes that the HR strategy all the way through effect the business results. For example, absenteeism has been reduced from 12% to 5% due to the HR strategy.

Functional senior manager is not sure that there is a HR strategy in the company. He has not come across HR strategy anywhere. He “disagrees” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. If we compare HR manager answer to functional senior manager answer there might be two reasons for this conflict. First, functional manager does not appreciate the significance of absenteeism, or absenteeism does not affect his function. Second functional manager thinks these results are not related to the HR strategy.

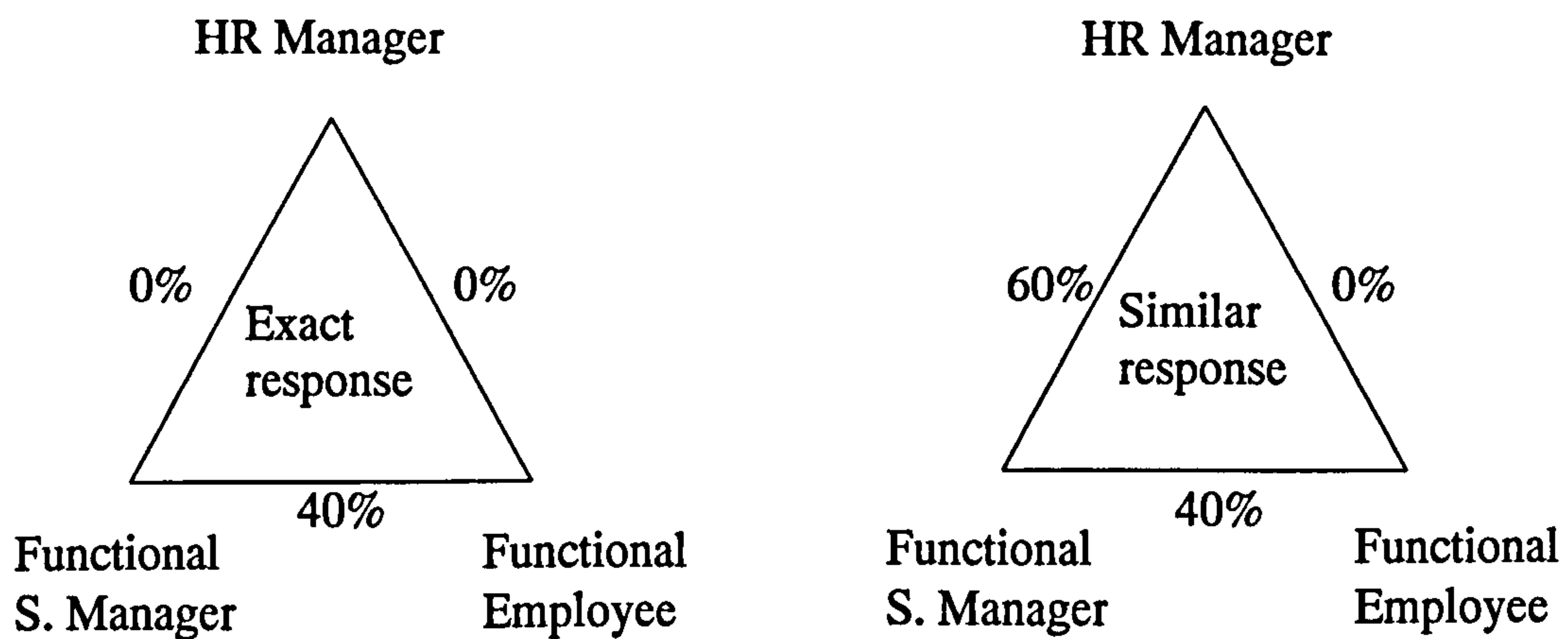
Functional employees are not sure about HR plan and its implementation. Functional employee is not sure what should be in HR plan, what is involving, how is the relationship between plan and budget. She does not believe that the organisation can identify alternative routes for assessing development needs and gap. Similar to the senior manager the functional employee is disagreeing that the HR strategy quantifies, in terms of performance measures, the expected impact HR has on the business process and

results. The Comment is the same as above and HR department needs more communication with them.

Effectiveness: Based on the above, the Company has no documentation for this activity. However, according to the HR Manager as a result of part of one of their plans, absenteeism has been reduced from 12% to 5%. It is “anecdotal”.

Deployment: “Little usage”. Company has no evidence of proof of a “plan” activity. However, the HR Manager is very confident and gave some quantitative results as an example. Result is little usage of “plan” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “plan” activity.



CASE 2: SIMPSON LABEL

The Managing Director “disagrees” that, in planning, the organisation uses feedback from the outcomes of previous HR plans, because, according to him, the organisation

has no HR Strategy, HR Plan, etc. now or in the past. The Quality Co-ordinator is “unsure” on his point. According to him there is no clear or specific HR Strategy or Plan. Another reason for this uncertainty might be that the Quality Co-ordinator has only been working there for two years and has limited experience of the organisation. The Team Leader “agrees” that, in planning, the organisation uses feedback from the outcomes of previous HR plans, because, as mentioned, the Team Leader creates Strategy, Plan etc.

The Managing Director, Team Leader and the Quality Co-ordinator “agree” that in creating the plan, budgetary constraints are taken into account.

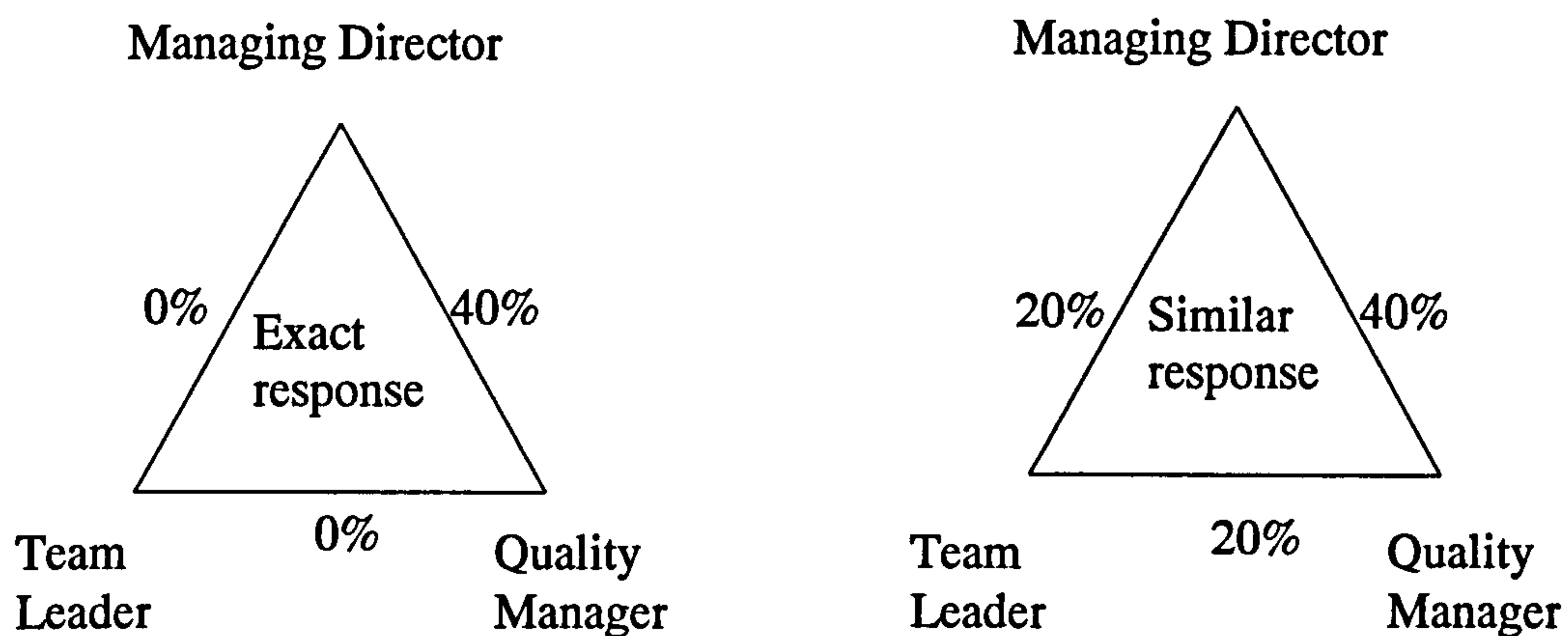
The Team Leader “agrees” that the organisation effectively identifies which alternative routes are available in order to achieve each development need / gap. On the contrary, the Managing Director “disagrees” and the Quality Co-ordinator is “unsure” on this point.

The Managing Director and Quality Co-ordinator “disagree” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Team Leader is, however, “unsure” on this point and the Team Leader mentioned that there is no quantitative evidence.

Effectiveness: Based on the above there is no formal documentation, e.g. budgetary constraints and alternative routes for achievement of development needs/gaps. It is “anecdotal”.

Deployment: “Little usage”. Company has no clear evidence on this point. However, the answers on budget and alternative routes for achievement of development needs/gaps are logical. Result is little usage of “plan” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “plan” activity.



CASE 3: HOUSTON WAREHOUSING

The Managing Director and Operations Manager “disagrees” that, in planning, the organisation uses feedback from the outcomes of previous HR plans. According to them they never had an HR plan. The Warehouse Manager “agrees” with this. However, according to him, although they have no formally documented HR plan, they go on past experience.

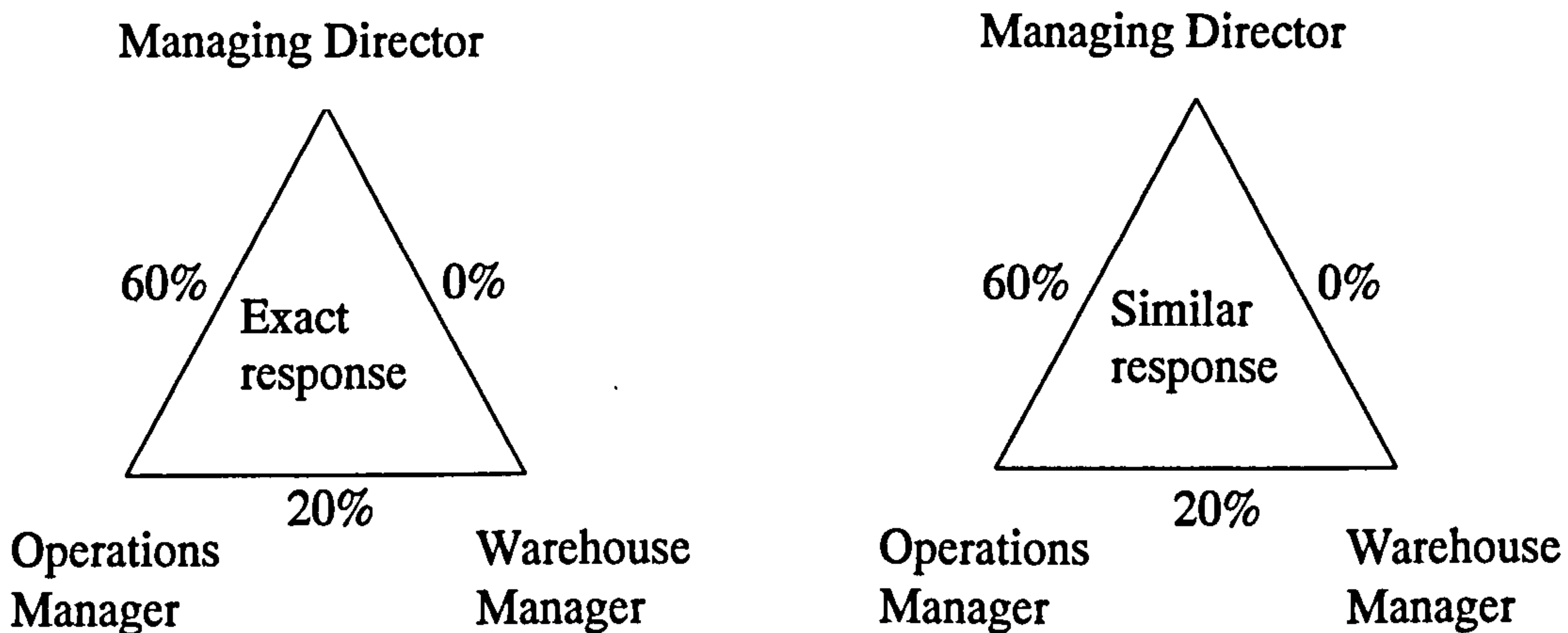
The Managing Director is “unsure” that the organisation effectively identifies alternative routes available to achieve each development need / gap. According to him the system is only being introduced at present. On the contrary, the Operations Manager “disagrees” and the Warehouse Manager “agrees”.

The Managing Director and Operations Manager “disagree” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Warehouse Manager “agrees” but there is no evidence to support his answer.

Effectiveness: Based on the above evidence there is “no evidence of existence” of this activity.

Deployment: “No usage”. Company has no evidence of “plan” activity. Result is no usage of “plan” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “plan” activity.



CASE 4: HIGHLAND SPRING

The Operations Director and Production Team Leader “Disagree” and Operations Manager “strongly disagrees” that, in planning, the organisation uses feedback from the outcomes of previous HR plans. According to them they never had a HR plan.

The Operations Manager “strongly agrees” and The Production Team Leader “agrees” that in creating a plan, budgetary constraints are taken into account. The Operations Director “disagrees” with this point. According to him they consider all the plans but they do not have specific plan for HR.

The Operations Director and Productions Team Leader “disagree” that the organisation effectively identifies alternative routes available to achieve each development need / gap. According to Operations Director they have a plan but it is not documented. Also it is not a long time plan (not for next 4-5 years). The Operations Manager is “unsure” on this point.

The Operations Director and the Production Team Leader “Disagree” that there is a clear and specific strategy for HR development which is clearly based on the above inputs (questions 18,19,20).

Question 18

In planning, the organisation uses feedback from the outcomes of previous HR plans.

Question 19

In creating the plan, the organisation uses information on budgetary constrains.

Question 20

The organisation effectively identifies alternative routes available to achieve each development needs / gaps.

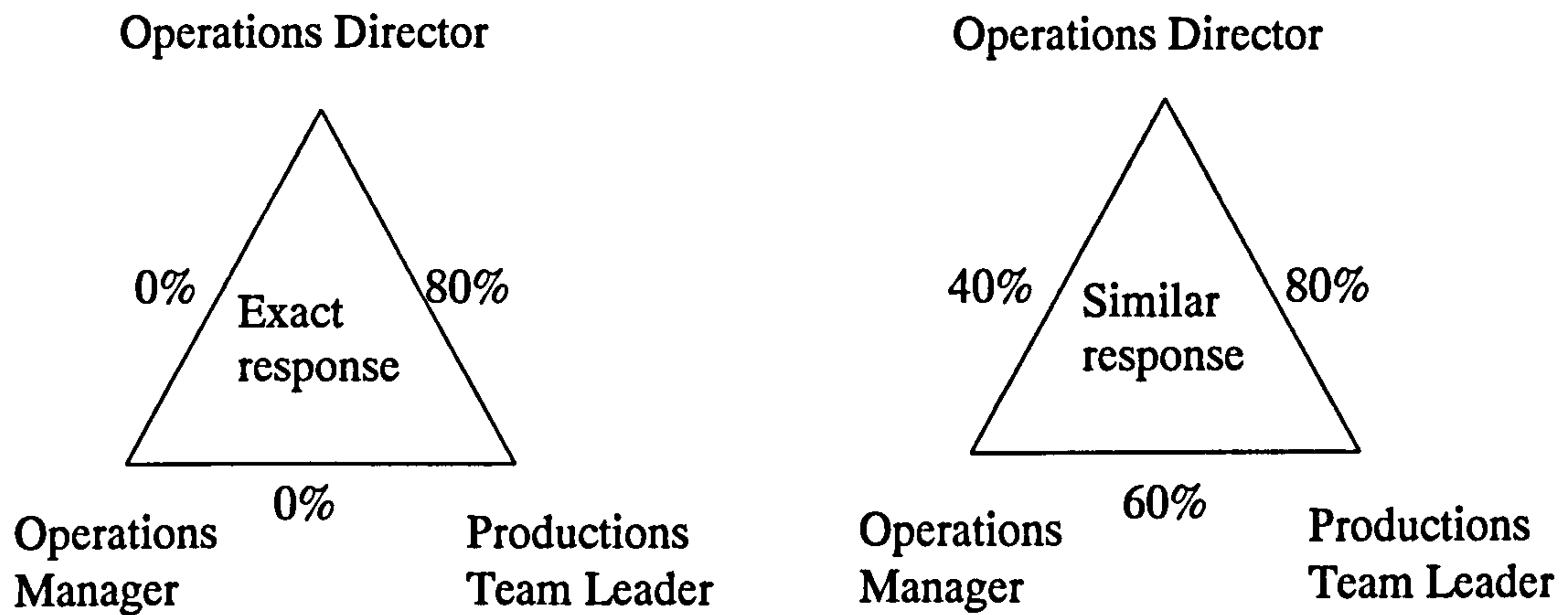
According to them they have no specific strategy for HR. The Operations Manager “Unsure” on this point. Because, he is not sure about HR development strategy based on these inputs.

The Operations Director and the Productions Team Leader “disagree” and Operations Manager “strongly disagrees” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Operations Manager thinks it does but they do not have HR strategy.

Effectiveness: Based on the above evidence there is “no evidence of existence” for this activity.

Deployment: “No usage”. Company 4 has no evidence of “plan” activity. Result is no usage of “plan” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “plan” activity.



Overall Conclusion for “Plan” Activity

Based on audit workbook criteria, all four companies are not successful In using this activity. Houston Warehousing and Highland Spring are not using this activity. Daks Simpson and Simpson Label have no documented evidence. According to the interview results, researcher’s interpretation is, that there is little usage of this activity at Daks Simpson and Simpson Label. If the researcher compares four companies, Daks Simpson and Simpson Label are same and they are better than Houston Warehousing and Highland Spring.

Researcher’s assessments for four companies on this activity are as follows:

Plan
 Daks Simpson = Simpson Label > Houston Warehousing = Highland Spring

ACTIVITY: NEGOTIATE BUDGET

CASE 1: DAKS SIMPSON

HR Manager strongly agrees that:

- The organisation assesses the financial implications and business benefits of its HR development strategy
- The organisation allocates its HR development budget based on clear cost-benefit analysis
- The organisation makes sure that financial resources are used effectively
- The organisation makes sure that HRM strategy is consistent with its business strategy
- The organisation makes sure that HRM strategy is consistent with its mission
- The organisation makes sure that HRM strategy is consistent with its vision
- The organisation makes sure that HRM strategy is consistent with its values
- The organisation makes sure that HRM strategy is consistent with its negotiated agreements

From a managerial point of view, HR manager is strongly in agreement with all of the above points. She is very sure that they are applying the same thing as above very clearly. She believes that these should be in an organisation.

Functional senior manager he is not very sure about how the organisation allocates its HR development budget. Although he has not come across the Company's HR strategy

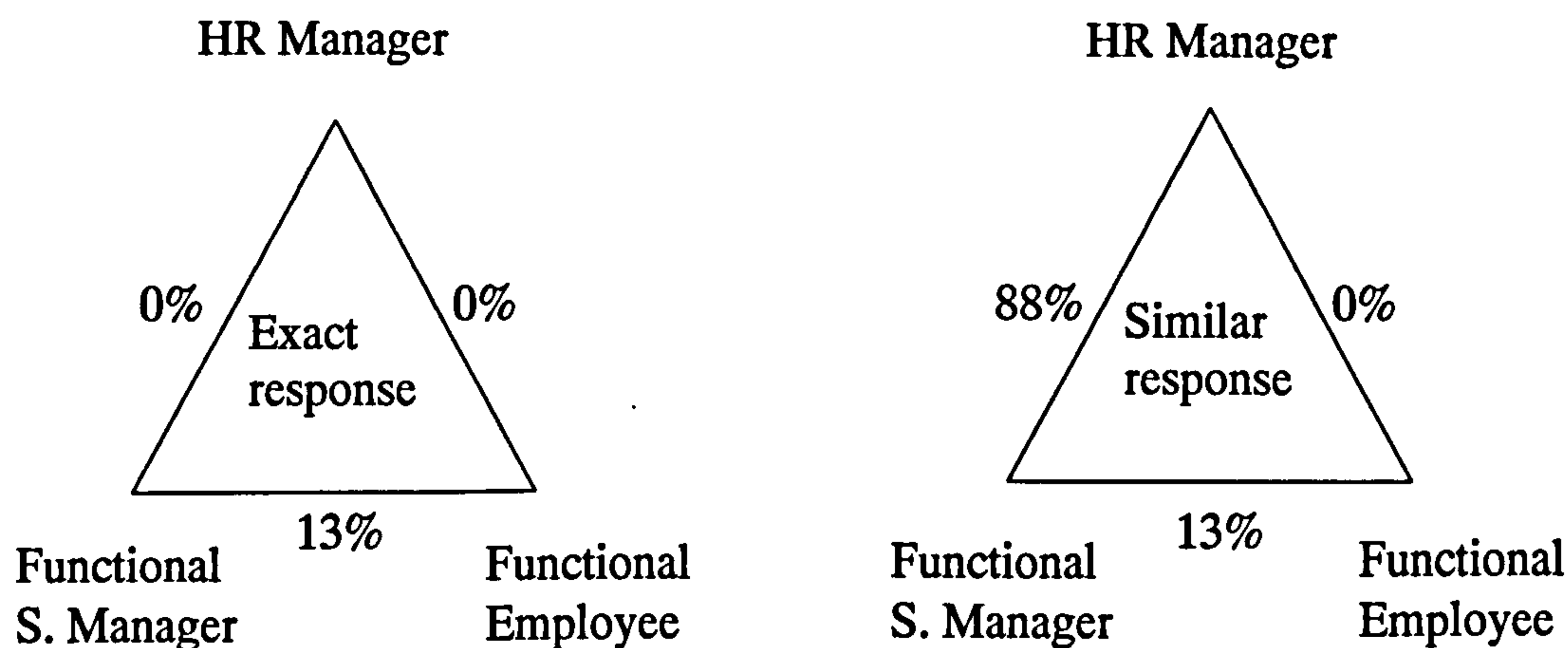
he believes that HR strategy should be consistent with the business strategy, mission, vision, values and negotiated agreements.

Because of her working position functional employee has no idea about the relationship between HRM strategy and business strategy and HRM strategy is consist with its business strategy, mission, vision, values and negotiated agreements.

Effectiveness: Based on the above evidence the company has “some evidence of a system” having some documentations providing information. E.g. Defining the Business Goals (Financial, Product and Services, Customers, Suppliers, Partners, Subcontractors and Quality) and team or departmental objectives.

Deployment: “*Little usage*”. Company has some evidence to prove “little usage” of “negotiate budget” activity, e.g. getting information on financial points of view when company managers or team leaders define the business goals.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiate budget” activity.



CASE 2: SIMPSON LABEL

The Team Leader “agrees” that the organisation assesses the financial implications and business benefits of its HR development strategy. The Quality Co-ordinator “disagrees”, and states that such assessment is done informally. The Managing Director is “unsure” on this point.

The Managing Director, Team Leader and Quality Co-ordinator “disagree” that the organisation allocates its HR development budget based on clear cost-benefit analysis. According to Team Leader they are not doing cost-benefit analysis. According to Quality Co-ordinator it is not done in a formal basis.

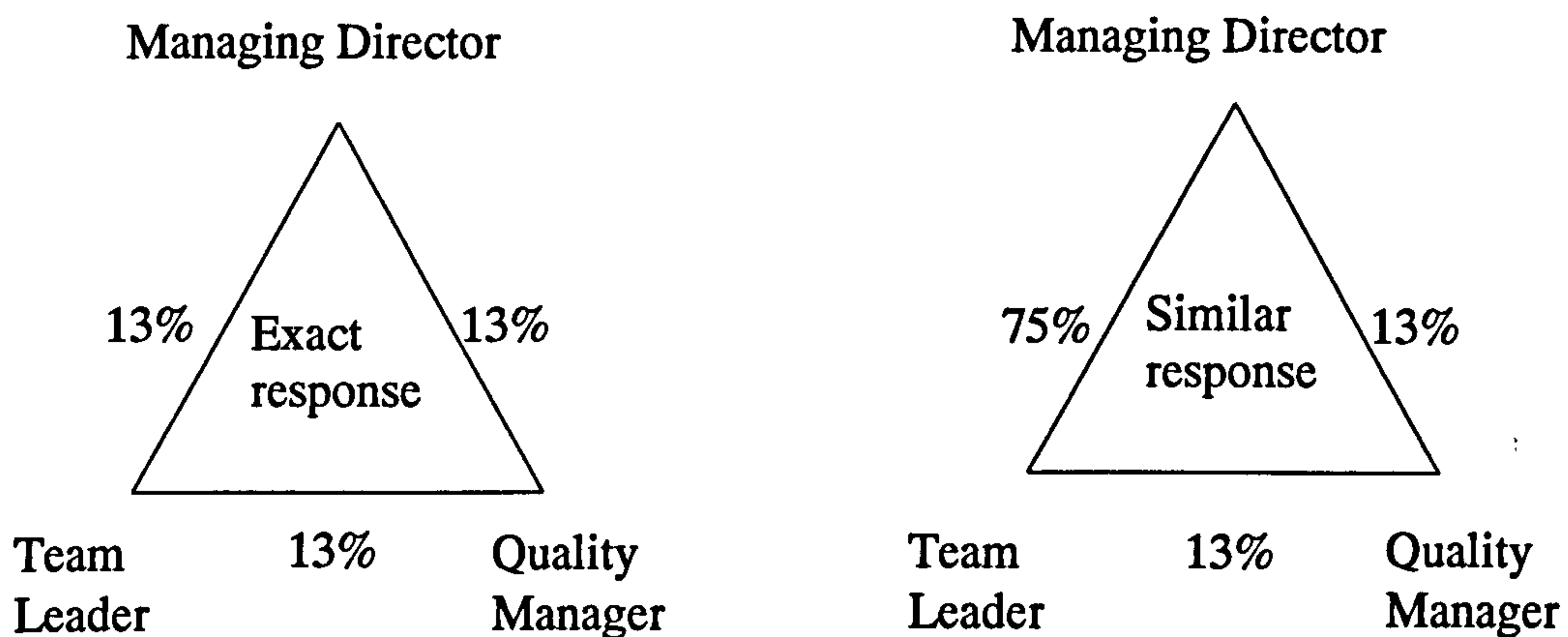
The Team Leader “strongly agrees” that the organisation makes sure that financial resources are used effectively, the Quality Co-ordinator “disagrees” and the Managing Director is “unsure”.

The Team Leader “strongly agrees” that the organisation makes sure that HRM strategy is consistent with its business strategy, mission, vision, values and negotiated agreements and the Managing Director “agrees” with all these points. However the Managing Director’s answers are inconsistent here, as he stresses that the organisation has no HRM strategy. The reason for this answer might be that the Managing Director generalises on all strategies in the company. He feels that not only HRM strategy, but every strategy, should be consistent with the business strategy, mission, vision, etc. The Quality Co-ordinator is “unsure” on all these points. According to him, there is no clear, formal HRM strategy in the company.

Effectiveness: Based on the above company 2 has no clear evidence. Although there is a development plan an “estimated cost of training”. However, more work is necessary to use this information. Also, the organisation makes sure that HRM strategy is consistent with its business strategy, mission, and vision etc., but there is no control system for this. As a result, it is “anecdotal”.

Deployment: “Little usage”. Company is using the financial information for monitoring training cost. Result is little usage of “negotiate budget” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiate budget” activity.



CASE 3: HOUSTON WAREHOUSING

The Managing Director is “unsure” that the organisation assesses the financial implications and business benefits of its HR development strategy. According to him they will do this as part of new development and training plans. On the contrary, the Operations Manager and the Warehouse Manager “agree” with this point.

The Managing Director is “unsure”, the Operations Manager “disagrees” and the Warehouse Manager “agrees” that the organisation allocates its HR development budget based on clear cost-benefit analysis. According to the Managing Director the organisation is not doing cost-benefit analysis for HR.

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation uses its financial resources effectively.

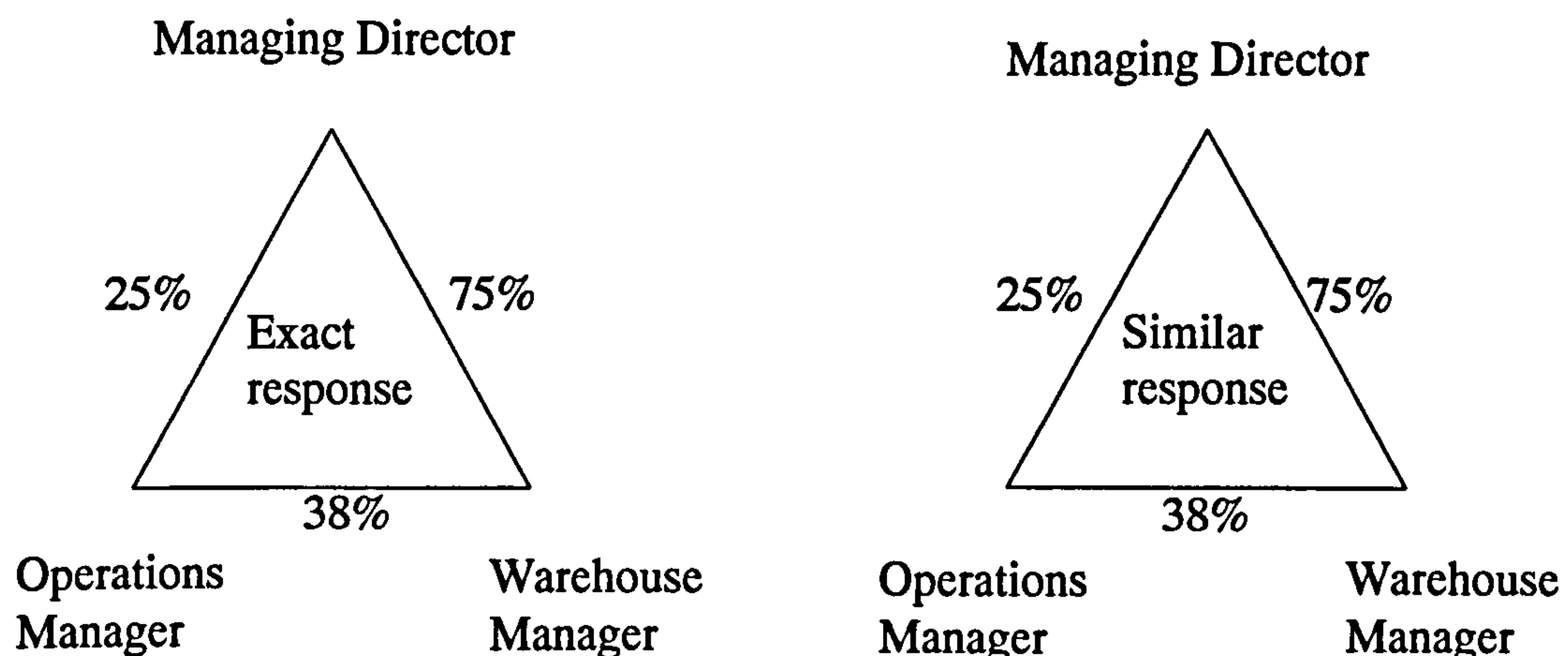
The Managing Director and the Warehouse Manager are “unsure” that the organisation makes sure that its HRM strategy is consistent with its business strategy, mission, vision and values because the organisation has no formal documented HR strategy. According to the Managing Director, HR strategy has not been formalised, but current HR activities are directed to integration with business aims. The Operations Manager “agrees” on these points.

The Managing Director, the Operations Manager and the Warehouse Manager are all “unsure” that the organisation makes sure that HRM strategy is consistent with its negotiated agreements. According to the Operations Manager the organisation has no negotiated agreements, but complies with Company Rules/ Handbook. The Managing Director and the Warehouse Manager also maintain this as the organisation has no formal documented HR strategy.

Effectiveness: Based on the above Company also has no satisfactory evidence, e.g. organisation makes sure that its HRM strategy is consistent with its business strategy, mission and vision, etc. It is “anecdotal”.

Deployment: “Little usage”. Company has documentation, e.g. “strategy formulation”. This includes HR staff (documentation) as well. It is not clear, but they suppose to do some of the things. Result is little usage of “negotiate budget” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiate budget” activity.



CASE 4: HIGHLAND SPRING

The Operations Director and The Productions Team Leader “Disagree” and the Operations Manager “Strongly Disagrees” that the organisation assesses the financial implications and business benefits of its HR development strategy. According to the

Operations Director they strongly consider financial implications and they are doing cost-benefit analysis but not for HR.

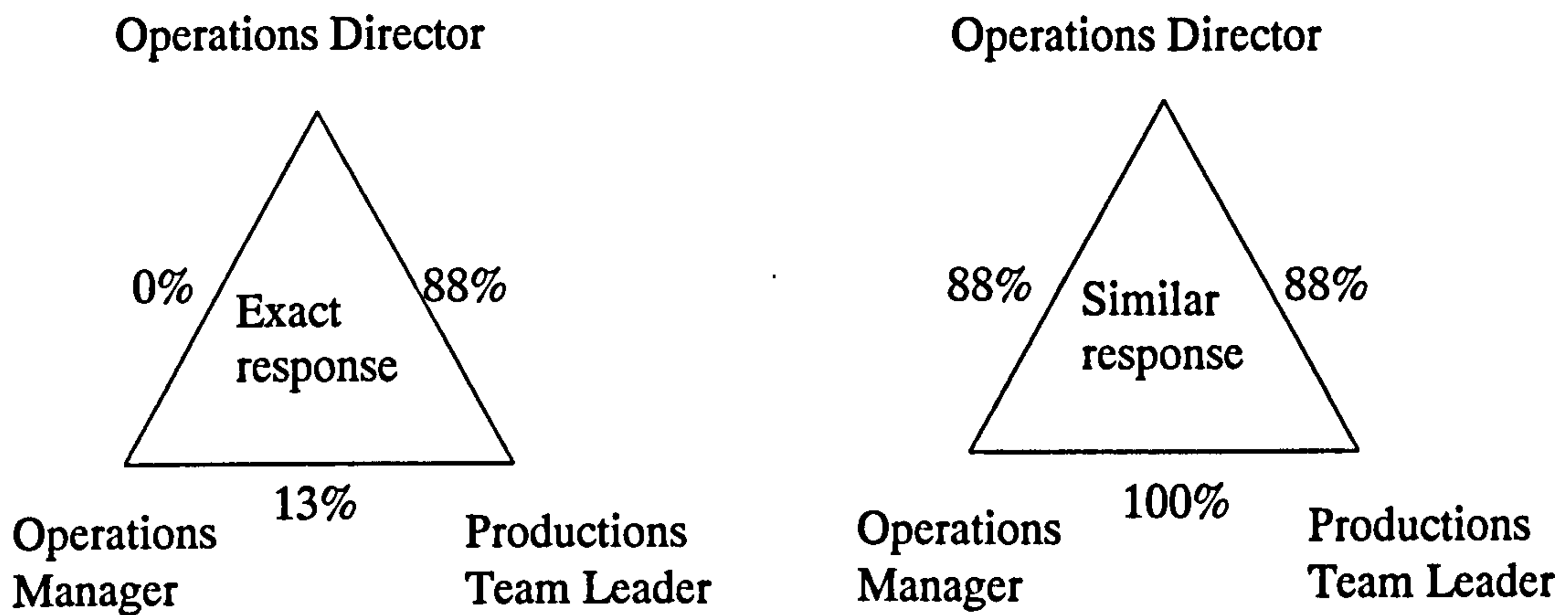
The Operations Manager and Production Team Leader “agree” and the Operations Director is “Unsure” that the organisation makes sure that financial resources are used effectively. According to Operations Director generally financial resources uses effectively, but they do not have HR part.

The Operations Director and the Production Team Leader “Disagree” and Operations Manager “Strongly Disagree” that the organisation makes sure that its HRM strategy is consistent with its business strategy, mission, vision, values and negotiated agreements. According to them the organisation has no formal documented or informal HR strategy.

Effectiveness: Based on the above evidence it is “anecdotal”.

Deployment: “*No usage*”. There is no indication on usage. Result is no usage of “negotiate budget” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiate budget” activity.



Overall Conclusion for “Negotiate Budget” Activity

Based on model and audit workbook criteria, this activity is not used in Highland Spring. Although there is some evidence in Daks Simpson, they are not using this activity properly. At Daks Simpson, all the works on this activity is recorded on paper, but nothing is used in practice. Simpson Label and Houston Warehousing has no documented evidence. However, Simpson Label claims that they are monitoring training cost but researcher is not satisfied with the evidence provided. Houston Warehousing claim that their HR strategy is part of their business strategy, mission and vision etc. but again researcher is not satisfied with the evidence provided. If researcher compares four companies, Daks Simpson is better then Simpson Label and Houston Warehousing and they are better then Highland Spring.

Researcher’s assessments for four companies on this activity are as follows

Negotiate Budget
 Daks Simpson > Simpson Label = Houston Warehousing > Highland Spring

ACTIVITY: SET HR POLICIES

CASE 1: DAKS SIMPSON

HR Manager is strongly agree that before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy, business strategy, mission, vision, values, negotiated agreement.

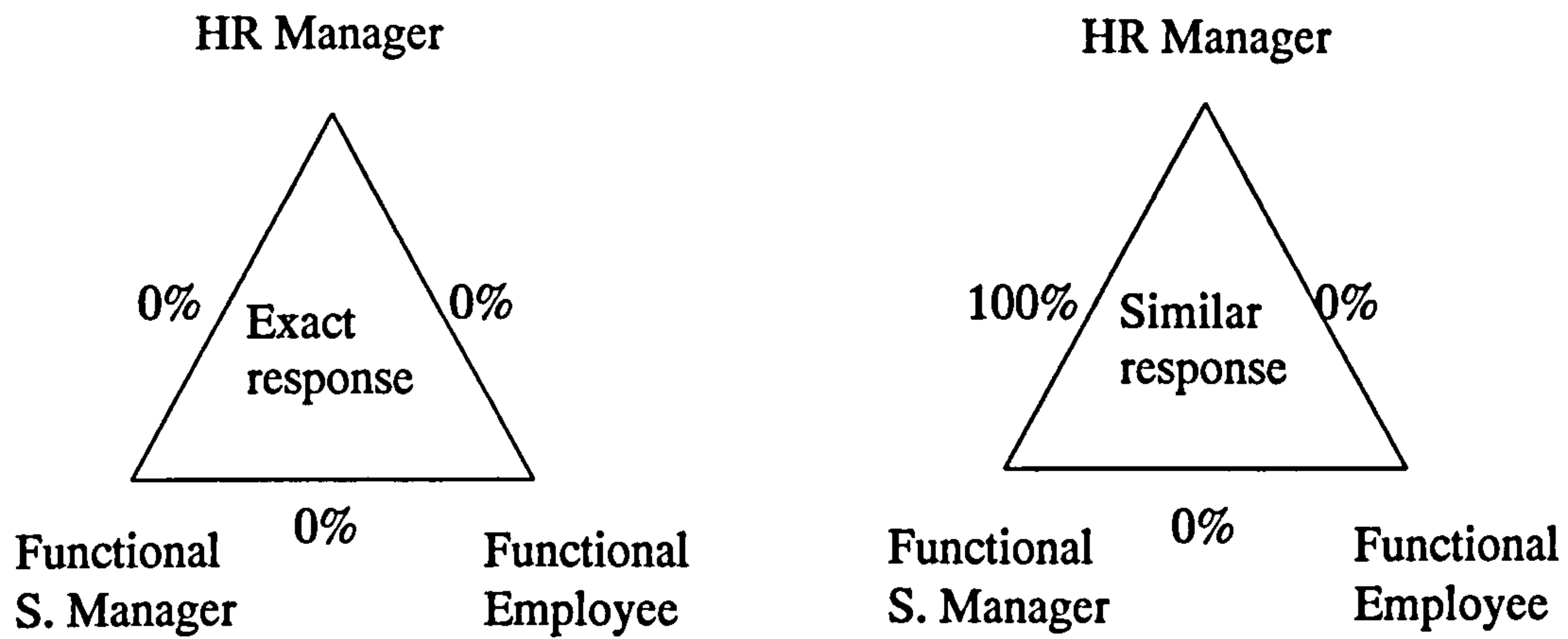
Even, functional senior manager has not seen HR strategy anywhere yet but he “agrees” with all above.

Due to functional employee working position she is not sure about the strategy implementation procedure and what they need to check before and after.

Effectiveness: Based on the above company has no clear documented HR policies. However, during the interview, the HR Manager reported on some of their work. It is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, some points reflect little usage, e.g. “employment regulations”, “sharp policy”. The result is little usage of “set HR policies” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “set HR policies” activity.



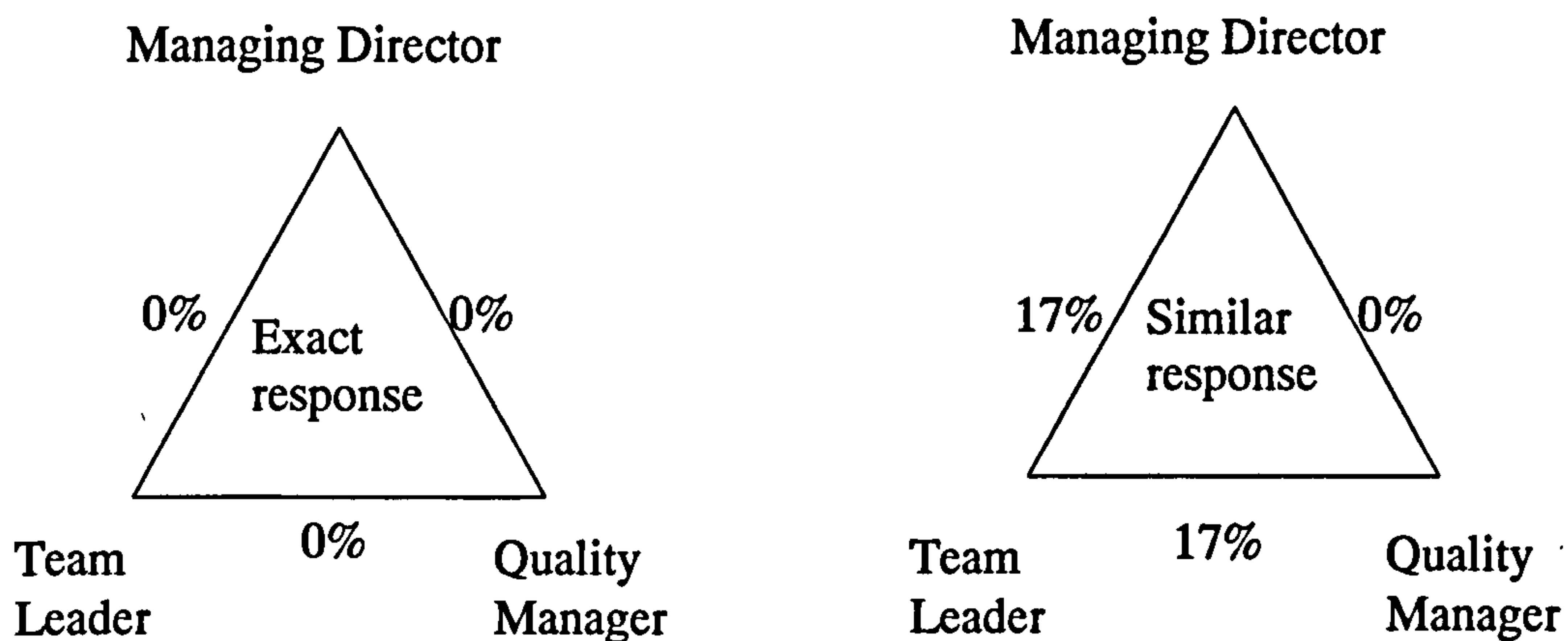
CASE 2: SIMPSON LABEL

The Team Leader “strongly agrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy, business strategy, mission, vision, values and negotiated agreements. The Managing Director “disagrees” with all these points, except negotiated agreements, because, according to him, there is no HR policy in the company. On the other hand, he “agrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its negotiated agreements. The Quality Co-ordinator is “unsure” about all these points, except HR strategy. The Quality Co-ordinator “agrees” that before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy. According to him this is true if HR strategy is clearly defined.

Effectiveness: Based on the above there is “some evidence of a system” in company, e.g. “Employee Development Policy” which from part of its HR policy.

Deployment: “*Little usage*”. Company has some evidence on this point. However, according to interviewee, the implication point would appear be to more work being required. Result is little usage of “set HR policies” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “set HR policies” activity.



CASE 3: HOUSTON WAREHOUSING

The Managing Director is “unsure” that before implementing the HR strategy, the organisation makes sure that it’s HR policies are consistent with it’s HR strategy, business strategy, mission, because, according to him the organisation has no formal documented HR strategy, policy and objectives. The Operations Manager “agrees”, according to him this is happening implicitly. The Warehouse Manager “agrees”,

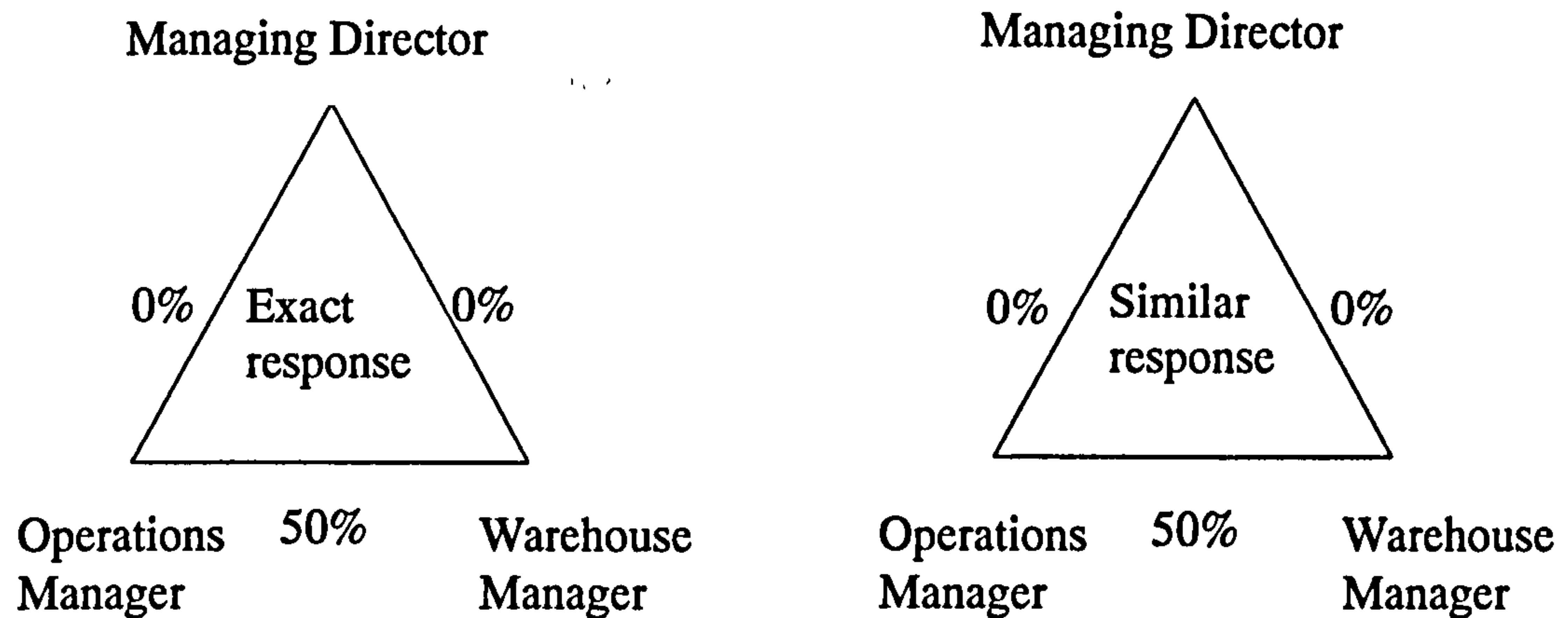
because, according to him, there is no documentation, but training needs are identified and addressed.

The Managing Director is “unsure” and the Warehouse Manager “agrees” that before implementing the HR strategy, the organisation makes sure that it’s HR policies are consistent with it’s vision, values and negotiated agreement. It is the same reason as above. The Operations Manager is “disagree” on this point.

Effectiveness: Based on the above company has no documentation. According to one manager, some points happen implicitly. Another manager supposes that “training needs” are identified and addressed these points. As a consequence it is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, one of interviewee’s replier indicated little usages, e.g. training needs are identified and addressed these points. Result is little usage of “set HR policies” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “set HR policies” activity.



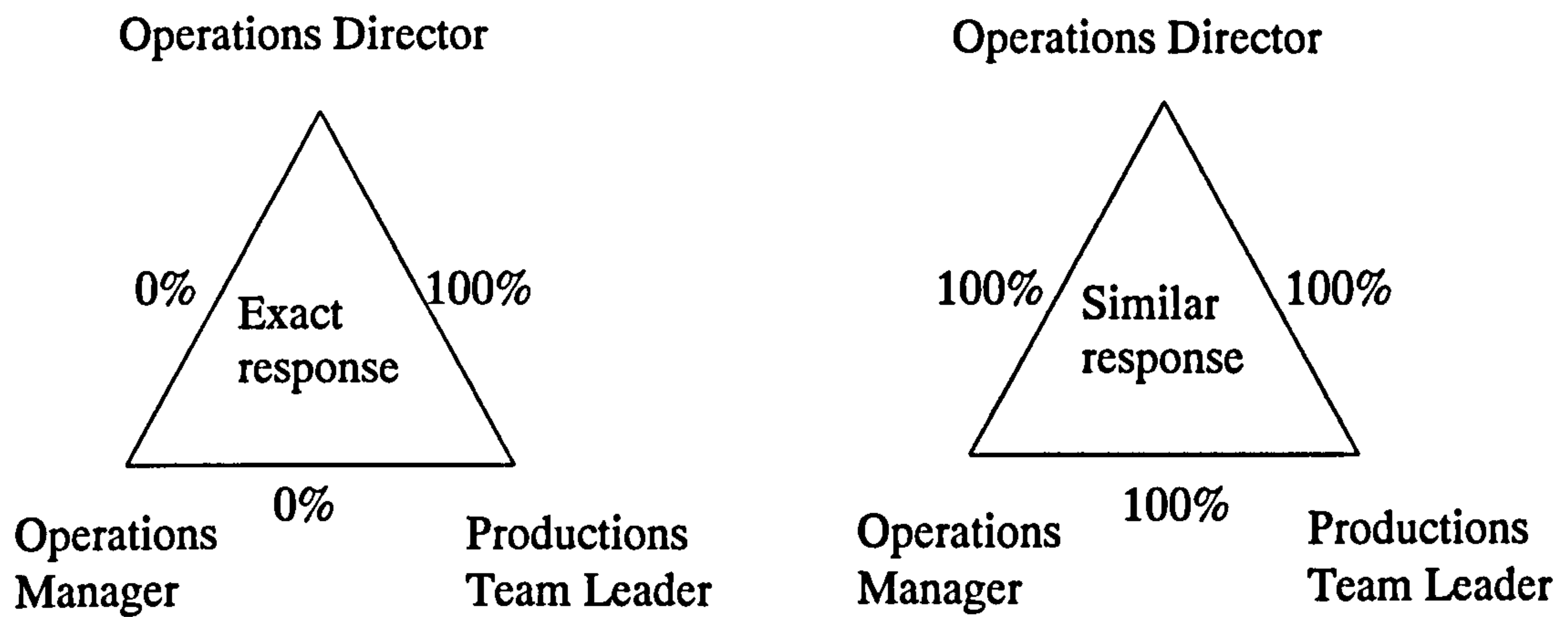
CASE 4: HIGHLAND SPRING

The Operations Director and the Productions Team Leader are “disagree” and Operations Manager “strongly disagrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy, business strategy, mission, vision, values and negotiated agreements. According to them the organisation has no formal documented or informal HR policies.

Effectiveness: Based on the above Case 4 has “no evidence of existence”.

Deployment: “No usage”. There is no indication on usage. Result is no usage of “set HR policies” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “set HR policies” activity.



Overall Conclusion for “Set HR Policies” Activity

Based on model and audit workbook criteria, this activity is not used in Highland Spring. Daks Simpson and Houston Warehousing has no clear evidence however interviewees’ responses indicated little usage. Simpson Label has some evidence however more work is required. If researcher compares four companies, Simpson Label is better than Daks Simpson. Daks Simpson is slightly better than Houston Warehousing and they are better than Highland Spring.

Researcher’s assessments for four companies on this activity are as follows

Set HR Policies
 Simpson Label > Daks Simpson ≥ Houston Warehousing > Highland Spring

ACTIVITY: CONTROL HR

CASE 1: DAKS SIMPSON

HR Manager is strongly agree that:

- The organisation ensures that its HR strategy is implemented in accordance with the HR plan
- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

HR Manager is very certain about all of the above and she mentioned that HR strategy related budget reviewed monthly basis.

Functional Senior Manager “agrees” that the organisation ensures that its HR strategy is implemented in accordance with the HR plan.

Functional Senior Manager unsure that:

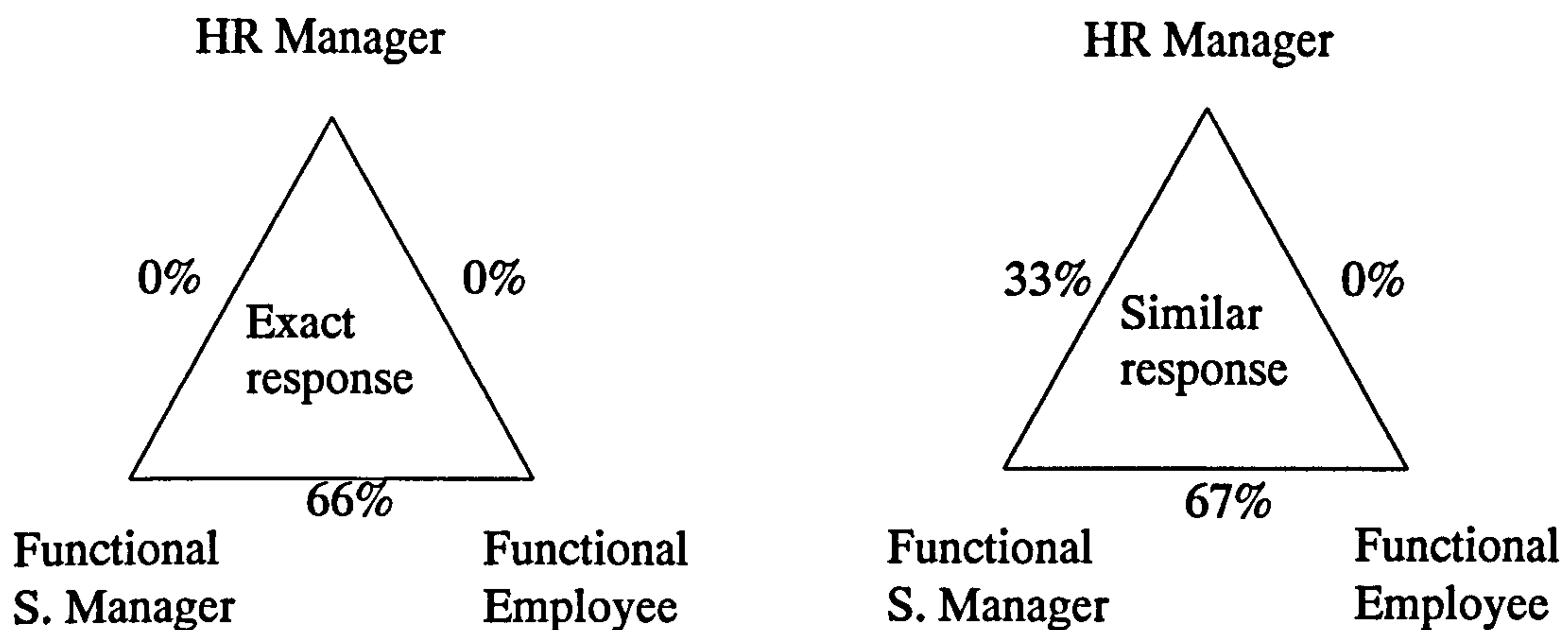
- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

Functional employee is “unsure” about all of the above.

Effectiveness: Based on the above company has no clear evidence. However, the HR Manager stated that the HR strategy- related budget is reviewed on a monthly basis. It is “anecdotal”.

Deployment: “No usage”. There is no indication on usage and the result is therefore no usage of “control HR” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “control HR” activity.



CASE 2: SIMPSON LABEL

The Managing Director and Quality Co-ordinator “unsure” that the organisation ensures that its HR strategy is implemented in accordance with the HR plan. According to the Quality Co-ordinator, HR strategy is not clear enough. The Team Leader agrees with this.

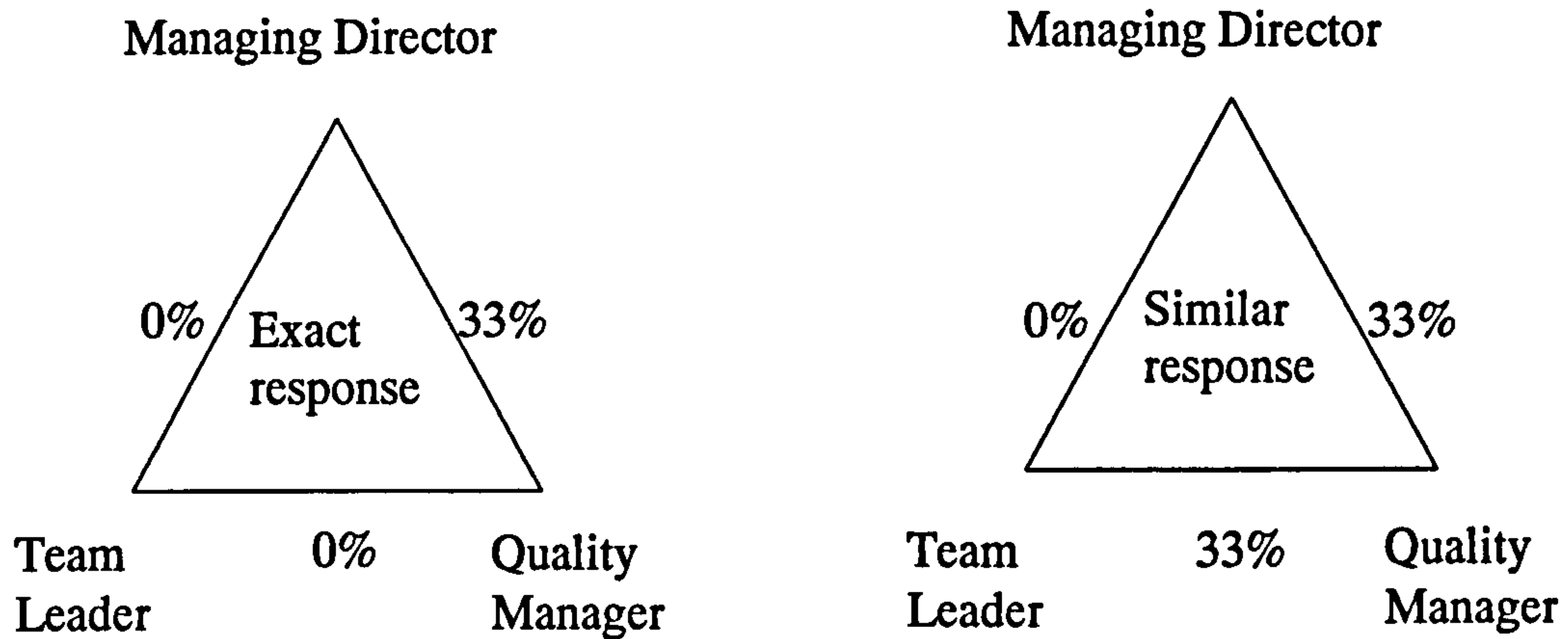
The Team Leader “strongly disagrees” and Quality Co-ordinator “disagrees” that the organisation ensures that implementation of its HR strategy is monitored using performance measures. According to the Team Leader they have no performance measurement system. The Managing Director is “unsure” about this.

The Team Leader “agrees”, the Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that the organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required throughout implementation in order to maximise cost-benefit.

Effectiveness: Based on the above company has also no clear evidence. However, the Team Leader supposes that they are making some effort. It is “anecdotal”.

Deployment: “*No usage*”. There is no indication on usage and the result is therefore no usage of “control HR” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “control HR” activity.



CASE 3: HOUSTON WAREHOUSING

The Managing Director “unsure” that the organisation ensures that HR strategy is implemented in accordance with the HR plan. According to him the organisation has no formal documented HR plan. The Operations Manager “disagrees” because, according to him the organisation does not have an explicit plan. The Warehouse Manager “agrees” that the organisation ensures that its HR strategy is implemented in accordance with the HR plan.

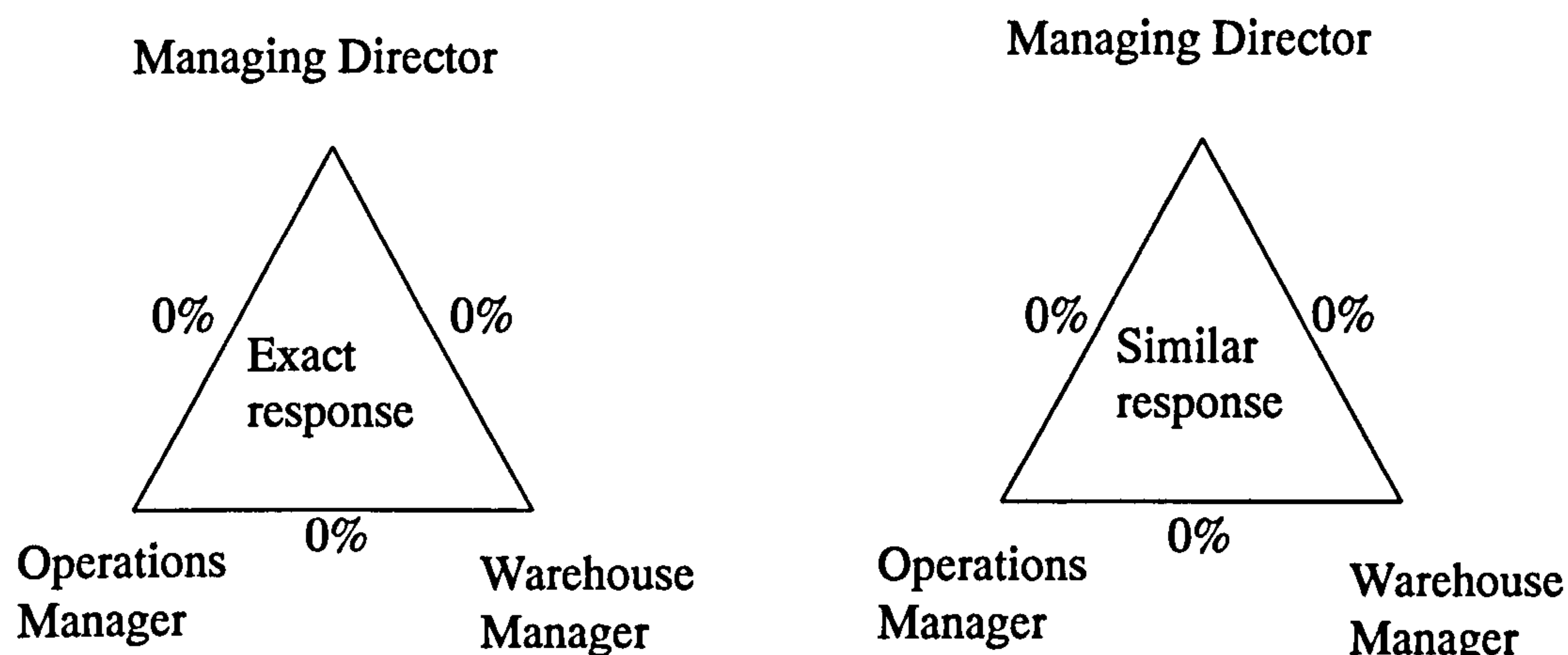
- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures.
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

The Manager Director is “unsure”, the Operations Manager “disagrees” and the Warehouse Manager “agrees” on these points.

Effectiveness: Based on the above company has “no evidence of existence”.

Deployment: “No usage”. There is no indication on usage and the result is therefore no usage of “control HR” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “control HR” activity.



CASE 4: HIGHLAND SPRING

The Operations Director and Productions Team Leader “disagree” and Operations Manager “strongly disagrees” that the organisation ensures that its HR strategy is implemented in accordance with the HR plan. According to them the organisation has no HR strategy and plan.

The Operations Manager and Productions Team Leader “disagree” and the Operations Manager “agrees”, that:

- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures.

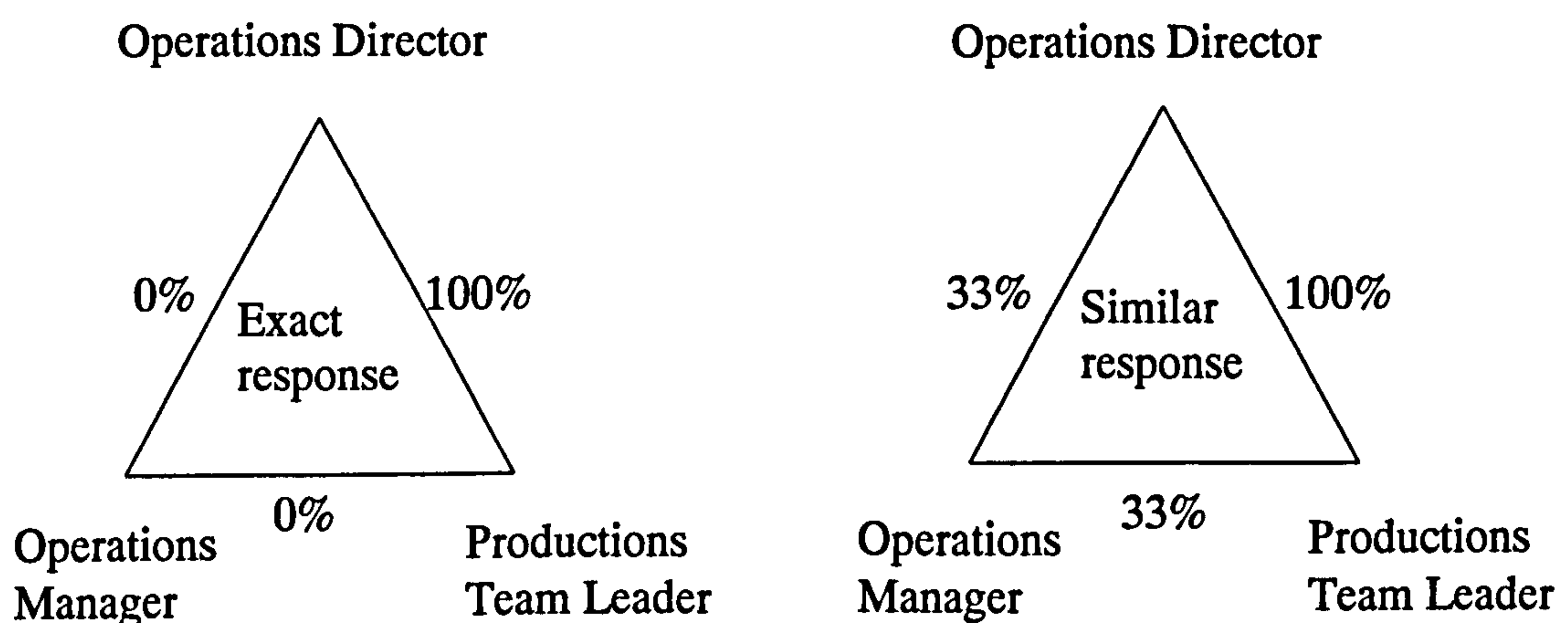
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

According to the Operations Manager the organisation is starting soon with Hi-SAS (Highland-Spring Appraisal System).

Effectiveness: Based on the above the company has “some evidence of a system”, e.g. Hi-SAS.

Deployment: “No usage”. Company has not started using Hi-SAS and the result is therefore no usage of “control HR” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “control HR” activity.



Overall Conclusion for “Control HR” Activity

Based on model and audit workbook criteria, all four companies are not using this activity. Although, Highland Spring has some evidence (Hi-SAS), they have not yet started to use. Houston Warehousing, Daks Simpson and Simpson Label have no clear evidence. If researcher compares four companies, Highland Spring is better than Daks Simpson and Simpson Label. Daks Simpson and Simpson Label are same. They are better than Houston Warehousing.

Researcher’s assessments for four companies on this activity are as follows:

Control HR

Highland Spring > Daks Simpson = Simpson Label > Houston Warehousing

ACTIVITY: ASSESS, SELECT, RECRUIT

CASE 1: DAKS SIMPSON

The HR Manager “strongly agrees” that the organisation ensures that the assessment, selection and recruitment processes are inline with its HR strategy and policies. According to her, the assessment, selection and recruitment process is in place, however due to the circumstances recruitment is restructured.

The functional senior manager “agrees” that the organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy and he “strongly agrees” that, the organisation ensures that the assessment, selection and

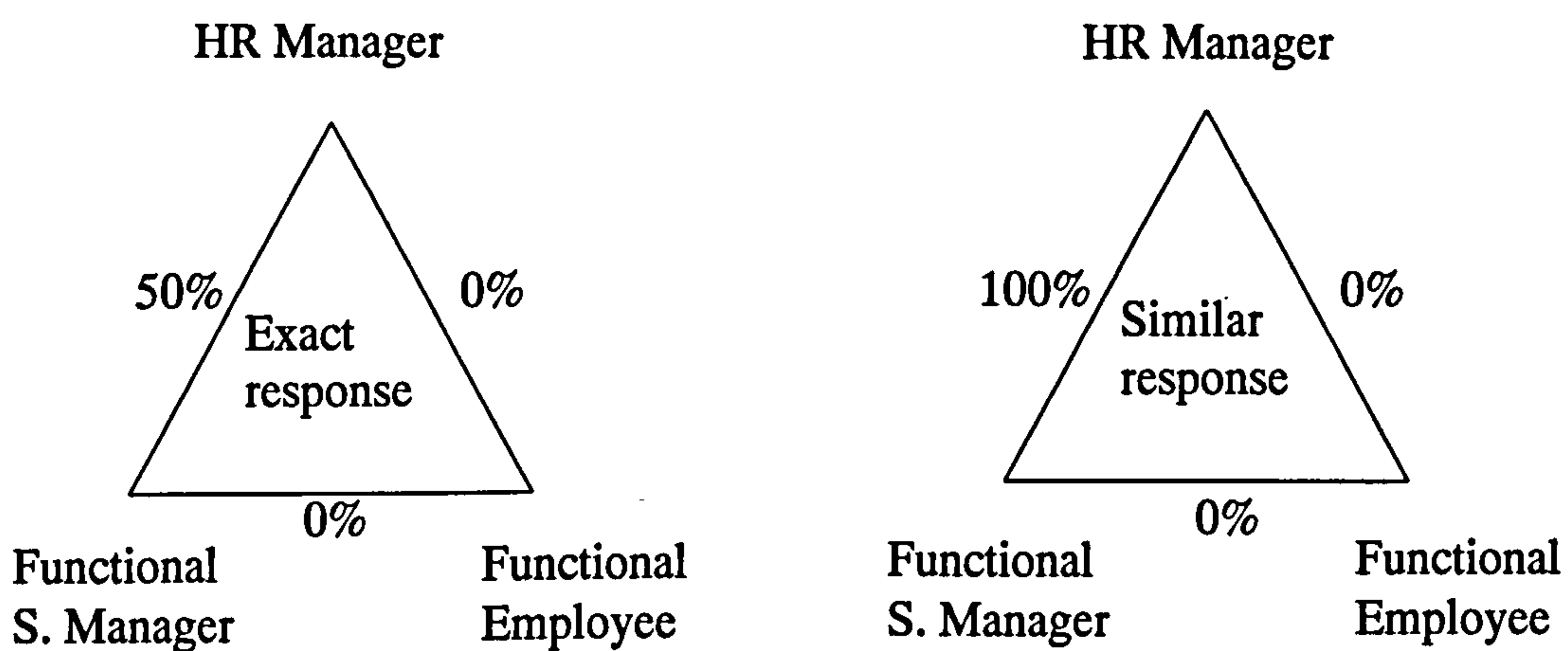
recruitment process are inline with its HR policies. But he has no idea that what are the assessment, selection and recruitment process and how it works.

Functional employee does not know what the assessment selection and recruitment process is and how it works.

Effectiveness: Based on the above, there is “some evidence of a system”. They prepared a structured questionnaire to be addressed regarding recruitment and selection. Also, the HR Manager mentioned that, due to circumstances, recruitment is being restructured. Company has a clear job description as well.

Deployment: “*Little usage*”. Company has some evidence, e.g. structured questionnaire. Result is little usage of “assess, select, recruit” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “assess, select, recruit” activity.



CASE 2: SIMPSON LABEL

The Team Leader “strongly agrees” and the Managing Director and Quality Co-ordinator “agree” that the organisation ensures that assessment, selection and recruitment processes are in line with its HR strategy. The Managing Director’s answer here is inconsistent with his other answers, relating to HR strategy, because, according to him, there is no HR strategy. The reason might be that he thinks they have strategy, but not necessarily HR strategy.

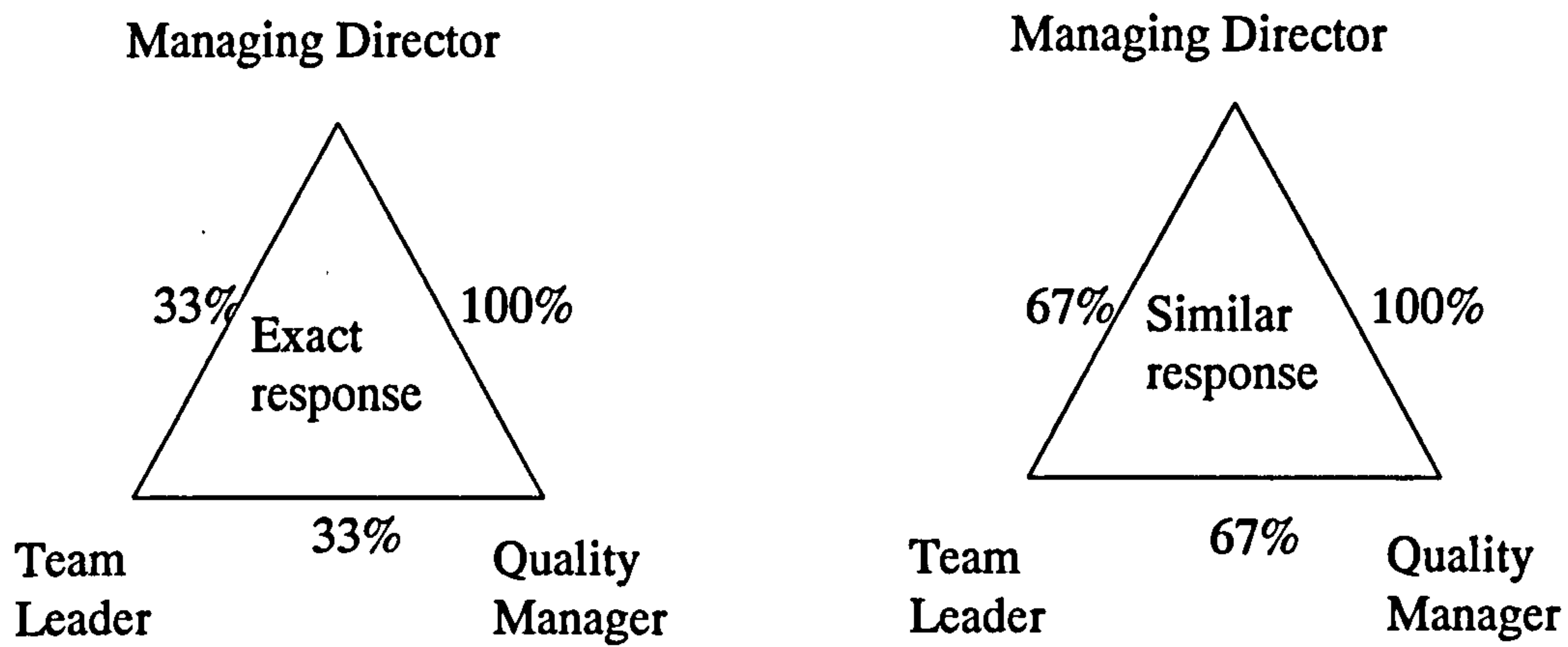
The Team Leader “strongly agrees” that the organisation ensures that assessment, selection and recruitment processes are in line with its HR policies. On the contrary, the Managing Director and Quality Co-ordinator are “unsure” on this, because, according to the Managing Director, there is no HR policy in company and the Quality Co-ordinator believes that the, HR policies are not defined or documented clearly enough.

The Managing Director, Team Leader and Quality Co-ordinator “strongly disagree” that the organisation has a job description.

Effectiveness: Based on the above Case 2 has no clear evidence. However, three of interviewees are very confident that assessment, selection and recruitment processes are in line with company strategy and HR strategy. It is “anecdotal”.

Deployment: *“Little usage”*. Company has no clear evidence. However, three interviewees’ answers pointed to a “little usage”, e.g. they gave some specific examples. Result is little usage of “assess, select, recruit” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “assess, select, recruit” activity.



CASE 3: HOUSTON WAREHOUSING

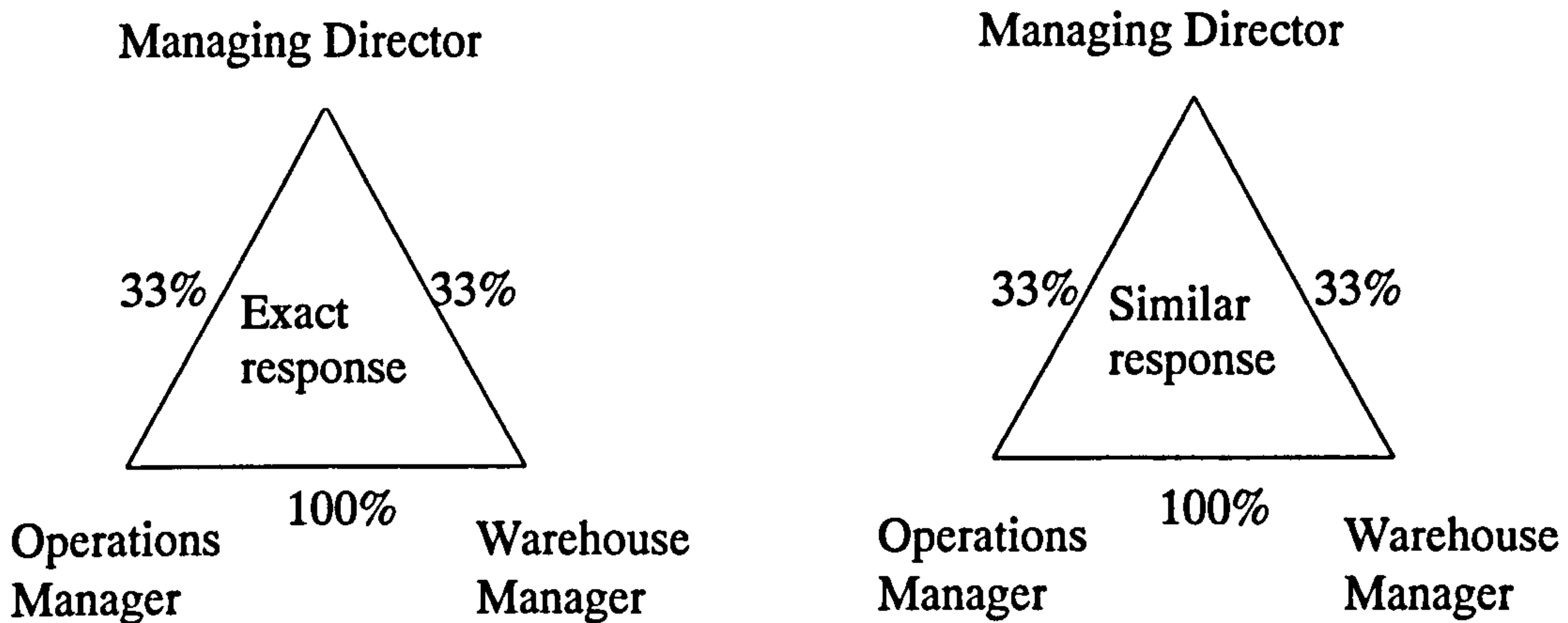
The Operations Manager and the Warehouse Manager “agree” that the organisation ensures that the assessment, selection and recruitment processes are in line with its HR strategy and HR policy. According to the Operations Manager the organisation is advancing that process. The Managing Director is “unsure” on this point. According to him nothing is formalised, but recruitment is in line with business vision.

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation has a job description, which is formally documented.

Effectiveness: Based on the above company has “some evidence of a system”, e.g. clear “Job description”.

Deployment: “*Little usage*”. Company has evidence, e.g. “job description”. Result is little usage of “assess, select, recruit” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “assess, select, recruit” activity.



CASE 4: HIGHLAND SPRING

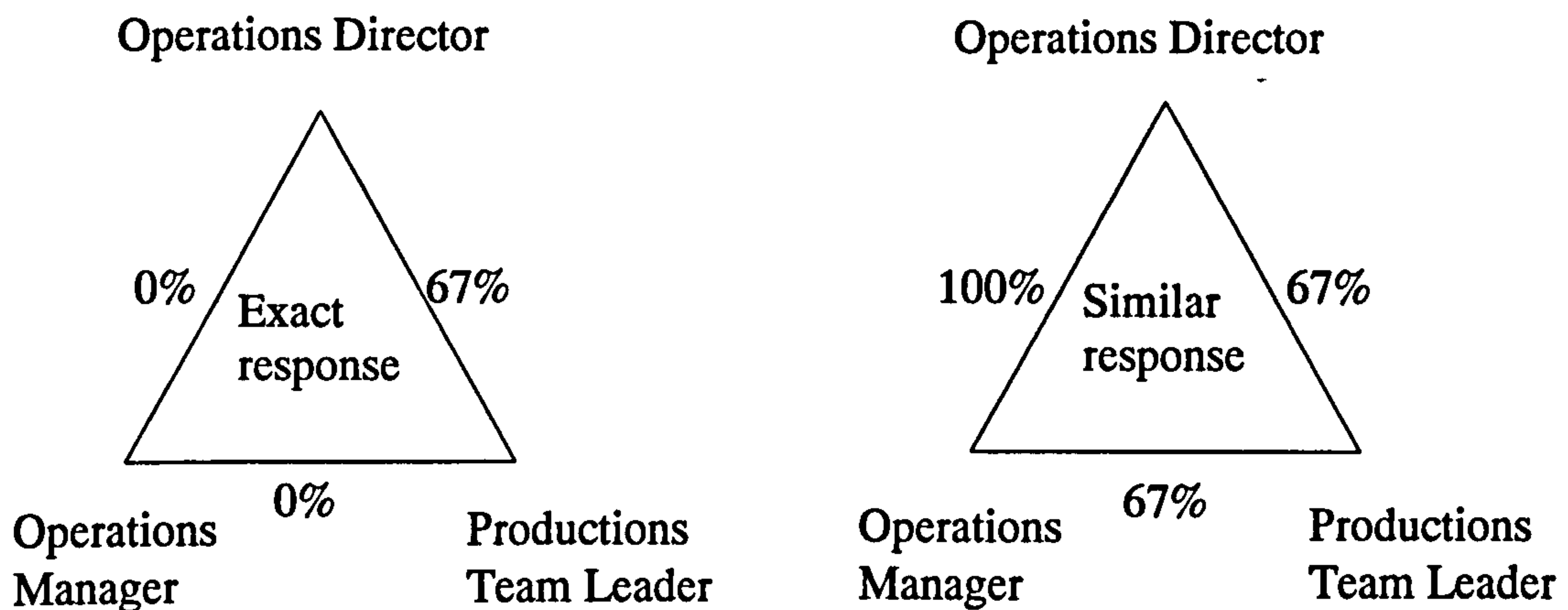
The Operations Director and Productions Team Leader “Disagree” and Operations Manager “strongly disagrees” that the organisation ensures that the assessment, selection and recruitment processes are in line with its HR strategy and policy. According to them the organisation has no HR strategy and policies. However, according to Operations Director the organisation ensures good assessment, selection and recruitment., practices. The Operations Director “disagrees” and the Operations Manager “strongly disagrees” that the organisation has a job description. According to Operations Director they will

develop. According to Operations Manager, some department specific roles & responsibilities available. But as a company they do not have. The Productions Team Leader “agrees” but there is no evidence to support his answer.

Effectiveness: Based on the above Case 4 has “no evidence of existence”.

Deployment: “No usage”. There is no indication on usage. Result is no usage of formal “assess, select, recruit” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “assess, select, recruit” activity.



Overall Conclusion for “Assess, Select, Recruit” Activity

Based on model and audit workbook criteria, this activity is not used in Highland Spring. Daks Simpson and Houston Warehousing have some evidence and little usage. However, Daks Simpson has some extra evidence of deployment i.e. structured

questionnaire. Simpson Label has no documentation, however interviewees' responses indicated little usage. If researcher compares four companies, Daks Simpson is slightly better than Houston Warehousing. Houston Warehousing is better than Simpson Label and Simpson Label is better than Highland Spring.

Researcher's assessments for four companies on this activity are as follows:

Assess, Select, Recruit

Daks Simpson ≥ Houston Warehousing > Simpson Label > Highland Spring

ACTIVITY: TRAIN, EDUCATE, DEVELOP

CASE 1: DAKS SIMPSON

HR Manager "strongly agrees" and Functional Senior Manager agrees that:

- The organisation ensures that its training and development plan is applied correctly
- The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business

According to HR manager, the training and development plan comes from assessing the individual requirements.

HR Manager and Functional Senior Manager "strongly agree" that where appropriate the organisation provides new and emerging technologies to address training needs.

According to HR Manager this is relevant due to changes in styles etc.

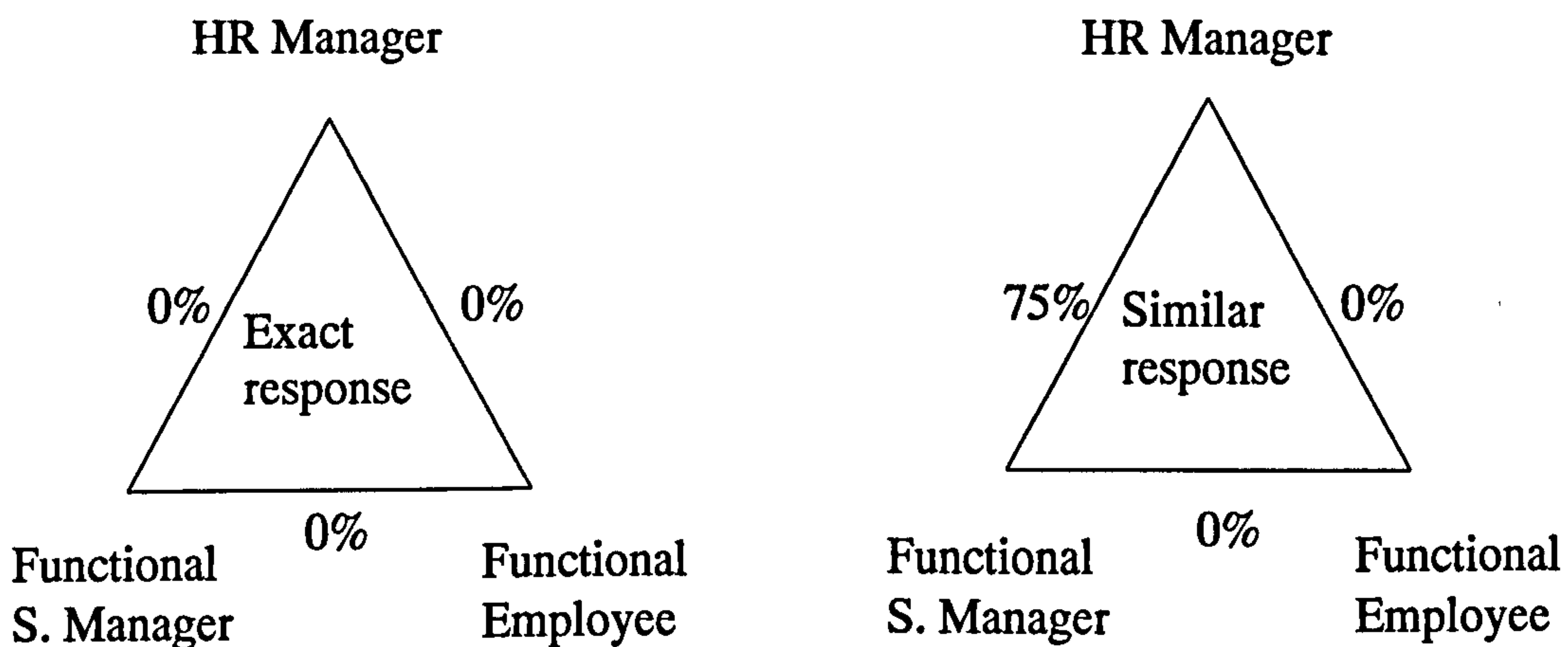
HR Manager “strongly agrees” and Functional Senior Manager “unsure” that the organisation ensures that training and development provided have been effective. The HR manager is very certain about at this point and she says (that) the production levels indicate this.

Functional Employee “strongly disagrees” and “disagrees” with all above points. Employees are not satisfied enough at these points.

Effectiveness: Based on the above company has “some evidence of a system”, e.g. questionnaire prepared on “training and development” to enable employee feedback and information to be obtained.

Deployment: “*Little usage*”. There is some evidence, e.g. a “training and development” questionnaire. Result is little usage of “train, educate, develop” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “train, educate, develop” activity.



CASE 2: SIMPSON LABEL

The Managing Director “agrees” that the organisation ensures that its training and development plan is applied correctly. The Quality Co-ordinator is “unsure” on this point. According to him he is not clear what the training and development plan is. The Team Leader “disagrees” with this point. He feels that the organisation has no system in place to check if a training and development plan is being implemented.

The Team Leader “strongly agrees” and the Managing Director “agrees” that the organisation ensures that its staff training and development plan matches the needs of its HRM strategy and business strategy. The Quality Co-ordinator “disagrees”, as he feels that HRM strategy, as well as, the training and development plan, are not clearly defined or (and) documented.

The Team Leader “agrees” that where appropriate, the organisation provides new and emerging technologies to address training needs but the Managing Director is “unsure” and the Quality Co-ordinator “disagrees”.

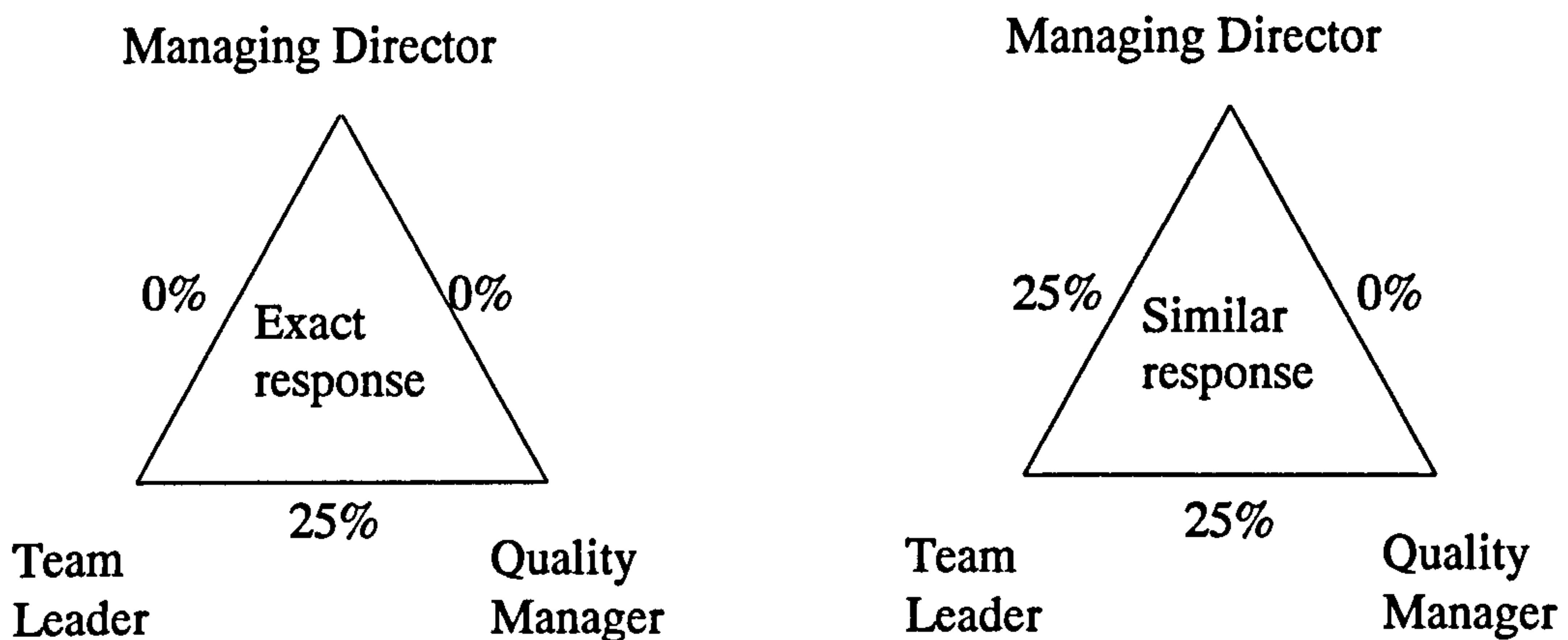
The Team Leader and the Quality Co-ordinator both “disagree” that the organisation ensures that training and development provided is effective. The Managing Director “agrees” that it is effective.

Effectiveness: Based on the above company has “clear evidence of soundly-based system”, e.g. “training plan”, “team development plan”. The HR development needs and gaps are identified and scheduled and the employee training and development plan is documented in detail. The training plan, process, records and feedback are documented

in detail, but there is no formal control system for assessing the effectiveness of training for company.

Deployment: *“Part usage”*. There is clear evidence. However, there is no formal control system for assessing the effectiveness of training. Result is part usage of “train, educate, develop” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “train, educate, develop” activity.



CASE 3: HOUSTON WAREHOUSING

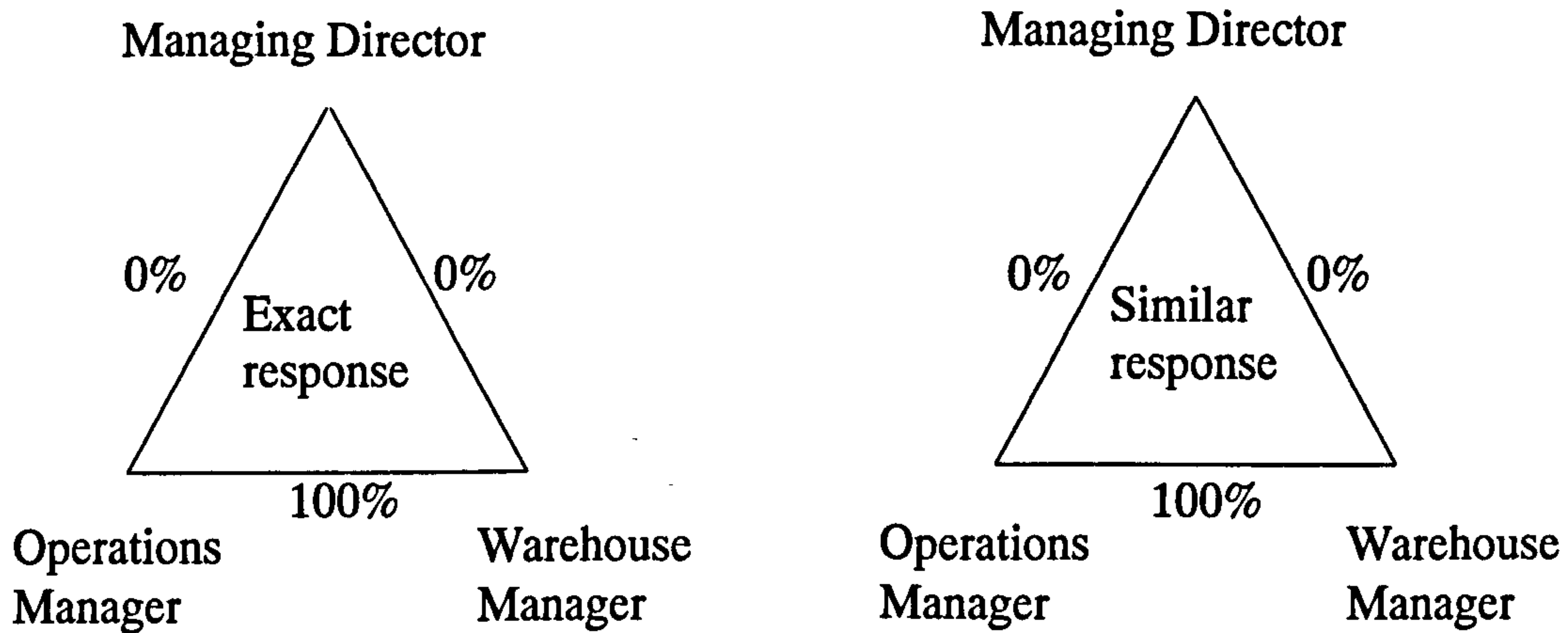
The Managing Director is “unsure” on all these points. According to him Job Description and Person Specification are agreed for all employees. The Training Needs Analysis and Plan are under way. The Operations Manager and Warehouse Manager “agree” on these points. However, the Operations Manager stated that staff requiring

training were identified, but there is no effective system for checking if the training plan is being applied correctly.

Effectiveness: Based on the above company has “clear evidence of soundly based system” as well, e.g. “person specification”, “training needs analysis”, “survey”. The HR development needs and gaps are identified and scheduled according to the survey. “Training Needs Analysis” and “Person Specification” are documented in detail. The training plan, process, records and feedback are documented in detail, but there is no formal control system for assessing the effectiveness of training for company.

Deployment: “Part usage”. There is clear evidence. However, there is no formal control system for assessing the effectiveness of training. Result is part usage of “train, educate, develop” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “train, educate, develop” activity.



CASE 4: HIGHLAND SPRING

The Operations Director “Disagrees”, Operations Manager “Strongly Disagrees” and Productions Team Leader “Agrees” that the organisation ensures that its training and development plan is applied correctly. According to Operations Director they have no plan but they are doing training and development. The Operation Manager does not believe that training and development plan is applied correctly.

The Operations Director and Productions Team Leader “Disagree” and Operations Manager “Strongly Disagree” that The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business strategy. According to Operations Director plan is to meet business requirements.

The Operations Director and Operations Manager “Agree”, Productions Team Leader “Disagrees” that where appropriate the organisation provides new and emerging technologies for training needs. The Operations Manager is quite sure about his field.

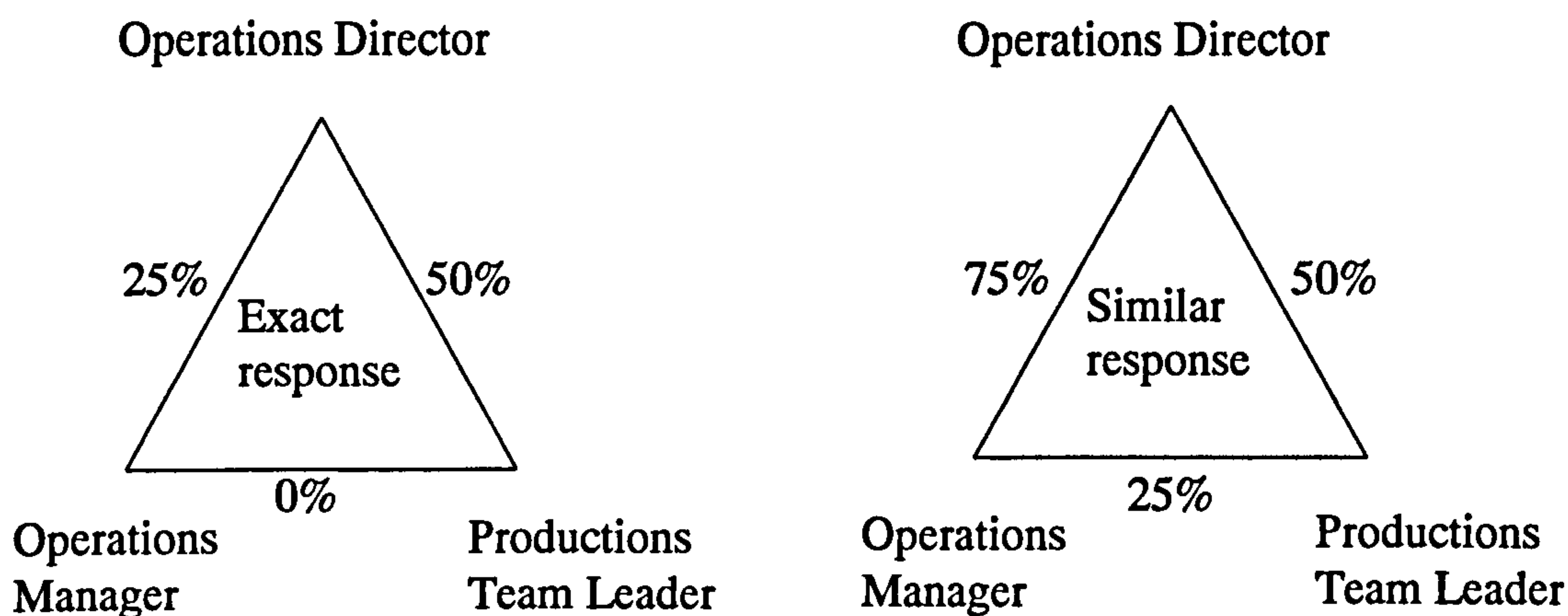
The Operations Director and the Productions Team Leader are “Agree” the Operations Manager “Strongly Disagrees” that the organisation ensures that training and development provided have been effective. The Operations Manager does not believe it is effective.

Effectiveness: Based on the above company has “clear evidence of soundly-based system” as well, e.g. “training feedback”. The training plan, process, records and

feedback are documented in detail, but there is no formal control system for assessing the effectiveness of training for company.

Deployment: *“Part usage”*. There is clear evidence. However, there is no formal control system for assessing the effectiveness of training. Result is part usage of “train, educate, develop” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “train, educate, develop” activity.



Overall Conclusion for “Train, Educate, Develop” Activity

Based on model and audit workbook criteria, this activity is one of the most successful activities of the model, in three companies (Simpson Label, Houston Warehousing, Highland Spring). They have clear evidences, however in three companies, there is no formal control system for assessing the effectiveness of the training. As a result of this, three companies have part usage of this activity. Daks Simpson is not as successful as

others. They have some evidence and little usage. If researcher compares the four companies, Simpson Label, Houston Warehousing and Highland Spring are same and they are better than Daks Simpson.

Researcher's assessments for four companies on this activity are as follows

Train, Educate, Develop

Simpson Label = Houston Warehousing = Highland Spring >Daks Simpson

ACTIVITY: MANAGE HR PERFORMANCE

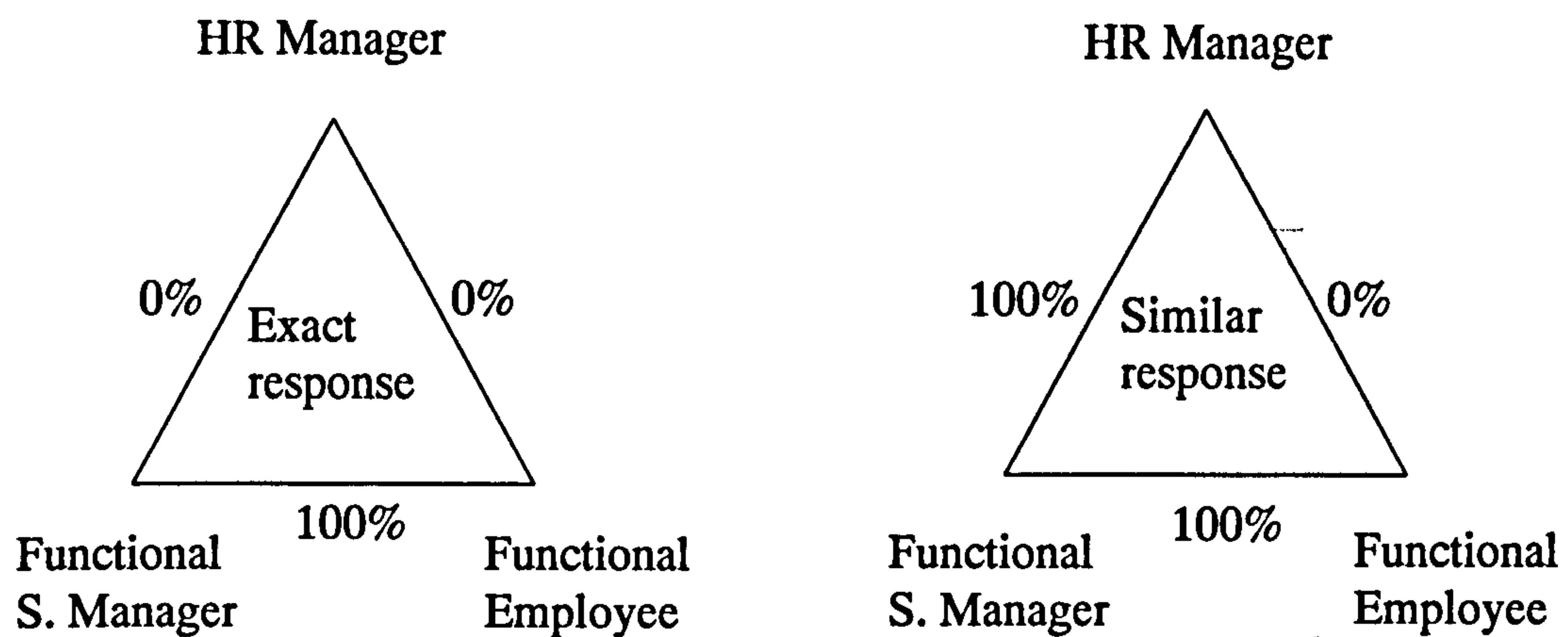
CASE 1: DAKS SIMPSON

The HR manager strongly agrees that the organisation continuously reviews the impact of its HR strategy on business and operational results and revise/change its HR and/ or business strategy. According to HR manager, because the business is changing in line with the industries. This becomes of paramount importance. The functional senior manager and functional employee are not very sure on this point.

Effectiveness: Based on the above company has “clear evidence of soundly-based system”, e.g. “Performance Review and Development Model”, “Performance Review Form”, “Performance Review Policy and Procedure”, “Performance Review Questionnaire”. Although there is a performance review system, the results of reviews are not effectively utilised to manage performance. Therefore, a more effective performance management system is required.

Deployment: *“Part usage”*. There is clear evidence. However, the reviews results are not effectively utilised to manage performance. Result is part usage of “manage HR performance” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage HR performance” activity.



CASE 2: SIMPSON LABEL

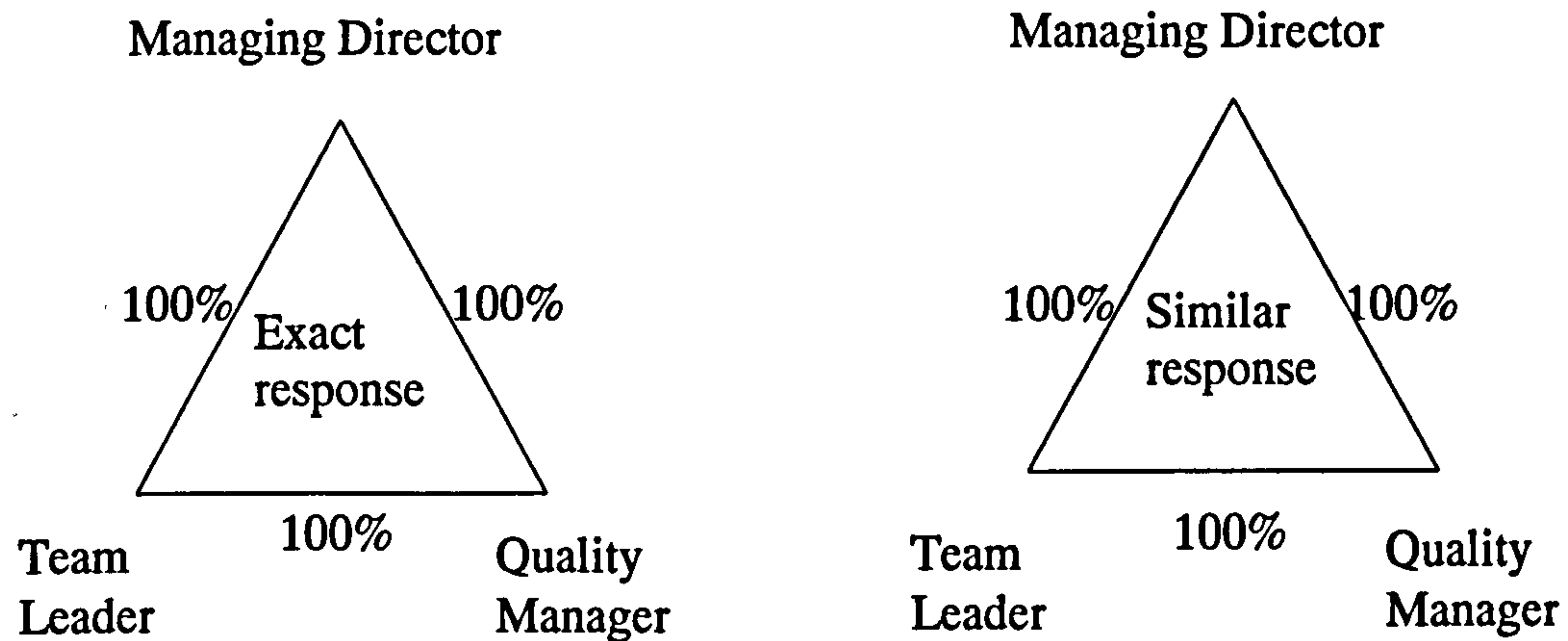
The Managing Director, Team Leader and Quality Co-ordinator “disagree” that the organisation continuously reviews the impact of its HR strategy on business and operational results and revise / change its HR and / or Business strategy accordingly.

The Managing Director, Team Leader and the Quality Co-ordinator “strongly disagree” that the organisation has personal performance measurement systems.

Effectiveness: Based on the above company has “no evidence of existence”.

Deployment: “No usage”. There is no indication on usage. Result is no usage of “manage HR performance” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage HR performance” activity.



CASE 3: HOUSTON WAREHOUSING

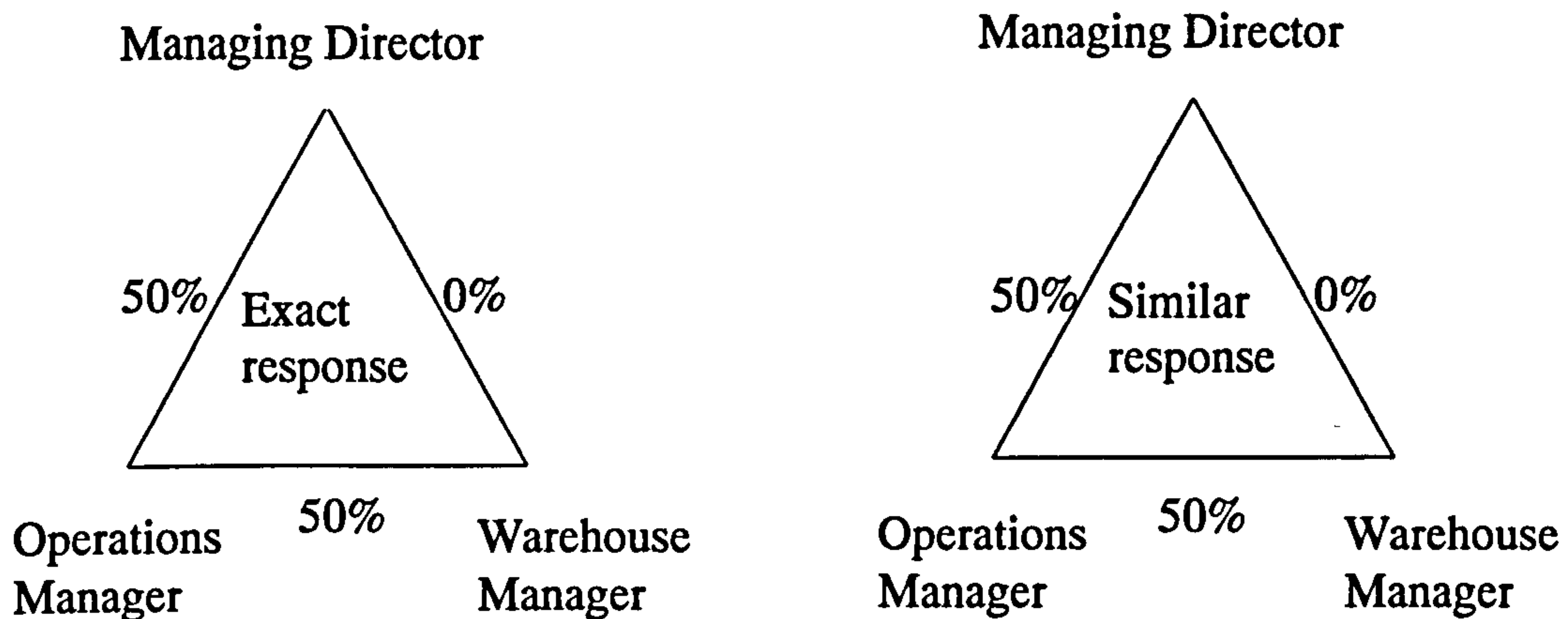
The Managing Director is “unsure” and the Operations Manager and Warehouse Manager “agree” that the organisation continuously reviews the impact of its HR strategy on business and operational results and revises / changes its HR and / or Business strategy. According to the Warehouse Manager this has only recently been implemented.

The Managing Director and the Operations Manager “disagree” and the Warehouse Manager is “unsure” that the organisation has a personal performance measurement system. According to the Managing Director they do not carry out individual performance measurement.

Effectiveness: Based on the above company has no clear evidence. However, the Warehouse Manager mentioned that it is a new system. Also “process improvement” plan is involved in this and they give high priority to it. It is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, two respondents comments point to “little usage” on the Company’s “process improvement” plan including some aspects of the “Manage HR Performance” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage HR performance” activity.



CASE 4: HIGHLAND SPRING

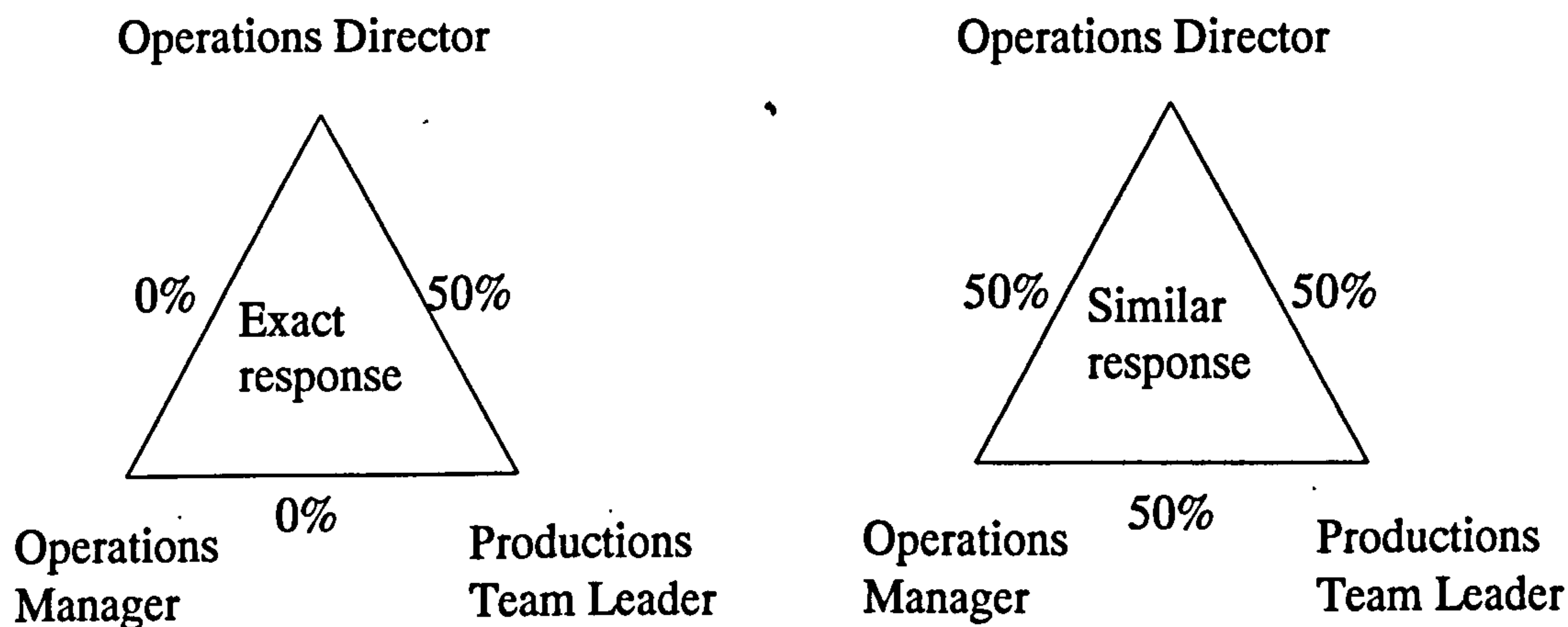
The Operations Director and Productions Team Leader “disagree” and Operations Manager “Strongly Disagree” that the organisation continuously reviews the impact of its HR strategy on business and operational results and revises / changes its HR and / or Business strategy. As they mentioned above they have no HR strategy.

The Operations Director “disagrees” Operations Manager “Unsure” and the Productions Team Leader “Agrees” that the organisation has a personal performance measurement system. According to the Operations Director as an organisation they will start next year. According to Operations Manager departmentally they are about to implement a system. According to Productions Team Leader they do not used very often.

Effectiveness: Based on the above this company is anecdotal as well. According to Operations Manager some of department working on personal performance measurement system. However, it will be introduced across the organisation next year.

Deployment: “*Little usage*”. Company has no clear evidence. However, there is some evidence (Hi-SAS) that some work is being done in this area. Again, two answers indicated research pointed to “little usage”.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage HR performance” activity.



Overall Conclusion for “Manage HR Performance” Activity

Based on model and audit workbook criteria, this activity is not used in Simpson Label. Houston Warehousing and Highland Spring have no clear evidence, however in both companies’ interviewees’ responses indicated little usage. The most complete activity seems to be in Daks Simpson. However the results of reviews are not effectively utilised to manage performance. Therefore, more effective performance management system is required. If researcher compares four companies, Daks Simpson is the best one, Houston Warehousing and Highland Spring are the same and they are better than Simpson Label.

Researcher’s assessments for four companies on this activity are as follows

Manage HR Performance

Daks Simpson > Houston Warehousing = Highland Spring > Simpson Label

ACTIVITY: *MANAGE REDEPLOYMENT*

CASE 1: DAKS SIMPSON

HR Manager “strongly agrees”, Functional Senior Manager “agrees” and Functional Employee “unsure” that:

- The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development
- If question above is not possible the organisation considers the redeployment of current jobholder within or out-with the organisation

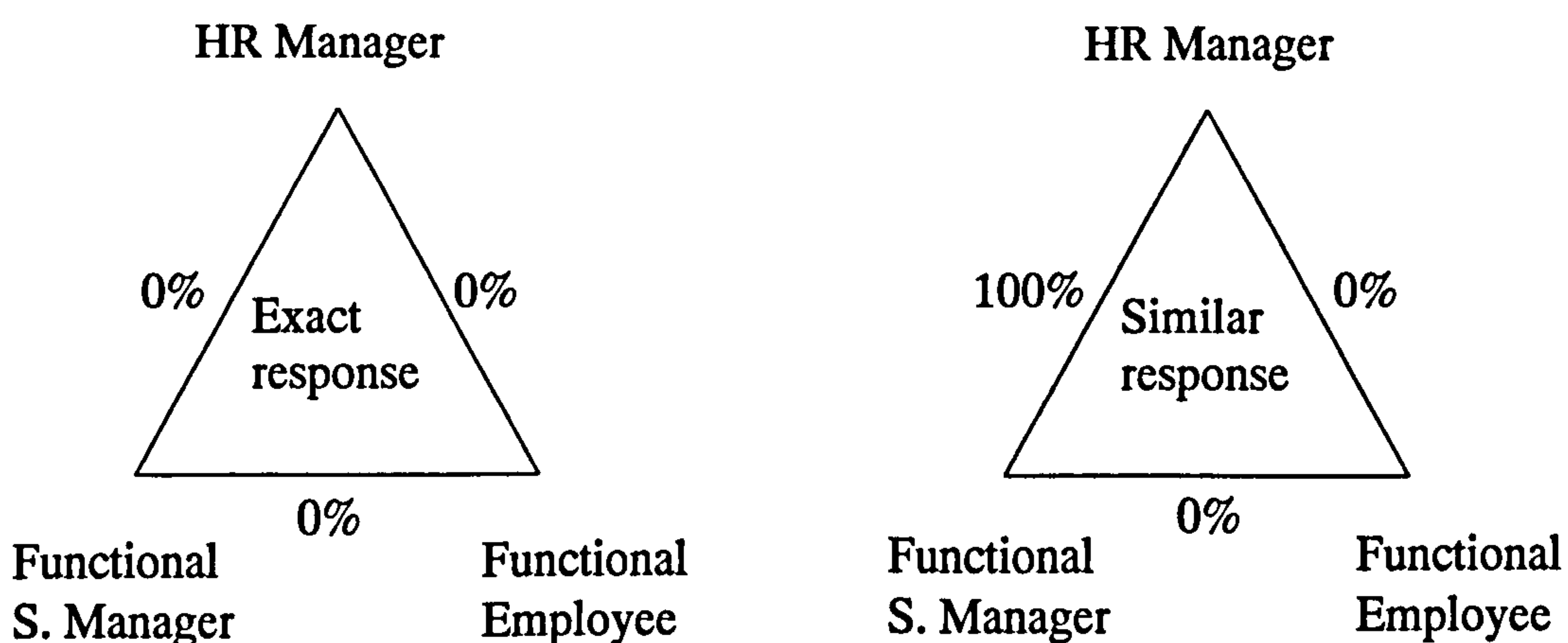
According to HR Manager, multi skilling has been essential. However, a new skill if not available within the organisation than recruitment is essential.

According to Functional Employee, because of her position she remains uncertain about that.

Effectiveness: Based on the above company has no clear evidence. It is “anecdotal”, e.g. “multi skilling”.

Deployment: “Little usage”. Company has no clear evidence. However, the HR manager indicated “little usage”.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage redeployment” activity.



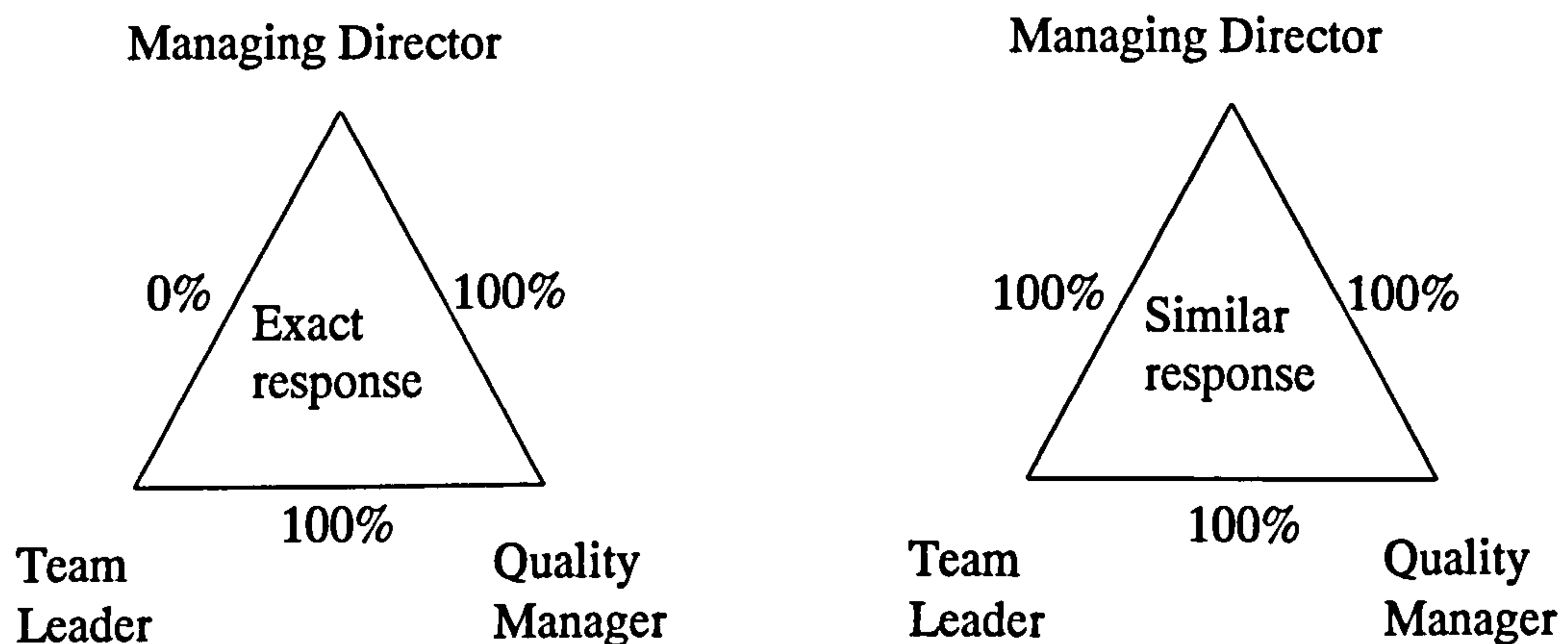
CASE 2: SIMPSON LABEL

The Team Leader “strongly agrees” and the Managing Director, and Quality Co-ordinator “agree” that the organisation ensures that an identified job deficiency can be rectified through training, education or development and if this is not possible the organisation considers the redeployment of the current job holder elsewhere.

Effectiveness: Based on the above company has “clear evidence of soundly-based system”, e.g. “training plan”, “team development plan”. Company identifies peoples’ needs and prepare employee-training plans for each employee.

Deployment: “*Full usage*”. There is clear evidence and examples to support the interviewee’s answers. Result is full usage of “manage redeployment” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage redeployment” activity.



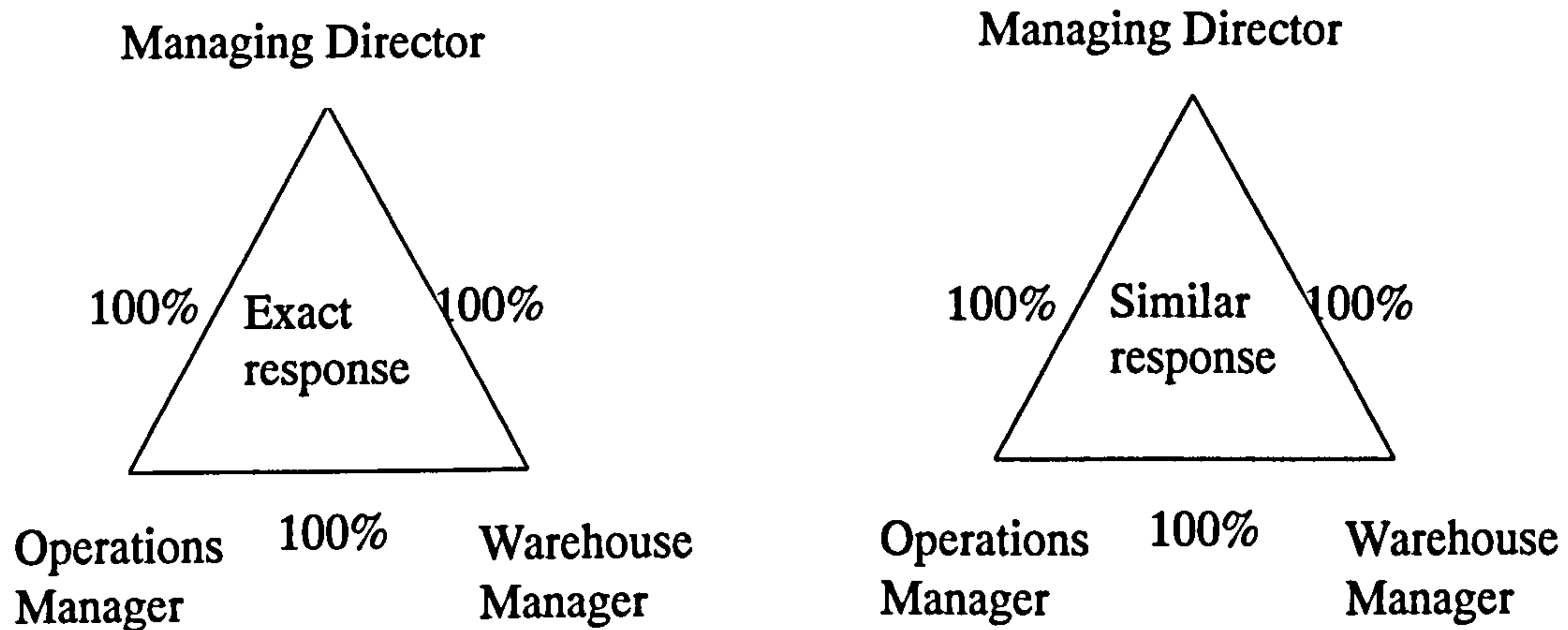
CASE 3: HOUSTON WAREHOUSING

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation ensures that an identified deficiency in a job position can be rectified through training, education or development and if this is not possible the organisation considers the redeployment of the current job holder elsewhere.

Effectiveness: Based on the above company has “clear evidence of soundly-based system”, e.g. “person specification”. This company also identifies peoples’ needs and prepare employee-training plans for each employee.

Deployment: “Full usage”. There is clear evidence and examples to support the interviewee’s answers. Result is full usage of “manage redeployment” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage redeployment” activity.



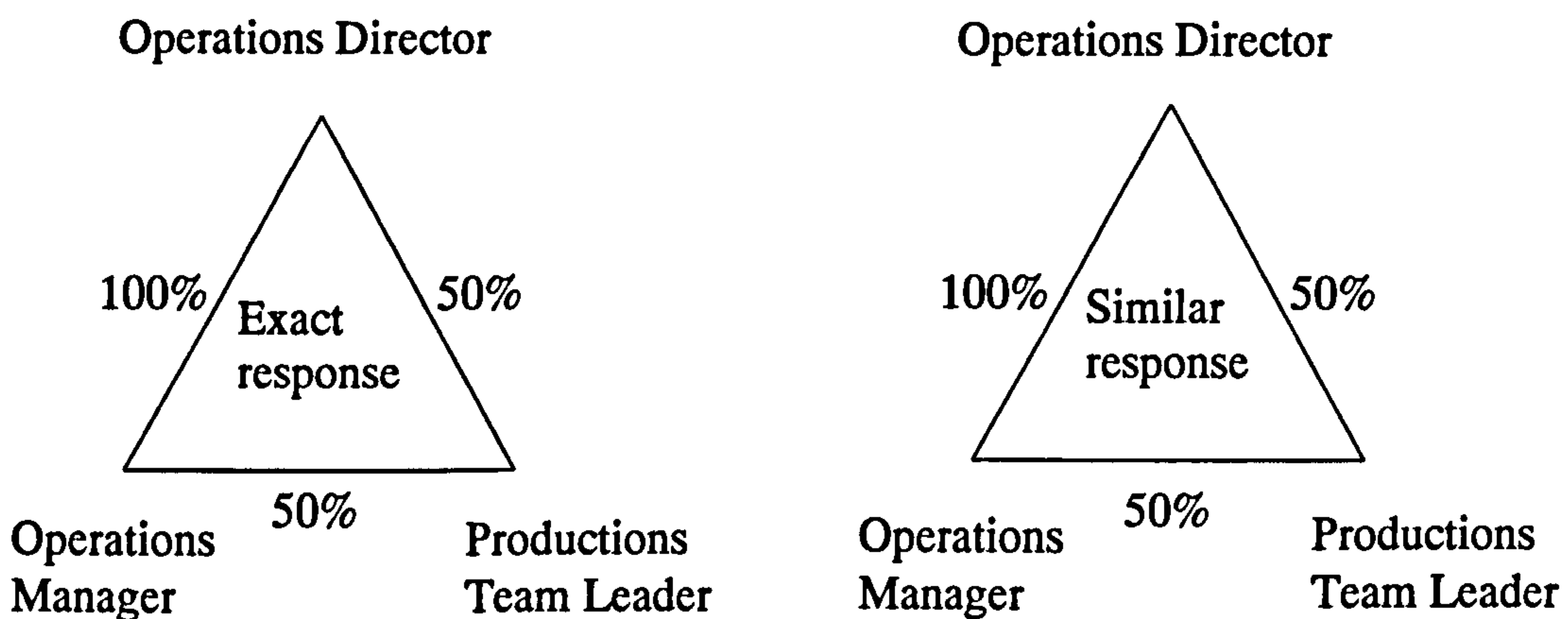
CASE 4: HIGHLAND SPRING

The Operations Director and The Operations Manager and Productions Team Leader “agree” that the organisation ensures that an identified deficiency in a job position can be rectified through training, education or development. If this is not possible, according to the Operations Director and Operations Manager the organisation considers the redeployment of the current jobholder elsewhere. However, the Productions Team Leader “Unsure” on this point.

Effectiveness: Based on the above company has “clear evidence of soundly-based system”, e.g. “Training Matrix”. This company also identifies peoples’ needs and prepares employee-training plans for each employee.

Deployment: “*Full usage*”. There is clear evidence and examples to support the interviewee’s answers. Result is full usage of “manage redeployment” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “manage redeployment” activity.



Overall Conclusion for “Manage Redeployment” Activity

Based on the model and audit workbook criteria, this activity is used in three companies (Simpson Label, Houston Warehousing, Highland Spring). All these three companies have clear evidences and full usage. It is the best result from audit workbook for these three companies. Daks Simpson is not as good as other three. There is little usage and no clear evidence. If researcher compares four companies, Simpson Label, Houston Warehousing and Highland Spring have best result. However, Daks is not as successful as others.

Researcher’s assessments for four companies on this activity are as follows

Manage Redeployment

Simpson Label = Houston Warehousing = Highland Spring > Daks Simpson

ACTIVITY: NEGOTIATIONS FOR WORKING CONDITIONS

CASE 1: DAKS SIMPSON

HR Manager strongly agree that:

- The organisation accepts that working conditions effects HR performance
- Both the organisation and the employees are satisfied with the agreements regarding working conditions
- Both the organisation and the employees are satisfied regarding the implementation of their agreement

- The organisation ensures that its HR policies are consistent with its working conditions

The HR manager is very certain all about these. According to her GMB union is very much involved in the working conditions of employee. Both the organisation and the employees are satisfied regarding the implementation of their agreement because the contract signed by the employee.

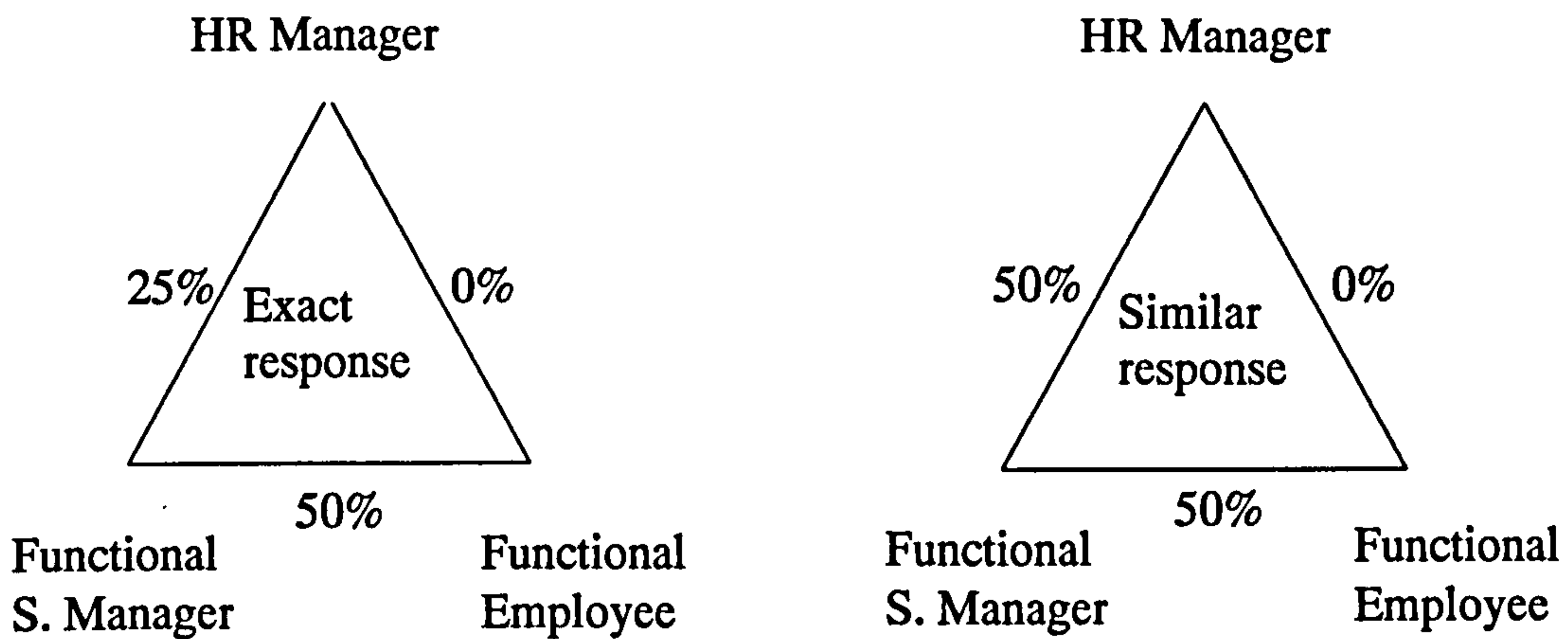
The functional senior manager is not very sure, both the organisation and the employees are satisfied with the agreements regarding working conditions and the implementation of their agreement. There might be two reasons at this point. He might have problem or conversation about that with his staff before or it might be his feelings in the working environment. He is not agreeing at this point with HR manager.

Functional Employee is not satisfied enough.

Effectiveness: Based on the above Case 1 has “some evidence of a system”, e.g. “GMB Union”.

Deployment: “*Little usage*”. There is some evidence, e.g. “GMB Union”. Result is little usage of “negotiations for working conditions” activity.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiations for working conditions” activity.



CASE 2: SIMPSON LABEL

The Team Leader “strongly agrees” and the Managing Director and Quality Co-ordinator “agree” that the organisation accepts that working conditions affect HR performance.

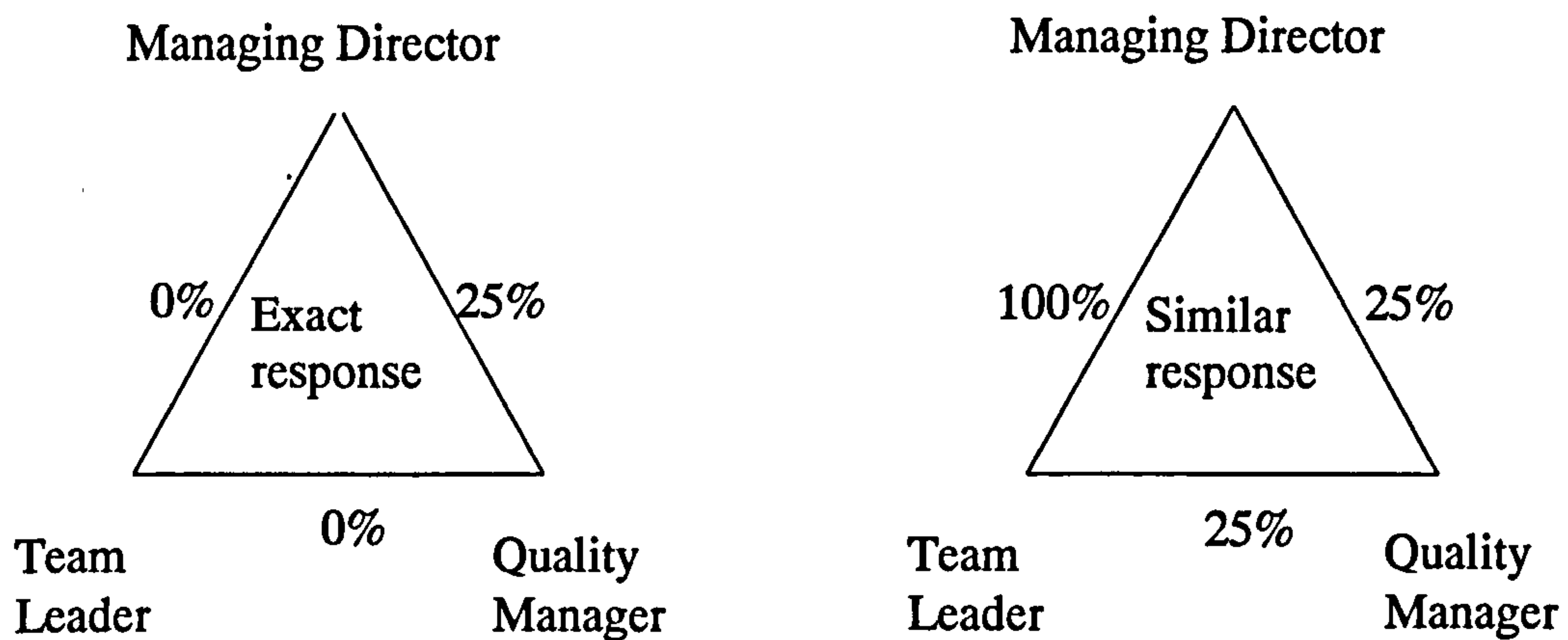
The Team Leader “strongly agrees”, the Managing Director “agrees” and the Quality Co-ordinator “unsure” that both organisation and employees are satisfied with the agreements regarding working conditions and their implementation.

The Team Leader “strongly agrees” and the Managing Director “agrees” that the organisation ensures that its HR policies are consistent with its working conditions, but the Quality Co-ordinator “disagrees”.

Effectiveness: Based on the above company gave a specific problem as an example. The observation of the researcher is that they have noticed the problem and they are working on it. Company mentioned their Union as well. Result is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, three interviewees’ answers indicated “little usage”.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiations for working conditions” activity.



CASE 3: HOUSTON WAREHOUSING

The Managing Director, the Operations Manager and the Warehouse Manager all “agree” that the organisation accepts that working conditions affect HR performance.

The Managing Director and Warehouse Manager “unsure” and the Operations Manager “agrees” that both the organisation and employees are satisfied with the agreements regarding working conditions and their implementation. The Managing Director

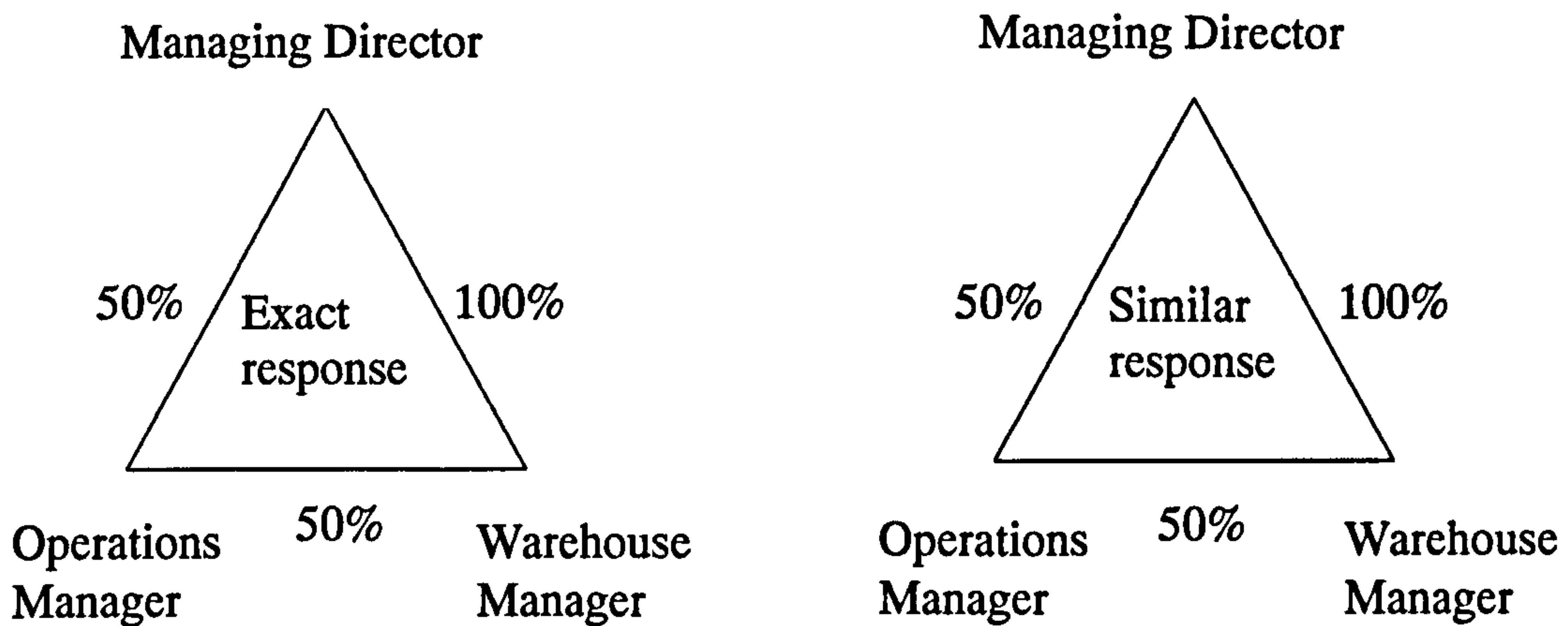
mentioned that there are a few complaints. According to the Operations Manager there is no formal agreement. The Warehouse Manager mentioned that he is unsure how other Team Leaders and Managers view working conditions.

The Managing Director, the Operations Manager and the Warehouse Manager all “agree” that the organisation ensures that its HR policies are consistent with its working conditions. According to the Managing Director and Warehouse Manager they are trying to ensure that this is the case.

Effectiveness: Based on the above, it is same as Case 2 (Simpson Label); company gave a specific problem as an example. The observation of the researcher is that they have noticed the problem and they are working on it. Company mentioned their Union as well. Result is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, three interviewees’ answers indicated “little usage”.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiations for working conditions” activity.



CASE 4: HIGHLAND SPRING

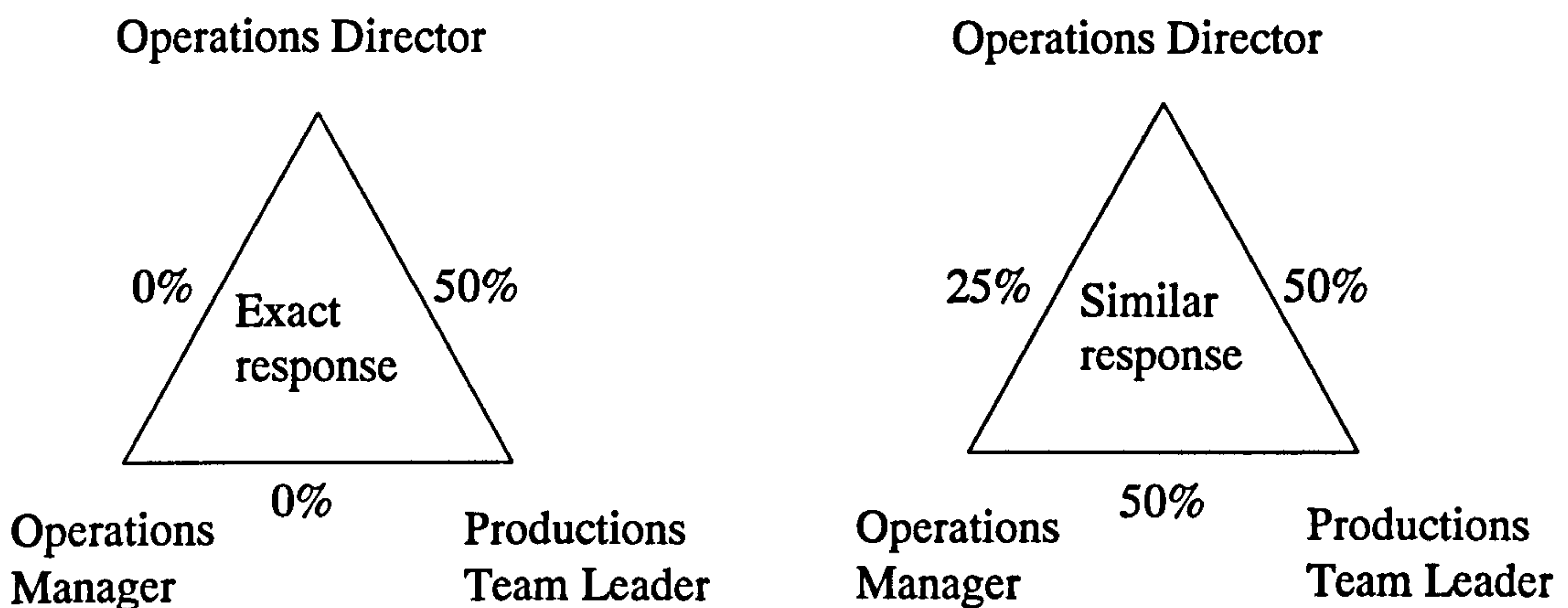
The Operations Director, and the Productions Team Leader “Agree” that the organisation accepts that working conditions affect HR performance. However, the Operations Manager “Unsure” on this point. According to him as a department -YES as an organisational –NO.

The Operations Director “Agrees”, Operations Manager “Strongly Disagrees” and Productions Team Leader “Disagrees” that both the organisation and the employees are satisfied with the agreements regarding working conditions. The Productions Team Leader mentioned that factory floor sometimes very hot but no air conditioning available. The Operations Manager mentioned as well that environmental part, some of place is very hot.

Effectiveness: Based on the above, it is same as Case 2 (Simpson Label) and Case 3 (Houston Warehousing); company gave a specific problem as an example. The observation of the researcher is that they have noticed the problem and they are working on it. Company mentioned their Union as well. Result is “anecdotal”.

Deployment: “*Little usage*”. Company has no clear evidence. However, three interviewees’ answers indicated “little usage”.

Congruence: The congruence view between the three respondents for exact and similar responses for “negotiations for working conditions” activity.



Overall Conclusion for “Negotiations for Working Conditions” Activity

Based on model and audit workbook criteria, all four companies have little usage of this activity. However Daks Simpson has some evidence. Rest of them has no evidence. If researcher compares four companies, Simpson Label, Houston Warehousing and Highland Spring are the same and Daks Simpson is better than them.

Researcher's assessments for four companies on this activity are as follows:

Negotiations for Working Conditions

Daks Simpson > Simpson Label = Houston Warehousing = Highland Spring

All evidences are provided in Appendix 4.

6.3.1.2. SUMMARY OF THE FINDINGS FOR EACH COMPANY

Following tables (6.1, 6.2, 6.3, and 6.4) summarises each case study.

Table 6.1. Daks Simpson's summary findings.

Daks Simpson
DAKS Simpson designs, manufactures and retails ladies' and gents' tailored garments and accessories. They are based in Larkhall and employ approximately 400 people. It is a functional-based company, which has a HR department.
Overall Conclusion Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in one area, "Manage HR Performance". The company has a performance review system, however, the results of reviews are not effectively utilised to manage performance. Therefore a more effective performance management system is required. The remainder of the model is not complete with large gaps in several areas such as Establish Current Capabilities.
Recommendations <ul style="list-style-type: none">• An holistic approach to HRM should be taken by more clearly at all levels communicating the following:<ol style="list-style-type: none">1. Role of the HR process and its business input2. How they can use the HR process effectively3. How is going to help them4. How effects business results• The organisation mission, vision, objective and strategy should be clear and shared between people at all levels in the hierarchy, from managing director to shop floor employees• The organisation has to implement the whole HR process. Implemented parts of process does not seem to work. They need to update processes according to current situation.• An integrated HR strategy should be reviewed and implemented in full.• A new system for getting feedback on individual and team performance should be established• The management style needs to be reviewed and changed to become more open and trusting.

Table 6.2. Simpson Label's summary findings

Simpson Label
<p>Simpson Label is a printing company employing 64 people. They are based in Newtongrange, Edinburgh. It is also functionally based company. They have no HR department and no person has specific HR responsibility.</p>
<p>Overall Conclusion</p> <p>Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in three areas. "Establish Current Capabilities", "Train, Educate, Develop" and "Manage Redeployment". The HR development needs and gaps are identified and scheduled and the employee training and development plan is documented in detail. But there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity the company identifies people needs and prepares employee-training plans for each employee.</p> <p>The remainder of the model is not complete with large gaps in several areas such as Manage HR performance and performance measurement.</p>
<p>Recommendations</p> <ul style="list-style-type: none"> • The organisation's mission, vision, objectives and strategy should be clear for all people (employees). • The organisation's strategy should be clear at all levels. • The organisation's strategy should be discussed before implementation. • The organisation should define clearly its HR strategy, (including Policy, Philosophy and Objectives etc.) as part of its Business strategy. The HR strategy should be formally documented. • The organisation should develop a system for reviewing the effectiveness of their HR strategy in relation to overall business strategy. • The organisation should develop personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual • The organisation should have a system for understanding the cost-benefit of HR development activities. • The organisation should prepare job descriptions to facilitate assessing, selecting recruiting and developing people. • The organisation should prepare peoples' profile (people map). Indicating their specialisation, work experience, skills ability etc. and use this information to facilitate development planning. • The organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets.

Table 6.3. Houston Warehousing's summary findings

Houston Warehousing
<p>Houston Warehousing is a packaging company employing 110 people, 57 of whom are permanent and 53 temporary. They are based in Renfrew. The company consists of two major functions accounts and operations. The operations director together with the managing director are responsible for sales and customer service. They have no HR department and no one person has specific HR responsibility.</p>
<p>Overall Conclusion</p> <p>Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in two areas, "Train, Educate, Develop" and "Manage Redeployment". The HR development needs and gaps have been identified and scheduled according to the survey. "Training Needs Analysis" and "Person Specification" are documented in detail, but there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity, the company identifies peoples' needs and prepares employee-training plans for each employee. The company has evidence of some success in three areas, "Set Objectives", "Establish Current Capabilities" and "Assess, Select, Recruit". However, more work is still required.</p> <p>The remainder of the model is not complete with large gaps in several areas such as Plan, Control HR and Performance Measurement.</p>
<p>Recommendations</p> <ul style="list-style-type: none"> • the organisation should have clear people satisfaction objectives and targets • the organisation should define clearly its HR strategy, (including Policy, Philosophy, Objectives etc.) as part of its Business strategy; the HR strategy should be formally documented • the organisation should develop a system for reviewing the effectiveness of their HR strategy in relation to its overall business strategy • the organisation should develop a personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual. • the organisation should have a system for understanding the cost-benefit of HR development activities • the organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets • the organisation should develop an effective system for checking that the training plan is applied correctly • peoples' experiences on critical matters should be formally documented and shared through a formal system.

Table 6.4. Highland Spring's summary findings

Highland Spring
<p>Highland Spring is a natural mineral water company employing about 180 people. It is a functional-based company. They are based in Blackford, Perthshire. They have no HR department and no one person has specific HR responsibility.</p>
<p>Overall Conclusion</p> <p>Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in two areas, "Train, Educate, Develop" and "Manage Redeployment". The training plan, process, records, feedback are documenting detailed. But there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity, the company identifies peoples' needs and prepares employee-training plans for each employee (Training Matrix). The company has evidence of some success in two areas, "Establish Current Capabilities" and "Control HR". However, more work is still required. Hi-SAS (Highland-Spring Appraisal System) developed and starting work with Hi-SAS soon. It is documented in detail.</p> <p>The remainder of the model is not complete with large gaps in several areas such as Set HR Objectives, Set HR Policies.</p>
<p>Recommendations</p> <ul style="list-style-type: none"> • The organisation should prepare formally documented its mission, vision, objectives and strategy and these should be clear for all people (employees). • The organisation should prepare HR strategy, as part of its business strategy • The organisation should develop a personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual. • The organisation should develop an effective system for checking that the training plan is applied correctly. • The organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets. • The organisation should have clear people satisfaction objectives and targets.

6.4 CONCLUSIONS

6.4.1. THE HRM PROCESS

Based on the audit results, the HRM Business Process Model is not fully complete for four cases. Although the current HR activities are incomplete, all four cases have well-established systems in some areas as shown in Table 6.8.

Although the HRM process is not integrated and assembled, formally documented and/or connected as part of the business strategy, there is some evidence for some aspect of HRM in four cases.

According to audit result in four cases the role of HR department in the company is questionable. There are two types of HR roles in the literature, traditional HR roles and strategic business partner roles (Ulrich, 1996). The traditional HR roles are administrative and employees advocate. Strategic partner role focuses on aligning HR strategies and practices with business strategy. This research found that the understanding of HR roles in business in the four cases falls into the traditional category, the reasons as follows:

- 1) Daks Simpson has a HR department. The main work in this department is administrative e.g. payment slips, union regulation etc. Although Daks Simpson has done some work to address its HR strategy and link this with its business strategy, most of this seems to be on paper only. There is no evidence of strategic link between HR department and the other departments in practice.

2) Simpson Label, Houston Warehousing and Highland Spring have no HR departments. Managers interviewed closely mentioned that they do not need a HR department, because all HR functions are performed by operational departments and their finance department processes the payroll.

Consequently, they say that they do not need an HR department and they do not have any work related to HRM. However, based on the audit results, and according to HRM Business Process model, Simpson Label, Houston Warehousing and Highland Spring have more complete HRM Business Processes than Daks Simpson, which is the only instance of a dedicated HR department out of the four cases analysed. Even though Simpson Label, Houston Warehousing and Highland Spring suppose that they do not have any work related to HRM, they do have some work relating to HRM. In Simpson Label, Houston Warehousing and Highland Spring they have well established “Train, Educate, Develop” and “Manage Redeployment” activities. In these three companies, they are well organised to share HR responsibilities in operational departments. They accepted that these activities are necessary part of everyday business and they are working on these activities according to their business requirements. On the other hand, in Daks Simpson, people think it is the HR department’s responsibility and they do not need to worry about HR related activities. Daks Simpson has documentation of their work on HRM, but another manager outside of the HR department have no idea of their (Daks Simpson) work. According to them, HRM is not a crucial element of everyday business. Based on these results, the need for an HR department is questionable. It seems

that the company would be more effective if they integrated their HR activities into the operational functions.

HRM Business Process model has two sub-processes, that were analysed activity by activity as discussed above i.e. “Make HRM Strategy” and “Implement HRM Strategy”. In all four cases “Implement HRM Strategy” is partly more complete than “Make HRM Strategy”. They place more emphasis on implementation. This shows that HRM strategy is informal in these four cases. That means HRM strategy is not documented and/or discussed in detail. It is in peoples’ mind. Because it is informal, interviewees’ answers for the audit questions are different. Researcher shows this inconsistency in congruence tables (Table 6.6 and Table 6.7).

The interviewees’ answers were compared for consistency, missing points and work communication between the employees, teams, departments etc.. Congruence tables (Table 6.6 and Table 6.7) are summarised from interviewees’ responses into numerical format.

Researcher prepared the frequency distributions for all four companies from two perspectives as shown in Figure 6.1:

1. Effectiveness: Existence of a system for the concerned activity.
2. Deployment: Extent of usage for the activity.

This summarises 11 activities in four companies as 44 cases (11*4=44).

For effectiveness “anecdotal” seems to be the most common case, i.e. there is no clear documented evidence to prove that their responses are supported.

For deployment, “little usage” seems to be most common case for all four companies, i.e. the activities of the HRM Business Process model are not used as well enough as expected.

So far the research summarised the conclusions of the four case studies (results) into two parts:

1. HR strategy is informal
2. Because of this informality, it leads to congruence issues

However, in some cases companies found it difficult to understand the context of the reference model and audit questions. This difficulty was resolved once the meaning and context of the Reference Model and the audit question was explained to the companies.

Although none of the four cases individually demonstrated the existence of a complete and formal HRM business process, collectively the four cases demonstrated that, formally or informally, all activities associated with the HRM business process exists.

It seems that the audit process developed based on the HRM business process can provide insightful information on the health of organisations HRM business process that rapidly with little effort. Average time spent in each company approximately, 1 hour 30 minutes provided that representation of operational staff was selected carefully.

Various activities were fragmented and not well integrated, it is thought that this may be due to the emergent and informal nature of the HRM strategy.

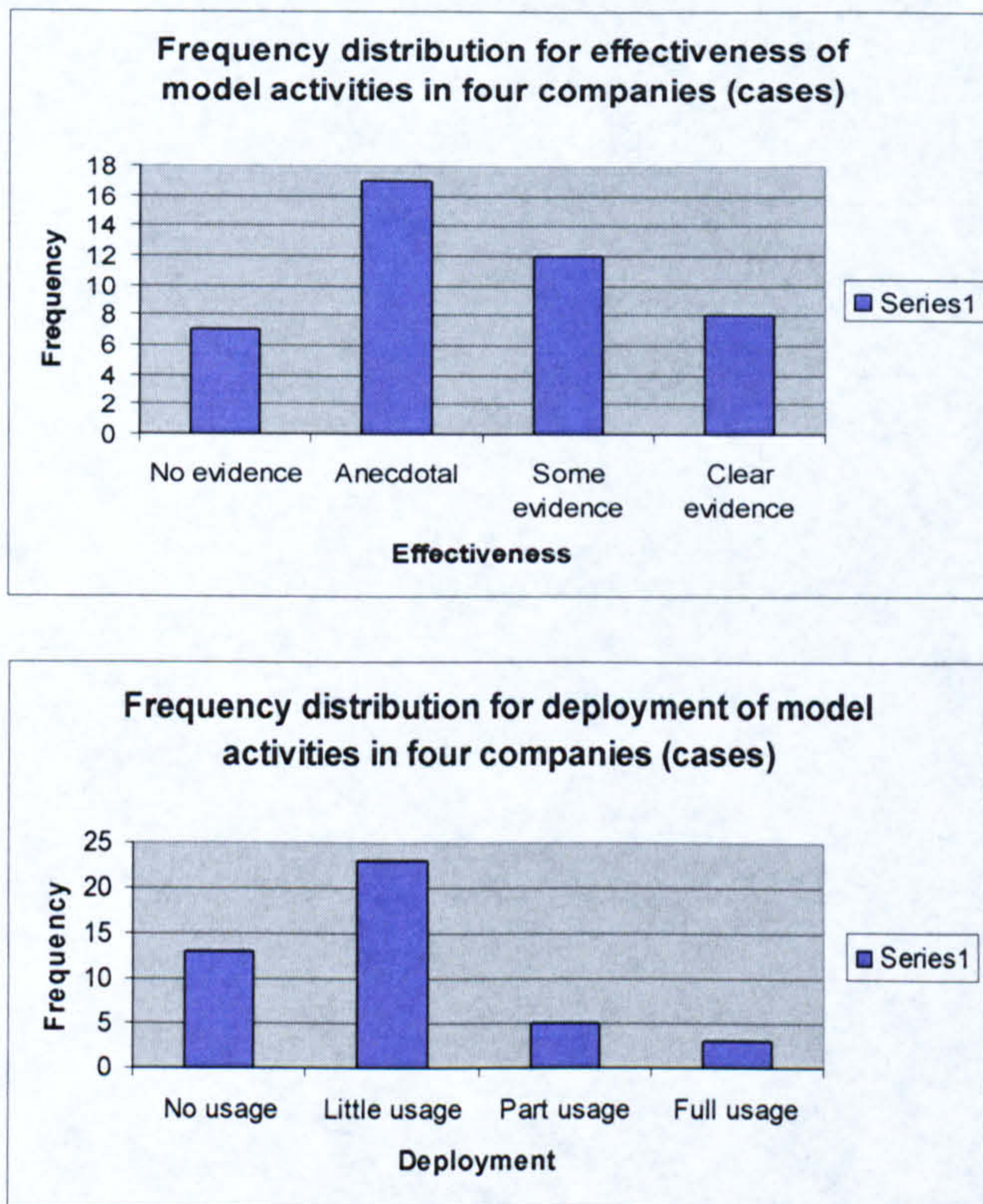


Figure 6.1. Frequency distributions for effectiveness and deployment of model activities in four companies.

6.4.2. THE HRM BUSINESS PROCESS AND BUSINESS RESULTS

The previous pages of this chapter presented the results of the audit activity-by-activity and case-by-case. In presenting these results the completeness of each activity in each company was assessed and the companies were compared to one another and ranked with respect to one another. Figure 6.2 illustrates the summary of this ranking. For example, Simpson Label Company was ranked as best practice (i.e. 1st position) in six activities and Highland Spring was ranked at the 2nd position in four activities.

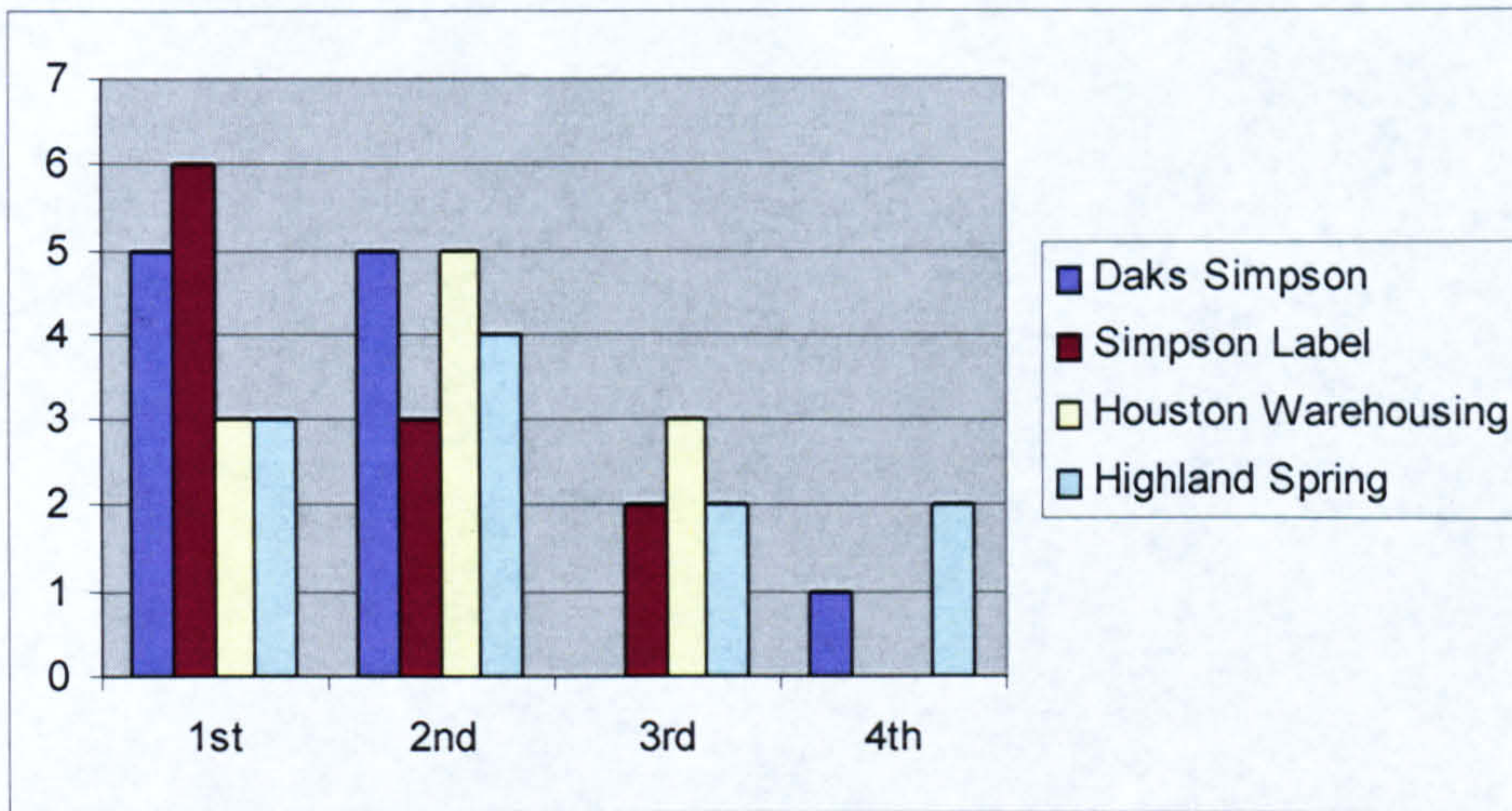


Figure 6.2. Frequency of companies HRM practices positions based on activity

Figure 6.3, illustrates the score achieved by each Company in the audit. The score was allocated by the researcher by summarising the researcher's assessments of the four companies (as shown Table 6.5) then by scoring each activity. Highest score is 4 and lowest score is 1. For example

Set Objectives

Simpson Label = Houston Warehousing > Daks Simpson > Highland Spring
 4 4 3 2

Establish Current Capabilities

Simpson Label > Highland Spring ≥ Houston Warehousing > Daks Simpson
 4 3 2 1

Result shows that Simpson Label has highest score (37), Daks Simpson (36), Simpson Label as a second company, Houston Warehousing (33) and Highland Spring (30).

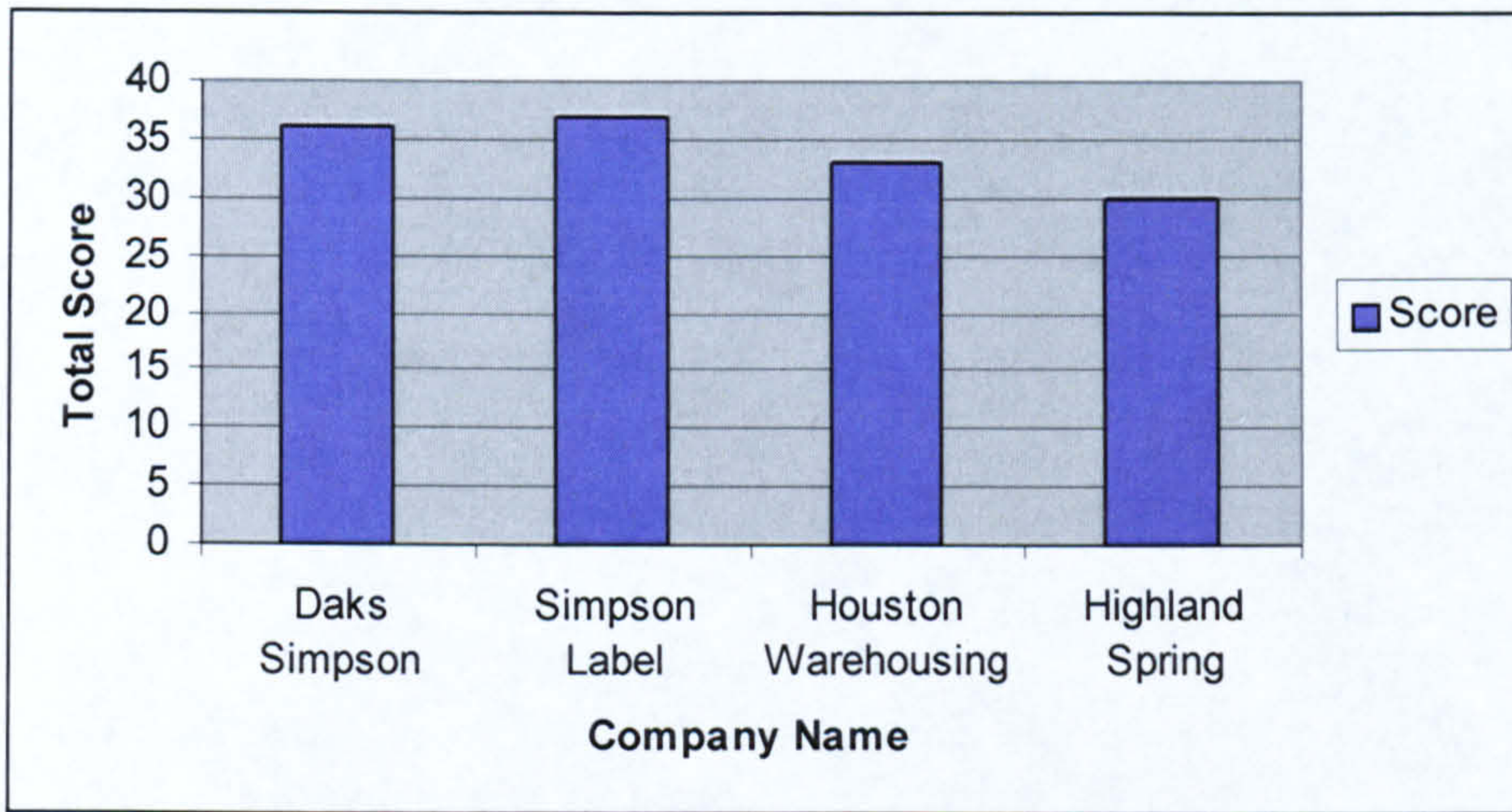


Figure 6.3. Company based HRM Business Process Model audit result score

Figure 6.4 presents the position of each company against each activity using the same scoring system. E.g. Simpson Label = Set Objectives (4) + Establish Current Capabilities (4) +.....Manage Redeployment (4) + Negotiations for Working Conditions (3) = 37

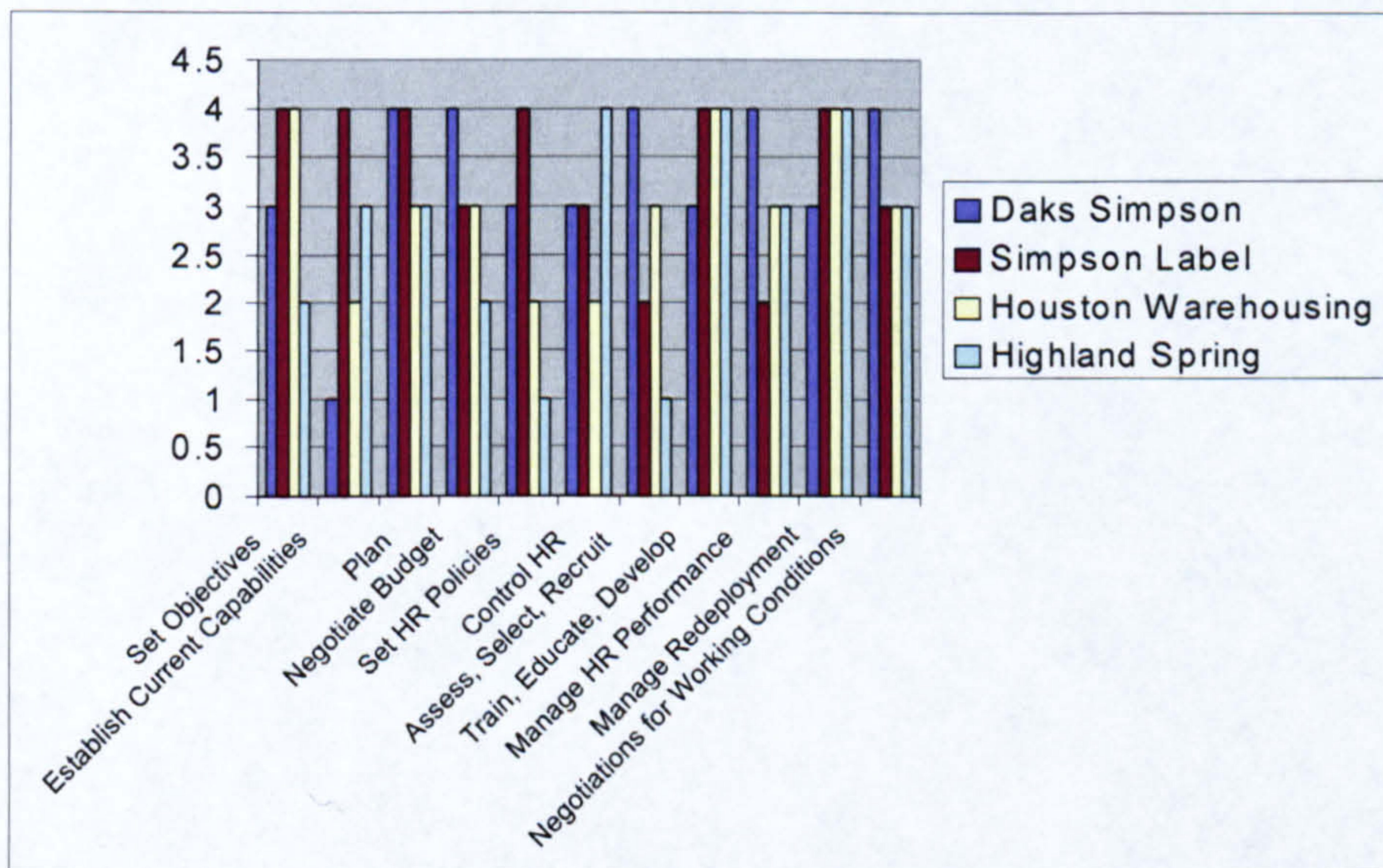


Figure 6.4. Activity based audit result score for each company

The results presented in Figures 6.2, 6.3 and 6.4 conclude with the following ranking

- Simpson Label Company, with the most complete HRM Process
- Daks Simpson, with the second most complete HRM Process
- Houston Warehousing, with the third most complete HRM Process
- Highland Spring, with the fourth most complete HRM Process

In contrast to these results, Table 6.10 below illustrates the financial performance of these four businesses over two years, which shows Highland Spring as the best performing organisation and Daks Simpson as the worst performing organisation.

Table 6.10. Financial performance of four companies

		Year 1	Year 2	Increase / Decrease	Performance (Score)	HR Practice (Score)
Daks Simpson	Turnover	£87m	£0		4	2
	Profitability			-2%		
Simpson Label	Turnover	£5.36m	£5.45m	+2%	2	1
	Profitability	1%	3%	+2%		
Houston Warehouse	Turnover	£2.5m	£2.5m	0%	3	3
	Profitability	5%	6%	+1%		
Highland Spring	Turnover	£27m	£41m	+150%	1	4
	Profitability	7%	9%	+2%		

Although, it is realised that HRM practices are not the only factor that influences business performance it was decided to further investigate this situation. Interviews were held with consultants and academics that knew all four organisations intimately. As a result of the above results and these interviews the following conclusions were reached.

Highland Spring although the worst performer against the HRM business process audit shows best business results. In fact the reason Highland Spring performs so badly in the HRM process audit is that:

- They do not have a formal HR function
- They have managed to seamlessly integrate all HR activities into everyday business of each function, such as production, customer services, planning, warehousing, accounting, marketing, sales and so on. In fact all the activities of the HRM business process takes places in an informal manner within these functions.
- HRM responsibility is shared across the whole business.

In contrast to Highland Spring, Daks Simpson has a formal HR function and formal HR activities, however, these HR activities are not integrated into everyday activities of other functions within the organisation. A common, theme emerging from Daks Simpson experience is that whenever the researcher asked a HR related question to a manager in a non-HR department, the response was *“that is nothing to do with us... HR looks after that... you will need to talk to HR”*

The HR practices of the Simpson Label and Houston Warehousing are similar to that of Highland Spring and they seem to be informally integrated into everyday activities of the operational function of the business. Simpson Lable Company, although does not have a formal HR function seems to have the most formalised HR process.

These findings led the researcher to conclude that:

- To be most effective the HR process should be integrated seamlessly into the every-day activities of the operational functions.
- To be effective the HRM process does not need to be formalised, although a formalised process makes auditing much easier and the process much more explicit.
- By its nature, any HRM process audit would be looking for existence of a formalised system, therefore it is likely that informal, but good HRM practices will get a low score.
- Possibly there is little value in having formal HRM departments and processes. HRM responsibility should be shared across the business and integrated seamlessly into the everyday activities of each function.

Note: Although HR practice have an impact on business performance there are many other factors that can effect business performance. The above analysis does not attempt to include all the other factors it simply compares business performance versus HR practices.

6.4.2.1. PRACTICAL VALUE OF THE DEVELOPED MODEL

This developed model will help managers in industry to clearly see and position HRM as a business process. This in turn will facilitate the HRM business process to be embedded in the daily operations of the business. This will lead to improved HRM practices resulting in more focused business improvements as well as greater employee

satisfaction. This way of thinking will eliminate the mindset, which thinks about HRM as a necessary evil, which is only useful when there is a problem.

Table 6.5. Completeness Table for each case studies

		EFFECTIVENESS OF APPROACH				DEGREE OF DEPLOYMENT			
		CASE 1	CASE 2	CASE 3	CASE 4	CASE 1	CASE 2	CASE 3	CASE 4
Make HRM Strategy	Activities								
	Set Objectives	Some evidence of a system	Some evidence of a system	Some evidence of a system	Anecdotal	No usage	Little usage	Little usage	No usage
	Establish Current Capabilities	No evidence of existence	Clear evidence of soundly based system	Some evidence of a system	Some evidence of a system	No usage	Part usage	Little usage	Little usage
	Plan	Anecdotal	Anecdotal	No evidence of existence	No evidence of existence	Little usage	Little usage	No usage	No usage
	Negotiate Budget	Some evidence of a system	Anecdotal	Anecdotal	Anecdotal	Little usage	Little usage	Little usage	No usage
	Set HR Policies	Anecdotal	Some evidence of a system	Anecdotal	No evidence of existence	Little usage	Little usage	Little usage	No usage
	Control HR	Anecdotal	Anecdotal	No evidence of existence	Some evidence of a system	No usage	No usage	No usage	No usage
	Assess, Select, Recruit	Some evidence of a system	Anecdotal	Some evidence of a system	No evidence of existence	Little usage	Little usage	Little usage	No usage
	Train, Educate, Develop	Some evidence of a system	Clear evidence of soundly based system	Clear evidence of soundly based system	Clear evidence of soundly based system	Little usage	Part usage	Part usage	Part usage
	Manage HR Performance	Clear evidence of soundly based system	No evidence of existence	Anecdotal	Anecdotal	Part usage	No usage	Little usage	Little usage
Implement HRM Strategy	Manage Redeployment	Anecdotal	Clear evidence of soundly based system	Clear evidence of soundly based system	Clear evidence of soundly based system	Little usage	Full usage	Full usage	Full usage
	Negotiations for Working Condition	Some evidence of a system	Anecdotal	Anecdotal	Anecdotal	Little usage	Little usage	Little usage	Little usage

Table 6.6. Congruence table for exact response

		CONGRUENCE																											
		EXACT RESPONSE																											
Activities Criteria		CASE 1				CASE 2				CASE 3				CASE 4															
		HR and Functional Manager	Functional S. Manager	Manager and Functional Employee	HR Manager and Functional Employee	Director and Team Leader	Team Leader and Quality Manager	Director and Quality Manager	Managing Director and Operations Manager	Operations Manager and Warehouse Manager	Managing Director and Warehouse Manager	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director	Operations and Director							
Set Objective		4 out of 13 31%	0 out of 13 0%	0 out of 13 0%	4 out of 13 31%	1 out of 13 8%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	3 out of 13 23%	3 out of 13 23%	6 out of 13 46%	4 out of 13 31%	0 out of 13 0%	0 out of 13 0%	4 out of 13 31%	3 out of 13 23%	3 out of 13 23%	6 out of 13 46%	4 out of 13 31%	0 out of 13 0%	0 out of 13 0%	4 out of 13 31%	3 out of 13 23%	3 out of 13 23%	6 out of 13 46%			
Establish Current Capabilities		1 out of 4 25%	1 out of 4 25%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%
Plan		0 out of 5 0%	2 out of 5 40%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	2 out of 5 40%	3 out of 5 60%	1 out of 5 20%	1 out of 5 20%	0 out of 5 0%	3 out of 5 60%	2 out of 5 40%	0 out of 5 0%	0 out of 5 0%	1 out of 5 20%	0 out of 5 0%	0 out of 5 0%	1 out of 5 20%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%	4 out of 5 80%	4 out of 5 80%	
Negotiate Budget		0 out of 8 0%	1 out of 8 13%	0 out of 8 0%	1 out of 8 13%	1 out of 8 13%	1 out of 8 13%	2 out of 8 25%	3 out of 8 38%	3 out of 8 38%	2 out of 8 25%	2 out of 8 25%	1 out of 8 13%	0 out of 8 0%	0 out of 8 0%	3 out of 8 38%	6 out of 8 75%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%	1 out of 8 13%	7 out of 8 88%	7 out of 8 88%	
Set HR Policies		0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	3 out of 6 50%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	6 out of 6 100%	6 out of 6 100%	
Control HR		0 out of 3 0%	2 out of 3 66%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	3 out of 3 100%	3 out of 3 100%	
Assess, Select, Recruit		1 out of 2 50%	0 out of 2 0%	0 out of 2 0%	1 out of 2 50%	1 out of 2 50%	3 out of 2 100%	1 out of 2 50%	3 out of 2 100%	1 out of 2 50%	3 out of 2 100%	1 out of 2 50%	3 out of 2 100%	0 out of 2 0%	0 out of 2 0%	3 out of 2 100%	1 out of 2 50%	1 out of 2 50%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	
Train, Educate, Develop		0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	4 out of 4 100%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	
Manage HR Performance		0 out of 1 0%	1 out of 1 100%	0 out of 1 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	1 out of 2 50%	1 out of 2 50%	2 out of 2 100%	2 out of 2 100%	1 out of 2 50%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	1 out of 2 50%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	1 out of 2 50%	1 out of 2 50%	
Manage Redeployment		0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	1 out of 2 50%	1 out of 2 50%		
Negotiations for Working Conditions		1 out of 4 25%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	4 out of 4 100%	4 out of 4 100%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	
Summary Congruence		7 out of 52 13%	9 out of 52 17%	1 out of 52 2%	8 out of 54 15%	6 out of 54 11%	17 out of 54 31%	18 out of 54 33%	24 out of 54 44%	24 out of 54 44%	18 out of 54 33%	18 out of 54 33%	17 out of 54 31%	6 out of 54 11%	6 out of 54 11%	24 out of 54 44%	16 out of 54 30%	16 out of 54 30%	9 out of 54 17%	9 out of 54 17%	4 out of 54 7%	4 out of 54 7%	9 out of 54 17%	4 out of 54 7%	36 out of 54 67%	36 out of 54 67%			

Table 6.7. Congruence table for similar response

CONGRUENCE													
SIMILAR RESPONSE													
Activities Criteria	CASE 1				CASE 2			CASE 3			CASE 4		
	HR and Functional Manager	S. Manager Functional	Functional Manager and Employee	HR Manager and Functional Employee	Director and Team Manager	Team Leader and Quality Manager	Director and Quality Manager	Managing Director and Operations Manager	Operations Manager and Warehouse Manager	Managing Director and Warehouse Manager	Operations Manager and Warehouse Manager	Director and Warehouse Manager	Operations Manager and Warehouse Manager
Set Objective	10 out of 13 77%	0 out of 13 0%	0 out of 13 0%	0 out of 13 0%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%	7 out of 13 54%	7 out of 13 54%	6 out of 13 46%	13 out of 13 100%	6 out of 13 46%	6 out of 13 46%
Establish Current Capabilities	2 out of 4 50%	4 out of 4 100%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%	1 out of 4 25%	2 out of 4 50%	0 out of 4 0%	4 out of 4 100%	2 out of 4 50%	2 out of 4 50%
Plan	3 out of 5 60%	2 out of 5 40%	0 out of 5 0%	0 out of 5 0%	1 out of 5 20%	1 out of 5 20%	2 out of 5 40%	3 out of 5 60%	1 out of 5 20%	0 out of 5 0%	2 out of 5 40%	3 out of 5 60%	4 out of 5 80%
Negotiate Budget	7 out of 8 88%	1 out of 8 13%	0 out of 8 0%	0 out of 8 0%	6 out of 8 75%	1 out of 8 13%	1 out of 8 13%	2 out of 8 25%	3 out of 8 38%	6 out of 8 75%	7 out of 8 88%	8 out of 8 100%	7 out of 8 88%
Set HR Policies	6 out of 6 100%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	1 out of 6 17%	1 out of 6 17%	0 out of 6 0%	0 out of 6 0%	3 out of 6 50%	0 out of 6 0%	6 out of 6 100%	6 out of 6 100%	6 out of 6 100%
Control HR	1 out of 3 33%	2 out of 3 67%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	1 out of 3 33%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	1 out of 3 33%	3 out of 3 100%
Assess, Select, Recruit	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 3 67%	2 out of 3 67%	3 out of 3 100%	1 out of 3 33%	3 out of 3 100%	1 out of 3 33%	3 out of 3 100%	2 out of 3 67%	2 out of 3 67%
Train, Educate, Develop	3 out of 4 75%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%	4 out of 4 100%	0 out of 4 0%	3 out of 4 75%	1 out of 4 25%	2 out of 4 50%
Manage HR Performance	1 out of 1 100%	1 out of 1 100%	0 out of 1 0%	0 out of 1 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	1 out of 2 50%	1 out of 2 50%	0 out of 2 0%	1 out of 2 50%	1 out of 2 50%	1 out of 2 50%
Manage Redeployment	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	1 out of 2 50%	1 out of 2 50%
Negotiations for Working Conditions	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	0 out of 4 0%	4 out of 4 100%	1 out of 4 25%	1 out of 4 25%	2 out of 4 50%	2 out of 4 50%	4 out of 4 100%	1 out of 4 25%	2 out of 4 50%	2 out of 4 50%
Summary Congruence	39 out of 52 75%	12 out of 52 23%	2 out of 52 4%	2 out of 52 4%	25 out of 54 46%	17 out of 54 31%	17 out of 54 31%	19 out of 54 35%	28 out of 54 52%	19 out of 54 35%	43 out of 54 80%	33 out of 54 61%	36 out of 54 67%

Table 6.8 Results summary for four cases

	HRM Business Process Model fully complete	Well established in	Company has an HR department
CASE 1	No	“Manage HR Performance”	Yes
CASE 2	No	“Establish Current Capabilities”, “Train, Educate, Develop”, “Manage Redeployment”	No
CASE 3	No	“Train, Educate, Develop”, “Manage Redeployment”	No
CASE 4	No	“Train, Educate, Develop”, “Manage Redeployment”	No

Table 6.9. Researcher's assessment for four companies on HRM Business Process Model

Set Objectives

Simpson Label = Houston Warehousing > Daks Simpson > Highland Spring

Establish Current Capabilities

Simpson Label > Highland Spring ≥ Houston Warehousing > Daks Simpson

Plan

Daks Simpson = Simpson Label > Houston Warehousing = Highland Spring

Negotiate Budget

Daks Simpson > Simpson Label = Houston Warehousing > Highland Spring

Set HR Policies

Simpson Label > Daks Simpson ≥ Houston Warehousing > Highland Spring

Control HR

Highland Spring > Daks Simpson = Simpson Label > Houston Warehousing

Assess, Select, Recruit

Daks Simpson ≥ Houston Warehousing > Simpson Label > Highland Spring

Train, Educate, Develop

Simpson Label = Houston Warehousing = Highland Spring > Daks Simpson

Manage HR Performance

Daks Simpson > Houston Warehousing = Highland Spring > Simpson Label

Manage Redeployment

Simpson Label = Houston Warehousing = Highland Spring > Daks Simpson

Negotiations for Working Conditions

Daks Simpson > Simpson Label = Houston Warehousing = Highland Spring

CHAPTER 7

DISCUSSIONS AND CONCLUSIONS

7.1 INTRODUCTION

This chapter starts by briefly introducing a summary and main findings of the research. It then, goes on to answer research questions and discusses contributions to theory and practice, which are new to this field. The chapter concludes with a discussion on the research limitations.

7.2. SUMMARY OF THE RESEARCH

The starting point of this research was to examine HRM from a business process point of view, treating the HRM process as a support process, providing critical support to the key value-add (operate) process within manufacturing. Thus, the research started with a study of existing HRM models, which led to identification of some gaps in knowledge with respect to the HRM models and business processes. The research demonstrated that there are two fundamental gaps in the HRM field:-

1. Lack of clarity of type of models (i.e. classifications) and their definitions.
2. Absence of a systems engineering based attempt to model HRM as a business process.

Research concentrated on development of a business process model for HRM.

The first version of the model was initially developed following an extensive literature survey in the field of HRM and the validation of the model involved several companies in the UK. The first version of the model was validated through a structured questionnaire, which was sent out to more than 50 companies, resulting in

14 responses being received. According to the comments and recommendations received, a second version of the model was developed and this version was initially validated by eight academics from HR and Business Process fields.

The HRM Business Process model was audited through four case studies. The results of the case studies and cross-case analysis are discussed in Chapter 6. A summary of the research is presented in Figure 7.1. This chapter focuses on discussion and analysis of the main findings, answers to the research questions, posed in chapter 2 and clarifies the contributions made to both theory and practice as well as discussing the limitations of the research.

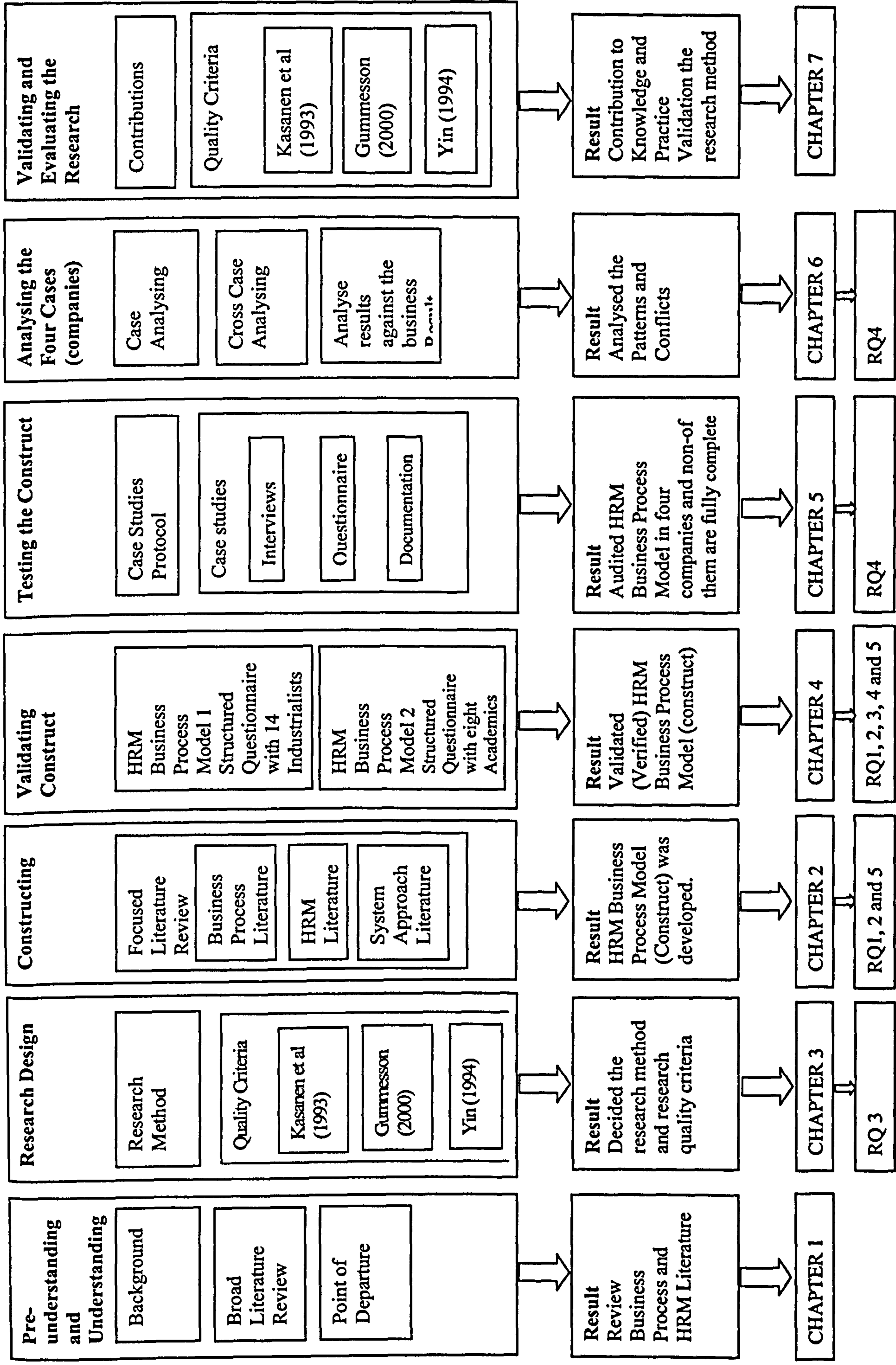


Figure 7.1. Summary of the research

7.2.1. MAIN FINDINGS

A) From a literature point of view

Business Process Literature

A number of researchers have researched and developed Business Process models, e.g. Childe and Maull developed operate processes and various other researchers researched and developed more detailed models for these operate processes, such as order fulfilment and product development. However, to date no one seems to have researched and developed a business process model of HRM.

HRM Literature

Research identified three sources of confusion in the literature:

- confusion over different types of classifications
- lack of clear definitions for each classification
- the problem with allocation of various HRM models into a classification.

There are many models in HRM literature. Research presented four very well-known models (Michigan, Harvard, Guest and Warwick). The researcher discussed and analysed these four models. Within the HRM community energetic discussion has taken place over different types of models, (refer to chapter 2). However, no one seems to have attempted to apply the systems engineering approach and develop a business process view of the HRM process.

B) From a practical point of view

The following findings were identified during the HRM Business Process audited in the four case study companies:

- the meaning, understanding and use of HRM is seen from an administration point of view only. A holistic approach to HRM is not in place.
- the business process view for HRM is a new approach to all companies concerned. Although HRM seems to be embedded (formally and/or informally) within each business, it is not formally recognised as a business process.
- in all four cases “Implement HRM Strategy” is partly more successful than “Make HRM Strategy” as companies place more emphasis on implementation. This result shows that HRM strategy is informal in all four cases (detailed in Chapter 6).

7.3. ANSWERS TO RESEARCH QUESTIONS

RQ 1. Can HRM be defined and described as a Business Process?

The answer to the above question is “Yes”, as presented in Chapter 2 and 4. The result, based on an intensive literature review, is summarised as follows:

- HRM business process consists of sub-processes and activities
- HRM is a support process

RQ 2. Can the HRM Business Process Model be described both in its Hard and Soft context?

The answer to the question is partially “Yes”. The HRM Business Process model represents a hard systems model of the HRM process, which is intended to be a normative model outlining the key activities and information flows and which was validated by eight academics. It is presented in detail in chapter 2 and 4. However, the research has not attempted to develop the soft context of the HR Model using soft systems approach, which is a research question in it self. For this reason some may argue that the model is not complete. This research recognises the need for further

research using the Hard Systems Model developed as a platform to develop the soft systems context round this platform, thus giving a holistic understanding of the HRM business process.

RQ 3. Is the reference model valid and completed?

The answer to first part of this question is “Yes” reference model is valid. The HRM Business Process model was validated through a structured questionnaire sent to 14 companies in the UK and eight academics. Details of the questionnaire and validation are presented in Chapters 3 and 4. However, according to academics model has not completed yet. The academics have different point of view related to their field. Some of their points, model activities already involved it. However the common point was about soft part of HRM. Although the most part of model completed, soft part can be developed and linked the Business Process Model e.g. Politics, Culture as raised by Randall Shular). See also comments above for research question 2.

RQ 4. Does reference model act as a guide for assessing HRM Business Processes?

Again the answer to the question is “Yes” and presented in Chapter 4 and 6. The researcher developed a HRM Business Process Reference model consisting of three sub-processes:

- **Make HRM Strategy**
- **Implement HRM Strategy**
- **Monitor Impact on Business Results.**

Each of these sub-processes consists of a number of activities, presented in detail in Chapter 4.

Reference model was used to audit four companies using the audit workbook. Audit tools and results are detailed in Chapter 5 and 6. However, it must be emphasised that the measurement is based on the Hard aspect of the HR process for the reason outlined above.

RQ 5. Can we model the customer-supplier relationship in the HRM process and core processes and can we measure this relationship?

The answer to the first part of question is “Yes”. HRM Business Process model (Figure 4.4) presents the relationship and this relationship is mentioned a bit in Chapter 2 and 4.

The model developed assumes that the customer supplier relationship between the HRM Business Process and the other processes within the business. This assumption is based on the CIM-OSA business process architecture and is supported in the literature, particularly by the HR Scorecard’s Strategy Mapping technique (Becker et al., 2001). Thus we can conclude that the customer supplier relationship between HRM business process and other processes can be modelled. This work differs from the Scorecard, as it takes a business process perspective where the HR Scorecard merely defines a number of steps to develop an HR strategy using the HR scorecard technique.

With reference to measurement the HR Scorecard provides a framework for measuring the output of the HR Strategy by focusing on financial results. In contrast, the HRM Business Process model by defining HRM as a business process provides a framework for measuring the efficiency and effectiveness of the HRM business

process and its constituent activities. Using this framework together with O'Donnell and Duffy's (O'Donnell and Duffy, 2002) approach to measuring the efficiency and effectiveness of an activity would give managers a better insight to the performance of their HR business process and activities.

This led to the definition of further research on how to integrate the HR scorecard approach with HR Business Process Model to develop a fully integrated approach to HR Management including definition of leading (i.e. HR Scorecard) and lagging (i.e. O'Donnell and Duffy, 2002) performance measures.

7.4. RESEARCH CONTRIBUTIONS

Research contributions divided into two parts:

- contributions to theory
- contributions to practice.

The following section will analyse each part.

7.4.1. CONTRIBUTIONS TO THEORY

Research contributions involve two fields, the fields being Business Process/ Operations Management and Human Resource Management (HRM).

Contribution to Business Process / Operations Management

- In the business process field, research introduced the HRM Business Process as a new concept and integrated this in to the Business Process architecture as a support process. In this field, although HRM was recognised as a business process there is no earlier model or detailed research on HRM Business Process.

As a result of this research we (the community) now know that:

- **HRM activities may be modelled as a business process that support other business processes**
- **A framework that would facilitate effective deployment of strategic objective to HR objectives.**
- **The customer-supplier relationship between support and operate processes can be modelled.**
- **HRM as a critical supplier to the core processes.**

Contribution to HRM

Contribution to the HRM field can be summarised as follows:

- **clarify confusion (Chapter 2)**

There are two fundamental gaps in HRM field.

- 1) **Lack of clarity on type of models (i.e. classifications) and their definitions (see section 2.5.1)**
 - 2) **Lack of consensus on different types of HRM models (see section 2.5.2)**
- **introduce system-thinking approach in to the HRM field (Chapter 2)**

Research introduced the hard and soft HRM and systems approach and realises that there is mismatch between the description for “hard and soft” as used in the HRM field and systems engineering field. Research put the differences and systems engineering approach in to HRM field (see 2.4.1 and 2.4.2).

- **introduce HRM as a Business Process (Chapter 4)**

Research introduces HRM as a Business Process as a new approach.

- **a generic Business Process model for HRM (Chapter 4)**

Research introduces the generic model, which is new in the fields.

- lessons learnt from auditing (Chapters 6)

There are three main points learnt from auditing in all four companies.

- 1) HRM strategy is informal
- 2) HR role in the companies is traditional (administrative and employees advocate) not as strategic partner.
- 3) The impact of HR process / activities are not measured or monitored in an objective explicit manner.

7.4.2. CONTRIBUTION TO PRACTICE

The HRM Business Process model is systematic. In order to show more detail, the researcher used the IDEF0 modelling technique, which is well known and broadly accepted. The HRM Business Process Model Audit Workbook was prepared for the case studies. It is a structured questionnaire. The audit workbook comprises some criteria for each activity. Contribution to practice can be summarised as follows:

- to audit the HRM process in an organisation the research provides a workbook, which is understandable and easy to follow.
- the audit workbook helps to improve an organisation's existing activities according to criteria
- it provides a new perspective of analysing and managing HR
- the research expands the people's (managers) view of HRM in an organisation
- the HRM Business Process model integrates HRM and business strategy directly according to business requirements.

7.5. SIGNIFICANCE OF THE RESEARCH

Research significance analysed under the four points as follows:

- **Research problem**
- **Practical problem (relevancy)**
- **Generalisability**
- **External recognition**

These four criteria detailed in Table 7.1.

Table 7.1 Research Significance criteria

Criteria	In This Research	Pass/Fail?
Research Problem	<p>Research divided research problem into two parts. First, there is no business process perspective of HRM model. Second, level of inconsistency in the field with respect to HRM model.</p>	✓
Practical Problem (relevancy)	<p>This research developed a HRM Business Process model from literature which was validated by fourteen industrialists. According to industrialists, HRM Process model should exist in an organisation (12 out of 14) and the activities in the process model be part of HRM process (12 out of 14). (They are agreeing all the activities of model valid in the real life). However, as a whole process and systems approach are new. It was demonstrated from literature review that nobody attempted to use this type of approaches.</p>	✓
Generalisability	<p>This research arguments were accepted by many academics and were used as a reference. This research was based on four case studies a in manufacturing environment. However, these research results and model can be applied in service sector and public organisation.</p>	✓X
External Recognition	<p>Researcher publications were used in journal paper, web site and students projects. Also people from all over the world make enquiries about research and research publications.</p> <p>Journal publications: There is a journal paper, which used one of these research publications as a reference. This journal paper has not yet published and author(s) is unknown. Name of the journal is "International Journal of Human Resources Development and Management" and the name of the journal paper is "Management and the Human Resource Function: A Model Based on Social Systems Theory". This Journal paper used the following research journal paper: Cakar F., Bititci U. S. (2002), Modelling the HRM business process, International Journal of Human Resources Development and Management, Vol. 2 Nos 3/4 (2002)</p> <p>Web site: In the following web, researcher's conference paper was used as a reference.</p>	✓

“Cakar, F, Bititci U (2001), Human Resource Management as a Strategic Input to Manufacturing, IFIP 5.7. International Working Conference on Strategic Manufacturing, Aalborg, Denmark, August 2001.”

In that web site, research approach (HRM as a business process) was accepted. Research diagnosis (discovery) about HRM field (HRM model classifications and their definition) were discussed.

Web site addresses as follows:

http://www.bestbooks.biz/hrm/why_hrm.htm

http://www.bestbooks.biz/hrm/hrm_models.htm

Other references: There are some undergraduates and Postgraduate student used the research publications in their projects and dissertations. Here are the some examples:

Request for information: People from all over the world, practitioners, academics and students requested about this research and research publications. Here are the some of them.

Mustafa Ozbilgin: Senior Lecturer in Human Resources, Strategy and Marketing, University of Hertfordshire Business School. Ozbilgin would like to refer to this research in his book (International Human Resource Management by Macmillan Press). Date of e-mail was 2001.

Sandro Gerber: MBA student at ...university in ch. Gerber would like to use in his study. Date of e-mail was 2002.

Dina Neiger: PhD student at Monash University in Melbourne, Australia. Neiger would like to take copy of research publications. Date of e-mail was 2002.

Nirmala Jeetah: Management systems analyst in MFA (Mauritius Freeport Authority) in republic of Mauritius. Jeetah would like to use research papers in her work. Date of e-mail was 2002.

Ernest Laryea Okorley: PhD student in Institute of Natural Resources, at Massey University in New Zealand. Okorley would like to take (electronic) copy of these research publications. Date of e-mail was 2003.

7. 6. ASSESSMENT OF THE QUALITY OF THIS RESEARCH

Research criteria identified in chapter 3 and Table 3.4 summarised these criteria. Research took the constructive and case study quality criteria. Table 7.2 shows evaluation of the quality of this research.

7.7. LIMITATIONS OF THIS RESEARCH

The researcher drew a boundary and merely concentrated on business process, strategy and business requirements points of view. Due to the time constraints, the administrative point of HR and human behaviour have not been covered. Therefore, the HRM Business Process model did not include these aspects.

Time permitting the researcher would have liked to implemented the HRM Business Process model in at least two companies as part of a longitudinal study, for the following reasons:

- to intensify the audit results
- to better understand how HRM affects business results
- to test how the “business process approach” to HRM impacts on business results.
- to demonstrate the practical value of the HRM Business Process Model.

However, because of these time constraints the researcher was unable to implement and study the outcomes of the HRM Business Process model in companies. Therefore, this research finished with audit results.

As a result, because of time limitation, this research could only develop HRM Business Process Model, validate the model with industrialists and academics and audit the model in companies through case studies.

Table 7.2. Evaluation of the quality of this research

Assessment of the Quality of This Research		Pass/Fail
Case Studies Quality Criteria		✓ X
1) The research project should be conducted in a manner that allows the reader to draw their own conclusion	<p>Researcher has two evidences on this criteria</p> <p>1) During the validation 2 corresponding with academics, researcher received academics conclusions about research.</p> <p>2) In chapter 6, case studies data from audit was detailed and presented in several tables. These allows the reader to draw their own conclusion.</p>	✓
2) The researcher should present her paradigm	<p>Researcher presented her research paradigm as a phenomenological in chapter 3 section 3.2.2.</p>	✓
3) The research should possess credibility	<p>Beginning of the research, during the model validation Prof. Randall Schuler gave good comments about this research (Appendix XX). As researcher mentioned above conference paper and journal papers have good comments and it was used as a reference in web, journal and student assignments.</p>	✓
4) The researcher should have adequate access to process	<p>Researcher demonstrated this, during the research and case studies. E.g. Researcher prepared the audit workbook for auditing model. During the interview some times some interviewee misunderstanding the questions or some times can not understand or need more information. Hence the researcher ensured that she was personally present all the time while auditing the workbook and model.</p>	✓
5) A statement should be made regarding the validity of the research	<p>There are statements from various scholars, which also serve to demonstrate the diversity of opinions within the HR field.</p> <p>“Excellent! Very thorough, systematic and reflective of the field today, especially in linking HRM with the larger environment, both side the organisation as well as outside.” (Randall Schuler, HRM academic)</p> <p>“I think that you are investigating something very worthwhile” (Ashly Pinnington, HR academic)</p> <p>“It is very comprehensive” (Catherine Truss, HR academic)</p>	✓

6) The research should make a contribution	Research divided the contributions onto two parts, contribution to theory and contribution to practice. It is detailed in section 7.3.1 and 7.3.2.	✓
Case Studies Quality Criteria		
7) The research process should be dynamic	Research process was dynamic. When research process analysed reader can see the rotation of research and can see the rotation always follows the requirement of science (fields) e.g. Gaps in HR field, new knowledge (approach)	✓
8) The researcher should have commitment and integrity	Researcher concluded every chapter with summarised the conclusions. In there, researcher gives research commitment and integrity with reasons and evidences.	✓
9) As an individual, the researcher should satisfy requirements such as pre-understanding through study and personal experience, candour and honesty	Researcher has conformation about pre understanding point from some academics with result of corresponding.	✓
1) Pragmatic and epistemological utility	Research demonstrated that in Validation 2 with academics and after conference and journals papers.	✓
2) Innovative solution	As research mentioned above and Chapter 2, there are two fundamental gaps in HR field. One of them is lack of consensus on different types of HRM models. Research solves this problem with taking systems thinking approach. In Validation 2 most of academics agree that HRM Business Process Model is normative (6/8) and systems model (5/8). This result supports a Systems Approach, which is based on Systems Engineering principle, that clarifies any ambiguity that may arise. As a result, systems approach is an innovative solution for this problem, which is not used before.	✓
3) Usability	Research audited the HRM Business Process model. Therefore can not say about model usability. However, according to researcher's interpretations based on the interviews and information from the companies, it seems to work.	✓X
4) Theoretical connection	Research demonstrated that in this chapter and chapter 2 and 3. Theoretical connection made in HRM and Business Process field and between them.	✓

5) Potential for more general adequacy	Research demonstrated this criteria in section 7.4	✓
6) Relevance, Simplicity and easiness of operation	Research demonstrated this criteria in section 7.4.	✓

7.8. SUGGESTIONS FOR FUTURE RESEARCH

In this research, a system engineering based business process perspective of HRM has been investigated. It is a new approach in the field and is accepted nowadays by some academics that use it. Based on such an approach the HRM Business Process model was developed and validated. However, there are calls for more work to be done in the HRM Business Process model and field. Suggestions for future research can be summarised as follows:

- Longitudinal study of the research could be done to test how the business process approach to HRM impacts on business results. The HRM Business Process Model can be used for this testing.
- This research developed the HRM Business Process Model and it is a Hard Systems Model. Further research could be done using the Hard Systems platform to develop the soft systems context round this platform to develop an integrated (i.e. Hard and Soft) model for the HRM Business Process.
- Further research could be done to integrate the HR Scorecard approach with HR Business Process Model to develop a fully integrated approach to HR Management, including definition of leading (i.e. O'Donnell & Duffy, 2002) and lagging (i.e. HR Scorecard) performance measures.

REFERENCES

Argyris, C., Putnam, R., Smith, D., (1985), "Action Science", San Francisco: Jossey-Bass.

Armistead, C., Rowland, P., (1996), "Managing by Business Processes" in Armistead, C. and Rowland, P., (Eds.) "Managing Business Processes BPR and Beyond" John Wiley & Sons Ltd. West Sussex, England, pp 39-59.

Armistead, C., Harrison, A., Rowland, P., (1996), "Business Processes: Lesson from Operations Management", in Armistead, C. and Rowland, P., (Eds.) "Managing Business Processes BPR and Beyond" John Wiley & Sons Ltd. West Sussex, England, pp 115-131.

Armstrong M, (1998), "Human Resource Management strategy & Action", Kogan Page Limited, London.

Armstrong M, Long P., (1994), "The Reality of Strategic HRM", Institute of Personnel and Development, London.

Baird, L. S., (1992), "Managing Human Resources: Integrating People and Business Strategy", Homewood, Illinois: Business One Irwin.

Barker, A., Nancarrow, C., Spackman, N., (2001), "Informed eclecticism: a research paradigm for the twenty-first century", International Journal of Marketing Research, Vol.43 Quarter 1, pp.3-27.

Beardwell I., Holden L., (1997), "Human Resource Management a contemporary approach", Financial Times Professional Limited, UK.

Becker B. E., Huselid M. A., Ulrich D., (2001), "The HR Scorecard Linking People, Strategy and Performance", Harvard Business School Press, Boston, Massachusetts.

Beer, M., Spector, B., (1985) "Corporate wide transformation in Human Resource Management' in Walton R. E., and Lawrence, P.R., (eds.), "Human Resource Management-Trends and Challenges', Boston:Harvard Business School Press, pp.219-253.

Beer, M., Spector, B., Lawrence, P., Quinn Mills, D. and Walton R., (1984), "Managing Human Assets: The Groundbreaking Harvard Business School Program" New York: The Free Press.

- Checkland, P., (1984) "Systems Thinking, Systems Practice" John Wiley&Sons Ltd., U.K.
- Creswell, J.W.(1994), "Research Design: Qualitative and Quantitative Approaches", Thousand Oaks, CA: Sage
- Dick, B. (2000), "A beginner's guide to action research (on line). Available at <http://www.scu.edu.au/schools/gcm/ar/arp/guide.html>
- Easterby-Smith, M., Thorpe, R., Lowe, A., (1999), "Management Research, an introduction", Sage Publications Ltd., London
- Easterby-Smith, M., Thorpe, R., Lowe, A., (2002), "Management Research, an introduction", Sage Publications Ltd., London
- Eisenhardt K.M., (1989) "Building theories from case study research", Academy of Management Review, Vol:14, No:4, pp.532-550
- ESPRIT Consortium AMICE, (1991), Integrated Manufacturing: A Challenge for the 1990's, International Journal of Computing and Control Engineering, May 1991.
- Felice, M., (1998), "Human Resources and Competencies Over Time" (on line). Available at http://www.hrma-agrh.gc.ca/research/personnel/comp_history_e.asp
- Fombrun, C.J., Tichy, N.M. and Devanna M.A., (1984), "Strategic Human Resource Management", John Wiley, New York.
- Foulkes, F.K.,(1986), "Strategic Human resource Management, A guide for Effective Practice, Englewood Cliffs, N.J.: Prentice Hall.
- Freeman, M., (1996), "Scientific Management: 100 years old; Poised for the Next Century", SAM Advanced Management Journal, pp. 35-41.
- Gaither, N., Frazier, G., (2002), "Operations Management" South-Western / Thomson Learning.
- Gabel, D., (1995), "An introduction to Action Research" (on line). Available at <http://www.phy.nau.edu/~danmac/actionrsch.html>
- Glaser, B., C., (1992) "Basics of Grounded Theory Analysis: Emerge versus Forcing", Mill Valley, CA: Sociology Press.

- Guest D.,E. , (1997), "Human Resource Management and Performance: a Review and Research Agenda" *The International Journal Of Human Resource Management*, Vol. 8, No. 3, June, pp. 263-276.
- Guest, D.E., (1987), "Human Resource Management and Industrial Relations", *Journal of Management Studies* (1987), 24,5,September, pp.503-21, Table 11,p.516.
- Guest,D.E., (1999)"Human Resource Management and Performance: a Review and Research Agenda" in Schuler, R.S., Jackson S.E., (Eds.) "Strategic Human Resource Management", Blackwell Publishers Ltd. Oxford, UK,pp 177-190
- Gummesson, E., (2000), "Qualitative Methods in Management Research", Sage Publications, London
- Hammer, M., Champy, J., (1993), "Re-engineering the Corperation." Harper Colin, New York.
- Hammer, M., Champy, J., (1993), "Re-engineering the Corporation." Harper Colin, New York.
- Hammer, M., Stanton, S., (1999), "How Process Enterprises Really Work", *Harvard Business Review*, November-December 1999, pp.108-118.
- Huselid M. A., Jackson S. E., Schuler R. S. , (1997), "Technical and Strategic Human Resource Management Effectiveness as Determinants of Firm Performance", *Academy of Management Journal*, Vol. 40, No. 1, pp. 171-188.
- Hussey J., Hussey R., (1997), "Business Research, a practical guide for undergraduate and postgraduate students", Palgrave (Macmillan Press Ltd.), New York.
- Kamoche K., (1996), "Strategic Human Resource Management within a Resource-capacity View of the Firm" *Journal of Management Studies*, Vol. 33, No. 2, March, pp.213-233.
- Kamoche, K., (1991), "Human Resource Management: A Multiparadigmatic Analysis", *Personnel Review*, Vol 20 No.4, pp 3-14.
- Kasanen, E., Lukka, K., Siitonen, A., (1993), "The Constructive Approach in Management Accounting Research", *Journal of Management Accounting Research*, Vol.5, pp.241-264.
- Kirk, D., (1995) "Hard and Soft System: a common paradigm for operations management?", *International Journal of Contemporary Hospitality Management*, Vol 7 No. 5,pp.13-16.

Kleemola, A., (2002), "Managing Networks Through Continuous Group Benchmarking", (On line) Available at http://www.sses.com/public/evenyts/euram/complete_tracks/networks/kleem

Legge, K.,(1995), "Human Resources Management Rhetorics and Realities", Macmillan Press Ltd., London.

Lewin, K. (1946) "Action research and Minority Problems", *Journal of Social Issues* 2: pp34-46.

Lewin, K. (1946, 1948), Adapted from www.infed.org ,The home of informal education, prepared by Mark K. Smith, last update July 14, 2002)

Lewin, K. (1947), adapted from www.fau.edu , Florida Atlantic University.

Lukka, K., (2001), Adapted from <http://www.metodix.com> (written by Kari Lukka), last update 2001).

Lundy, O., Cowling, A., (1996) "Strategic Human Resource Management", Routledge, London.

Lynham, S. A., (2000), "Theory Building in the Human Resource Development Profession", *Human Resource Development Journal, Quarterly*, Vol. 11, no.2, pp. 159-178.

Marshall, G. (1994), "The Concise Oxford Dictionary of Sociology", Oxford: Oxford university Press.

Martinez-Hernandez, Veronoca, (2003), "Understanding value creation : The value matrix and the value cube", University of Strathclyde PhD thesis.

Maul, R., Childe, S., Bennett J., Weaver, A., Smart A., (1995) 'Different Types of Manufacturing Processes and IDEF0 Models Describing Standard Business Processes' Working Paper, Engineering and Physical Sciences Research Council (EPSRC), U.K.

Maul, R., Childe, S., Bennett J., Weaver, A., Smart A., (1995) 'Different Types of Manufacturing Processes and IDEF0 Models Describing Standard Business Processes' working paper, Engineering and Physical Sciences Research Council (EPSRC), U.K.

Noon, M., (1996), "HRM: A map, Model or Theory?", in Blyton, P. and Turnbull, P., (eds) "Reassessing Human Resource Management", Sage Publications Ltd., London, U.K. pp.16-32.

O'Donnell F.J., Duffy A.H.B, (2002), "Modelling design development performance", *International Journal of Operation & Production Management*, Vol.22 No.11, pp1998-1221.

Ozbilgin M., (2004), "International Human Resource Management, Academic parochialism in editorial boards of the "top" 22 Journals on international human resource management", *Personnel Review*, Vol.33 No. 2, pp 205-221.

Pettigrew H., . (1992), Model of strategic change and human resource management, p.39 in 'Patterns of strategic change in the development of Human Resources Management' in *British Journal of Management*, copyright © 1992 John Wiley and Sons LTD.

Pinnington, A., Edwards T., (2000) "Introduction to Human Resource Management", Oxford University Press, Oxford.

Price, A., (1997), "Human Resource Management in a Business Context", Chapman and Hall, Oxford, U.K.

Repenning, P.N., Sterman J. D., (2000) "Getting Quality the Old- Fashioned Way: Self-Confirming Attributions in the Dynamics of Process Improvement", in Cole, E. R., Scott W. R. (Eds), 'The Quality Movement Organization Theory', Sage Publications, inc., California, United States of America, pp.201-235.

Schuler R S & Huber V. L., (1993), "Personnel and Human Resource Management", West Publishing Company, USA.

Schuler R. S., Jackson E. J., (1999), " Linking Competitive Strategies with Human Resource Management Practices" in Schuler R. S., Jackson S. E., (Eds) "Strategic Human Resource Management", Blackwell Publishers Ltd. Oxford, UK,pp 159-176.

Seymour-Rolls K., Hughes, I., (2000), "Action Research Electronic Reader, Participatory Action Research: Getting the Job Done" (On line). Available at <http://casino.cchs.usyd.edu.au/arow/reader/rseymour.htm>.

Smart, P.A., Maull, R. S., Childe, S. J., (1999), "A reference model of 'operate' processes for process-based change", *International journal of Computer Integrated Manufacturing*, Vol. 12, No. 6, pp. 471-482.

Smeltzer, L. R., Zener, M. F., (1992), "Development of a Model for Announcing Major Layoffs", *Group & Organization Management*, Vol. 17, No. 4, pp. 446-472.

Sparrow P. R., Hiltrop J. M., (1994), "European Human Resource Management in Transition", Prentice_Hall, London.

SPRIT Consortium AMICE, (1991), *Integrated Manufacturing: a challenge for the 1990's*, International Journal of Computing and Control Engineering, May 1991.

Stake R. E., (1994) "Case studies" N.K. Denzin & Y.S. Lincoln (Eds) "Handbook of Qualitative Research", pp.236-247. Thousand Oaks, CA: Sage.

Storey J., Sisson K., (1993), "Managing Human Resources and Industrial Relations", Open University Press, UK.

Storey, J., (1995), "New Perspectives on Human Resource Management", Routledge, London, U.K..

Storey, J.,(1994), "Developments in The Management of Human Resources" Blackwell Publishers, Oxford, U.K..

Strauss, A., L., Corbin, J., (1990), " Basics of Qualitative Research, Grounded theory Procedures and techniques. Thousand Oaks: Sage.

Strauss, A., L., Corbin, J., (1998), " Basics of Qualitative Research, Techniques and procedures for developing Grounded Theory, second edition Thousand Oaks: Sage.

Strauss, A., L., Corbin, J., (1998), " Basics of Qualitative Research, Techniques and procedures for developing Grounded Theory, second edition Thousand Oaks: Sage.

Supply Chain Council (Eds) (2001), *Supply-Chain Operations Reference –Model (SCOR)*, Supply Chain Council, Pittsburgh.

Susman, G., (1983) "Action Research: A Sociotechnical Systems Perspective" Ed. G Morgan ,Sage Publications, London. Pp. 95-113.

Torrington, D., Hall, L., (1998) "Human Resource Management", Fourth Edition, Prentice Hall Europa, Hertfordshire.

Torrington,D., Hall, L., (1987) "Personnel Management, A New Approach, Prentice-Hall, London.

Truss C., Gratton L., (1994), "Strategic human resource management: a conceptual approach", The International Journal Of Human Resource Management 5:3 September, pp. 663-686.

Truss, C.,(1999), "Soft and Hard Models of Human Resource Management" in Gratton, L., Hailey, V.,H., StilesP., Truss, C.,(Eds) "Strategic Human Resource Management, Corporate Rhetoric and Human Reality", Oxford University Press,Oxford, pp40-58.

Tyson, S., (1995) "Human Resource Strategy, Towards a General Theory of Human Resource Management" Pittman Publishing , London.

Ulrich, K. T., Eppinger, S. T., (1995), "Product Design and development", NY: McGraw-Hill, New York.

Vogt, W.P., (1993), "Dictionary of Statistics & Methodology", Thousand Oaks, CA: Sage.

Walton, R.E., (1985) "Toward a strategy of eliciting employee commitment based on policies of mutuality", in R.E. Walton and P.R. Lawrence(eds), Human Resource Management, Trends and Challenges, Boston: Harward Business School Press.

Weaver A M, Maull R S, Childe S J, Smart P A, Bennett J, (1995), "The development and application of a generic 'order fulfilment' process model", 3rd International Conference on Computer Integrated Manufacturing, Singapore, 11-14 July.

Wright P. M., McMahan G. C., (1992), "Theoretical Perspectives for strategic Human Resource Management", Journal of Management, Vol. 18, No. 2, pp. 295-320.

www.iipuk.co.uk

Yin, R., K., (1994), "Case Study Research, Design and methods", Sage Publications, London (London, CA:Sage).

Zairi, M., (1997), 'Business Process Management: A Boundaryless Approach to Modern Competitiveness', Business Process Management Journal, Vol.3 No.1, pp.64-80.

APPENDIXES

	Page
Appendix 1: HRM Business Process Model Validations.....	225
1. Model Validation 1 with Industrialist.....	226
Letter.....	227
Questionnaire.....	228
Results.....	231
2. Model Validation 2 with Academics.....	237
Letter.....	238
Questionnaire.....	239
Results.....	246
Appendix 2: HRM Business Process Audit Workbook.....	248
Appendix 3: Case Analysis.....	256
Daks Simpson.....	257
Simpson Label.....	280
Houston Warehousing.....	296
Highland Spring.....	311

APPENDIX 1

HRM BUSINESS PROCESS MODEL VALIDATIONS

1. Model Validations

1.1 Model Validation 1 with industrialist

Letter

Questionnaire

Results

1.2 Model Validation 2 with academics

Letter

Questionnaire

Results

Model Validation 1 with Industrialist

26 July 1999

Dear Sir/Madam

Re: Human Resources Questionnaire

I am a researcher in the department of Design Manufacture and Engineering Management at the University of Strathclyde. My Ph.D. research seeks to further the understanding of the *Human Resource Management* (HRM) process in manufacturing industry. In this light, my main objective is to construct a model for the *Human Resource Management Process* which incorporates a more in-depth understanding of Human Resource Management Strategy than current models provide. "The questionnaire is designed to test the validity of a model for Human Resource Management used as a process in manufacturing."

To this end, I would be grateful if you would take the time to complete and return the enclosed questionnaire. This should take no longer than 10 minutes of your time, and in return for your efforts I will inform you of my findings and conclusions.

To use the questionnaire first look at the HRM Process Model and then fill in the questionnaire. If you find any part of the questionnaire ambiguous, I have provided a list of definitions for your reference, alternatively feel free to contact me by e-mail or phone.

(Tel : 0141 548 22 54 / 25 88 E-mail : < f.cakar @ strath.ac.uk >)

Many thanks for your cooperation.

Yours faithfully

Figen Cakar



HRM PROCESS MODEL QUESTIONNAIRE

- 1) Do you agree that the "HRM process model" should exist in an organisation? YES NO
- 2) Should the activities included in the process model be part of HRM process? YES NO
(e.g. "Manage Redeployment")

If no, please enter the names of the activities which should be excluded from the model in the box below.

- 3) Are there any activities missing from the model? YES NO

If yes please enter activity which should be included in the model in the box below.

<u>Title</u>	<u>Classification</u>	<u>Title</u>	<u>Classification</u>
.....
.....
.....
.....

- 4) Do you agree with the classification of activities? YES NO
(e.g. "Set Objective" part of "Make HRM Strategy")

If not please enter your preferred classification in the box below.

- 5) Do you agree with the title of each activity? YES NO

If not please enter your preferred title against the title used in the model

Set Objective :	Monitor Impact On Manage Process :
Establish Current Capability :	Monitor Impact On Operate Process :
Plan :	Monitor Impact On Support Process :
Negotiate Budget :	Monitor Impact On Business Process :
Control HR :	Monitor Impact On People Satisfaction :
Recruit Assess Select :	
Train Educate Develop :	
Manage HR Performance :	
Manage Redeployment :	

- 6) Use the table below to answer the following questions.
- a) Do these activities exist in your organisation? If so tick the name of the activity, using the " YES" box. If the activity is a formal activity in your organisation tick the " F" box. If the activity is informal leave this box blank.
- b) Use the following code in the frequency box to indicate the frequency of this activity. Annual (A), Quarterly (Q), Monthly (M), Weekly (W), Continuously (C), As Required (R)

	Yes	F	Frequency		Yes	F	Frequency
Set Objective	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monitor Impact On Manage Processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Establish Current Capability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monitor Impact On Operate Processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monitor Impact On Support Processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Negotiate Budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monitor Impact On Business Processes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Control HR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monitor Impact On People Satisfaction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruit Assess Select	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Train Educate Develop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Manage Redeployment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Manage HR Performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

GLOSSARY

MAKE HRM STRATEGY

This activity uses business strategy and objectives and requirements of key business processes to formulate an integrated HRM (Human Resource Management) strategy by setting objectives, establishing current capabilities and negotiating appropriate budgets for realistic implementation of the plan.

IMPLEMENT HRM STRATEGY

This activity implements the HR strategy by controlling HR planning, monitoring, utilizing, recruiting, assessing and selecting the right people in order to develop train and educate them. This is performed by managing HR performance through, review and appraisals. This will result in redeployment of the Human Resources.

MONITOR IMPACT ON BUSINESS RESULT

This activity monitors the impact of the HRM process on business performance through monitoring its contribution to the business strategy and objectives and other key business processes.

SET OBJECTIVE

This activity interprets business strategy and objectives and requirements of other key business processes to HRM requirements and objectives.

ESTABLISH CURRENT CAPABILITY

The activity establishes the current HR capability within business and its key processes to meet the set objectives.

PLAN

This activity develops a plan, including budgets, which define courses of action the business is going to adopt to build upon its current capabilities and develop its HR's in line with the stated HR objectives and requirements.

NEGOTIATE BUDGET

This activity uses requirements of the plan to negotiate for financial resources which will lead to successful implementation of HRM strategy.

CONTROL HR (Human Resources)

To make sure that Human Resources are planned, correctly applied and monitored in accordance with the objectives and requirements of the organisation.

RECRUIT

The activity is concerned with bringing in Human Resources (HR) in to positions in line with its HR requirements from internal or external sources.

TRAIN, EDUCATE, DEVELOP

This activity is concerned with upgrading existing people capabilities within the business in line with its Human resources objectives.

MANAGE HR (HUMAN RESOURCES) PERFORMANCE

This activity is concerned with setting targets for individuals, monitoring progress, against the targets and identifying necessary training, education and development needs as well as deciding reward and discipline action.

MANAGE REDEPLOYMENT

This activity having identified a deficiency in a job position which can not be rectified through training, education or development, is concerned with redeployment of the current job holder within or without the organisation.

MONITOR IMPACT ON MANAGE PROCESS

This activity is concerned with monitoring how well the HRM strategy and its implementation is satisfying the requirements of manage processes. Manage processes formulates strategy and sets the direction for the whole business.

MONITOR IMPACT ON OPERATE PROCESS

This activity is concerned with monitoring how well the HRM strategy and its implementation is satisfying the requirements of operate processes. Operate processes consist of Get Order, Develop product, Fulfil Order, Support Product.

MONITOR IMPACT ON SUPPORT PROCESS

This activity is concerned with monitoring how well the HRM strategy and its implementation is satisfying the requirements of support processes. The support processes include financial, IT, enable to the operate process function.

MONITOR IMPACT ON PEOPLE SATISFACTION

This activity is concerned with establishing how well the business satisfy its employees.

MONITOR IMPACT ON BUSINESS STRATEGY

This activity monitors the impact of the HR strategy on business strategy and as well as business performance.

"HRM PROCESS MODEL"

C.S.M

C
L
A
S
S
I
F
I
C
A
T
I
O
N

A
C
T
I
V
I
T
I
E
S

MAKE HRM STRATEGY

IMPLEMENT HRM STRATEGY

MONITOR IMPACT ON BUSINESS RESULT

c
o
n
t
a
i
n
s

c
o
n
t
a
i
n
s

c
o
n
t
a
i
n
s

Set Objective

Control HR
Inc.Planning,
Monitor,Utilization

Monitor Impact on Business Strategy

Establish Current Capabilities

Recruit
Assess
Select

Monitor Impact on People Satisfaction

Plan

Train
Educate
Develop

Monitor Impact on Manage Processes

Negotiate Budget

Manage HR Performance
Inc.review,appraisal

Monitor Impact on Operate Processes

Manage Redeployment

Monitor Impact on Support Processes

* for explanation see "Glossary Sheet"



RESULTS (VALIDATION 1)

<i>Company Code</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Do you agree that the "HRM Process Model" should exist in an organization?	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	X	✓	✓
Should the activities included in the process model be part of HRM process?	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	X	✓	✓
Do you agree the model is complete?	✓	X	X	✓	✓	X	✓	✓	X	✓	✓	✓	X	X
Do you agree with the classification of activities?	✓	✓	✓	✓	✓	✓	✓	✓	✓	⊙	✓	✓	✓	✓
Do you agree with the title of each activity?	✓	X	✓	✓	✓	✓	X	✓	⊙	X	✓	✓	✓	✓
Do these activities exist in your organization?	◆		◆	◆	◆	✓	✓	✓	◆	◆	◆		✓	✓
Are these activities formal activity in your organization?	◆		◆	◆	◆	✓	◆	◆	◆		◆		✓	◆

YES : ✓

NO : X

Some & Most of them : ◆

No Comment : ⊙

RESULTS (VALIDATION 1)

<i>Company Code</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Activities</i>														
Set Objective	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Establish Current Capabilities	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓		✓	✓
Plan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Negotiate Budget	✓	✓	✓	✓	X	✓	✓	✓	X	✓	✓		✓	✓
Control HR	✓	✓	X	✓	✓	✓	✓	✓	X	X	✓		✓	✓
Recruit Assess Select	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓		✓	✓
Train Educate Develop	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓		✓	✓
Manage Redeployment	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓		✓	✓
Manage HR Performance	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓		✓	✓
Monitor Impact on Manage Processes	✓	✓	✓	X	✓	✓	✓	✓	X		✓		✓	✓
Monitor Impact on Operate Processes	✓	✓	✓	✓	✓	✓	✓	✓	X		✓		✓	✓
Monitor impact on Support Processes	✓	✓	✓	X	✓	✓	✓	✓	X		✓		✓	✓
Monitor Impact On Business Processes	✓	✓	✓	✓	✓	✓	✓	✓	X		✓		✓	✓
Monitor Impact On People Satisfaction	✓	✓	✓	X	✓	✓	✓	✓	X	✓	X		✓	✓

These activities exist in their organisation : ✓

These activities doesn't exist in their organisation : X

RESULTS (VALIDATION 1)

<i>Company Code</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Activities</i>														
Set Objective	X	⊙	✓	X	X	✓	✓	✓	X	⊙	✓		✓	✓
Establish Current Capabilities	✓	⊙	✓	X		✓	✓	✓	X	⊙	X		✓	✓
Plan	X	⊙	✓	✓	X	✓	✓	✓	X	⊙	X		✓	✓
Negotiate Budget	✓	⊙	✓	✓		✓	✓	✓		⊙	X		✓	✓
Control HR	✓	⊙		X	X	✓	✓	✓		⊙	X		✓	✓
Recruit Assess Select	✓	⊙	✓		X	✓	✓	✓	✓	⊙	✓		✓	✓
Train Educate Develop	✓	⊙	✓	X	X	✓	✓	✓		⊙	✓		✓	✓
Manage Redeployment	✓	⊙	✓	X	X	✓	✓	✓		⊙	✓		✓	X
Manage HR Performance	✓	⊙	X		X	✓	✓	✓	✓	⊙	✓		✓	✓
Monitor Impact on Manage Processes	X	⊙	X		X	✓	✓	✓		⊙	X		✓	✓
Monitor Impact on Operate Processes	X	⊙	X	X	X	✓	✓	✓		⊙	X		✓	✓
Monitor impact on Support Processes	X	⊙	X		X	✓	✓	✓		⊙	X		✓	✓
Monitor Impact On Business Processes	X	⊙	✓	X	X	✓	✓	✓		⊙	X		✓	✓
Monitor Impact On People Satisfaction	X	⊙	X		X	✓	X	✓		⊙			✓	✓

Activity is Formal : ✓

Activity is Informal : X

No comment : ⊙

RESULTS (VALIDATION 1)

<i>Company Code</i>	1	2	3	4	5	6	7	8	9	10
<i>Activities</i>										
Set Objective										
Establish Current Capabilities							Benchmarking			
Plan										
Negotiate Budget										Set Budget
Control HR		HR Administration								
Recruit Assess Select										
Train Educate Develop										
Manage Redeployment										
Manage HR Performance										(To broad)
Monitor Impact On Manage Processes		Evaluate Impact On Manage Processes								
Monitor Impact On Operate Processes		Evaluate Impact On Operate Processes								
Monitor impact On Support Processes		Evaluate Impact On Support Processes								(To Broad)
Monitor Impact On Business Processes		Evaluate Impact On Business Processes								
Monitor Impact On People Satisfaction		Evaluate Impact On People Satisfaction								

Table shows the companies preferred title (instead of model's one)

RESULTS (VALIDATION 1)

<i>Company Code</i>	<i>Title</i>	<i>Classification</i>	<i>Title</i>	<i>Classification</i>	<i>Title</i>	<i>Classification</i>	<i>Title</i>	<i>Classification</i>
1								
2	Salary Policy	Compensation & Benefits	Reward	Compensation & Benefits				
3								
4								
5								
6		Compensation & Benefits						
7								
8								
9	Manage Layoffs	Implement HRM strategy	Negotiate Pay	Implement HRM strategy	Determine Pay levels	Make HRM strategy	Determine % Contract	Make HRM strategy
10	Compensation & Benefits	Implement HRM strategy	Employee Development strategy	Implement HRM strategy	Employee Relation strategy	Implement HRM strategy	Communication strategy	Implement HRM strategy
11								
12								
13								
14								

According to the some companies there is some activities missing from the model.

RESULTS (VALIDATION 1)

<i>Company Code</i>	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<i>Activities</i>														
Set Objective	A	R	M	A	⊙	A	A	A	R		A		A	A
Establish Current Capabilities	A	R	R	A		C	C	A	R		A		A	A
Plan	R	R	M	W	⊙	Q	C	A	A		A		A	A
Negotiate Budget	A	R	A	A		A	D	A			A		A	A
Control HR	C	R		⊙	⊙	C	R	C			C		C	C
Recruit Assess Select	C	R	6M		⊙	C	R	C	R		R		C	C
Train Educate Develop	C		6M	R	⊙	C	R	C			R		C	R
Manage Redeployment	R	R	6M	R	⊙	R	R	R			R		C	R
Manage HR Performance	C	R	C		⊙	C	R	R	A		Q		C	Q
Monitor Impact on Manage Processes	⊙	R	C		⊙	C	R	C			A		M	A
Monitor Impact on Operate Processes	⊙	R	C	M	⊙	C	R	C			A		C	Q
Monitor impact on Support Processes	⊙	R	C		⊙	C	R	C			A		C	Q
Monitor Impact On Business Processes	⊙	R	M	A	⊙	C	R	C			A		C	Q
Monitor Impact On People Satisfaction	⊙	R	R		⊙	C	F	⊙					A	Q

Annual : A Quarterly : Q Monthly : M Weekly : W Continuously : C
 As Required : R No Comment : ⊙ Every Six Month : 6M

Blank cell mean that activity doesn't exist in the company

Model Validation 2 with Academics

8 March, 2000

Professor Randall S. Schuler
Human Resource Management
Rutgers, The State University of N.J.
94 Rockafeller Road
Piscataway
New Jersey 08854
USA



Dear Professor Schuler

Re: **Human Resources Questionnaire**

I am a researcher in the department of Design Manufacture and Engineering Management at the University of Strathclyde. My Ph.D. research seeks to further the understanding of the *Human Resource Management* (HRM) process in manufacturing industry. In this light, my main objective is to construct a model for the *Human Resource Management Process*, which incorporates a more in-depth understanding of Human Resource Management Strategy than current models provide.

In the literature, HRM model has been originally identified by Legge and Tyson. Legge has identified four HRM Models, namely Normative, Descriptive-functional, Descriptive-behavioural and Critical evaluative. Tyson has also identified three HRM models, Normative, Descriptive, and Analytical. Generally, in the literature there is confusion with respect to the definitions of Normative, Descriptive and Analytical models. For example, the Harvard Model of HRM described by Torrington and Hall is Analytical, while Pinnington and Edwards described the same model as Normative. Actually, the Harvard model is made up of both normative and analytical elements. We can give similar examples from the literature.

In order to clarify this ambiguity which confirms this confusion, we adopted a Systems Approach (Checkland) for HRM. It is an approach based more firmly on System Engineering principles. Checkland has divided the System model into two parts; the Hard and Soft system model approaches. The Hard System model approach is more Systems Engineering. It means having (well-defined) objectives and Problems, and relationships which can be accurately depicted. Soft Systems approach is more interested in the problem of managing and design of a methodology.

We developed a Hard Systems Model of the Human Resources Management Process (Checkland), which is intended to be a Normative Model outlining two key activities and information flows with the Business Process of Human Resources Management. I have enclosed an overview of our model, which has been validated by fourteen manufacturing companies.

I would greatly value your comments on my model and its relation to the literature outlined above. To this end, I would be grateful if you would take the time to complete and return the enclosed questionnaire. This should take no longer than 10 minutes of your time, and, in return for your efforts, I will inform you of my findings and conclusions.

Please feel free to contact me by e-mail or phone.

E-mail: f.cakar@strath.ac.uk or Tel: 0141 548 2254 / 2588

Many thanks for your co-operation.

Yours faithfully

Figen Cakar

Figen Cakar (Miss)



UNIVERSITY OF STRATHCLYDE



INVESTOR IN PEOPLE



THE QUEEN'S
ANNIVERSARY PRIZES
1996

CENTRE FOR STRATEGIC MANUFACTURING
James Weir Building, 75 Montrose Street, Glasgow G1 1XJ
Tel: (+44) 0141-548 2015 Fax: (+44) 0141-552 0557
E-Mail: CSM@dmem.strath.ac.uk
<http://www.strath.ac.uk/Departments/DMEM/CSM>

Director: Dr Umit S Bititci



UNIVERSITY OF STRATHCLYDE



Do you agree that:

This is a Systems model ?

YES NO

If not, please state why.

.....
.....
.....

This is a Normative Model ?

YES NO

If not, please state why.

.....
.....
.....

The model is complete ?

YES NO

If not, please state why.

.....
.....
.....

Any other comments ?

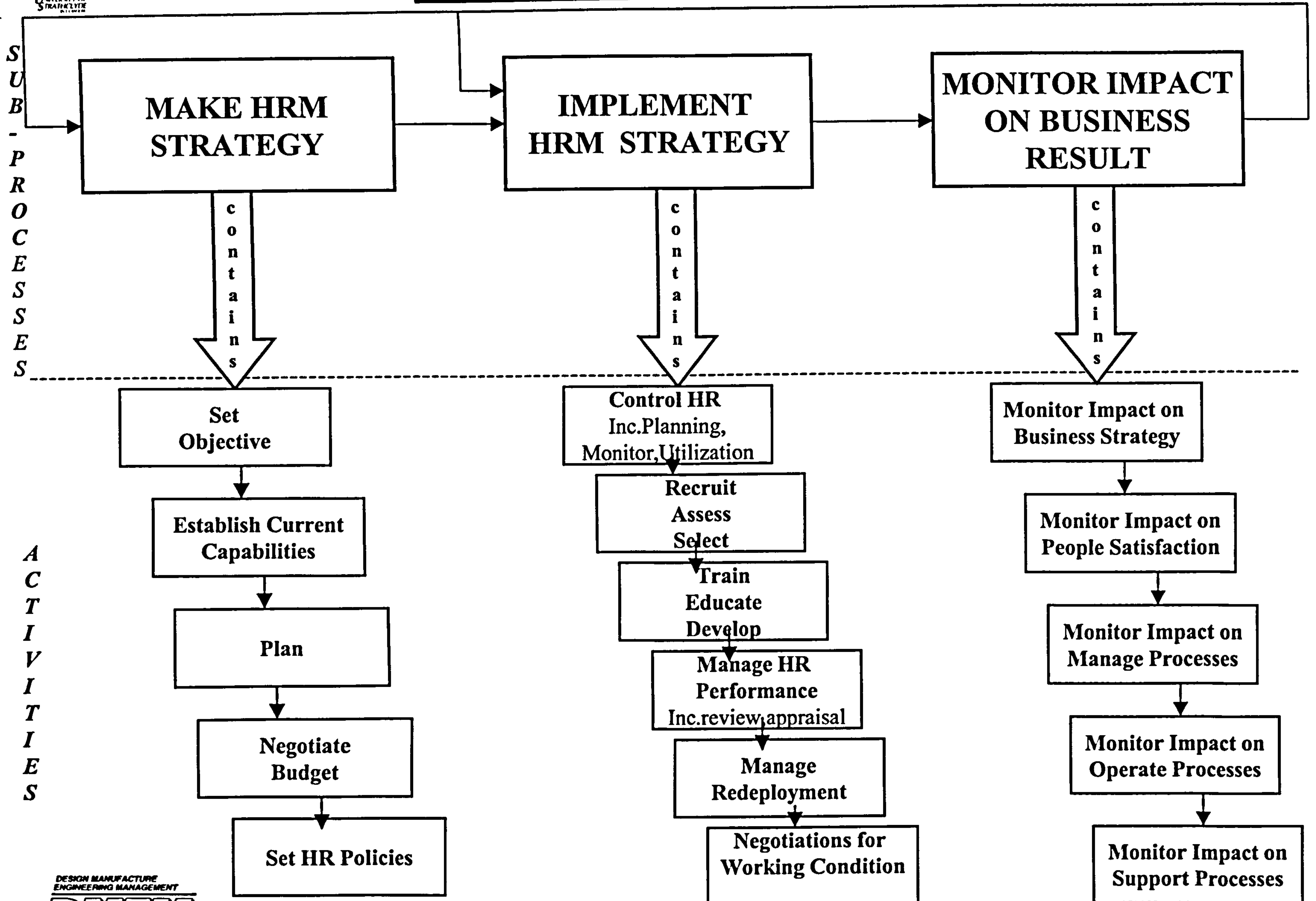
.....
.....
.....





“HRM PROCESS MODEL”

CSM



USED AT:

AUTHOR:

PROJECT:

NOTES: 1 2 3 4 5 6 7 8 9 10

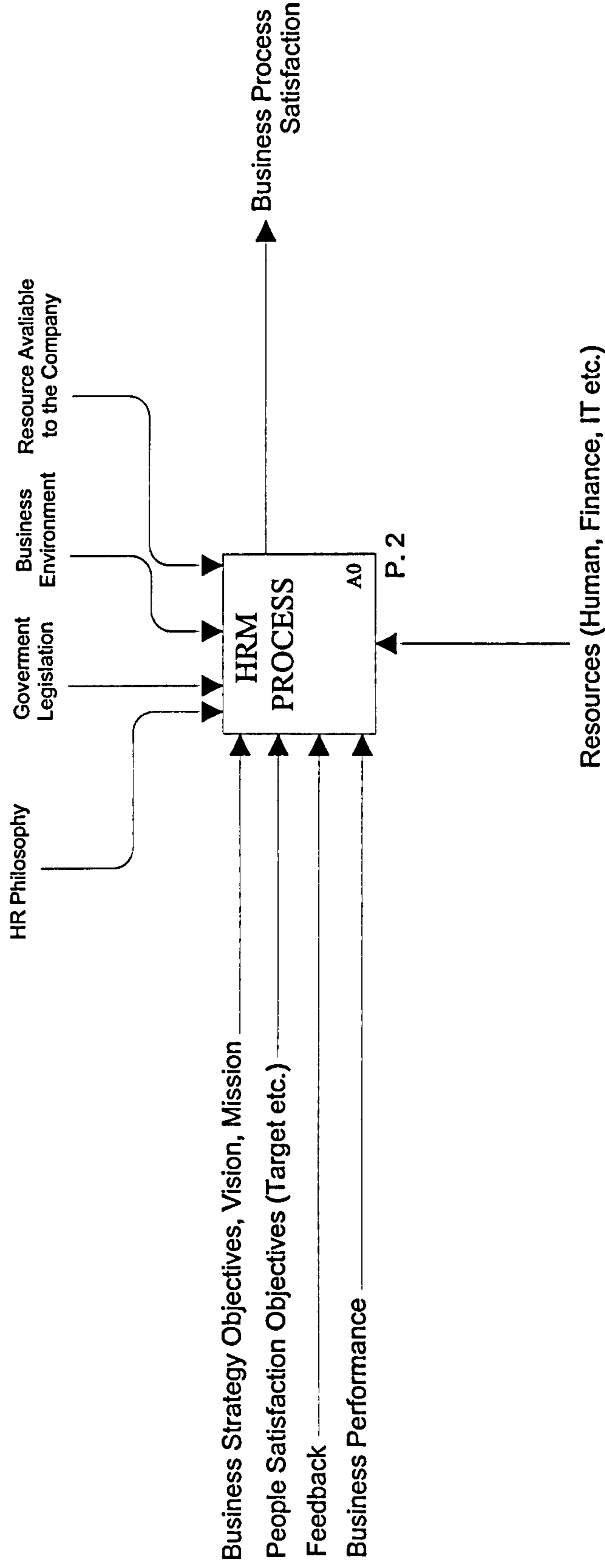
REV:

CONTEXT:

Top

DATE

DRAFT
RECOMMENDED
PUBLICATION



NODE: A-0

TITLE:

NUMBER:

P.1

DATE

REV:

PROJECT:

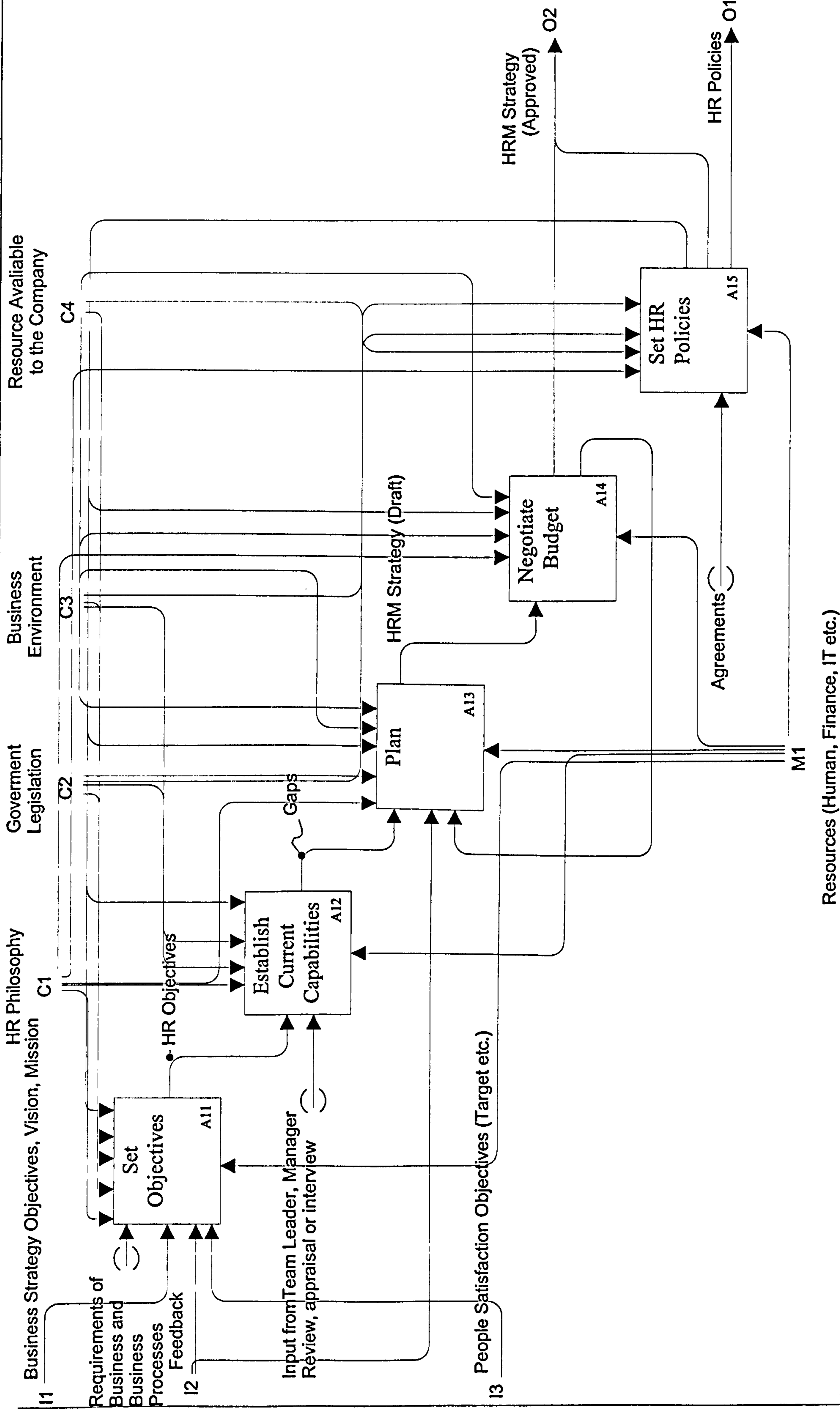
CONTEXT:

NOTES: 1 2 3 4 5 6 7 8 9 10

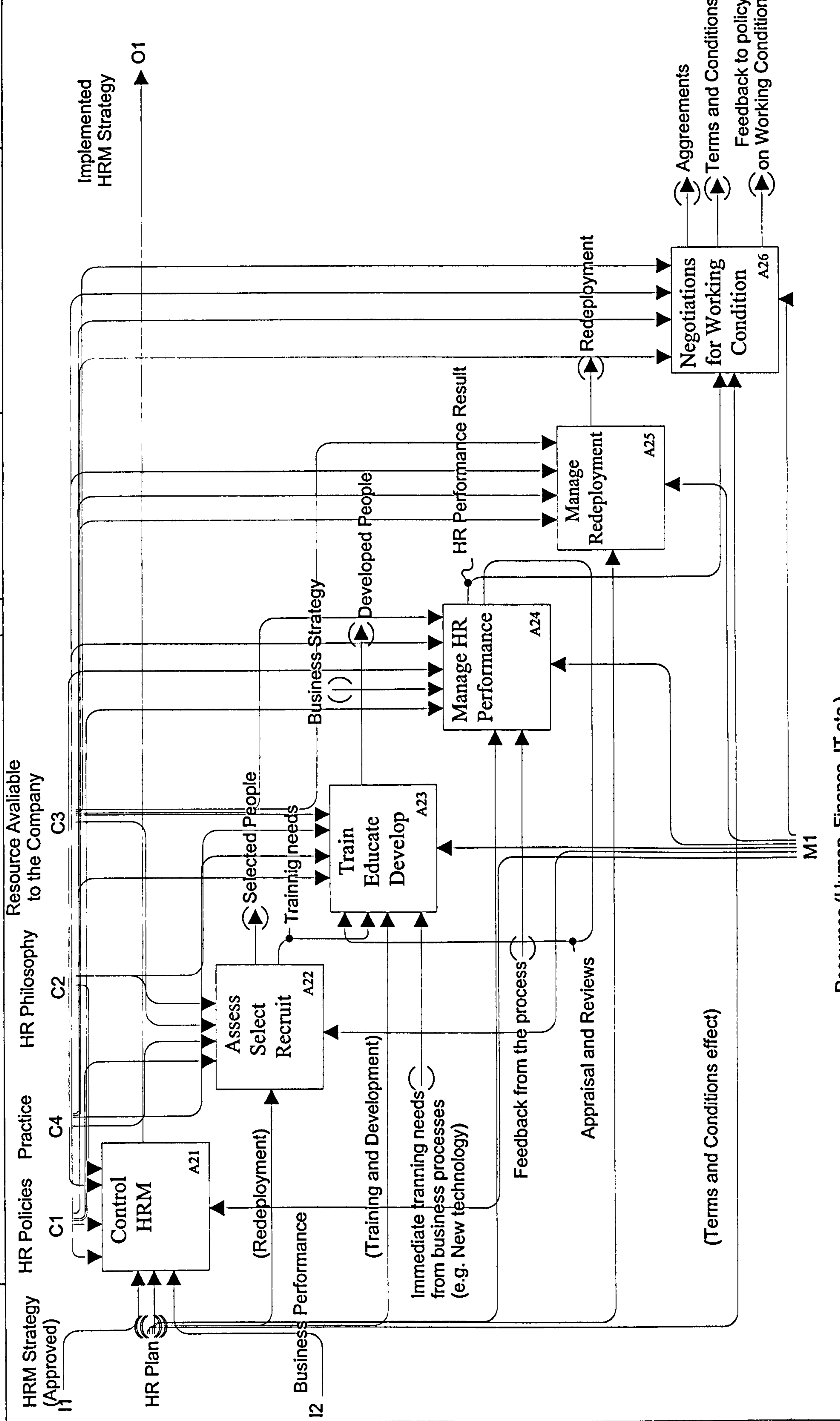
DRAFT

RECOMMENDED

PUBLICATION



NOTES: 1 2 3 4 5 6 7 8 9 10



PROJECT:

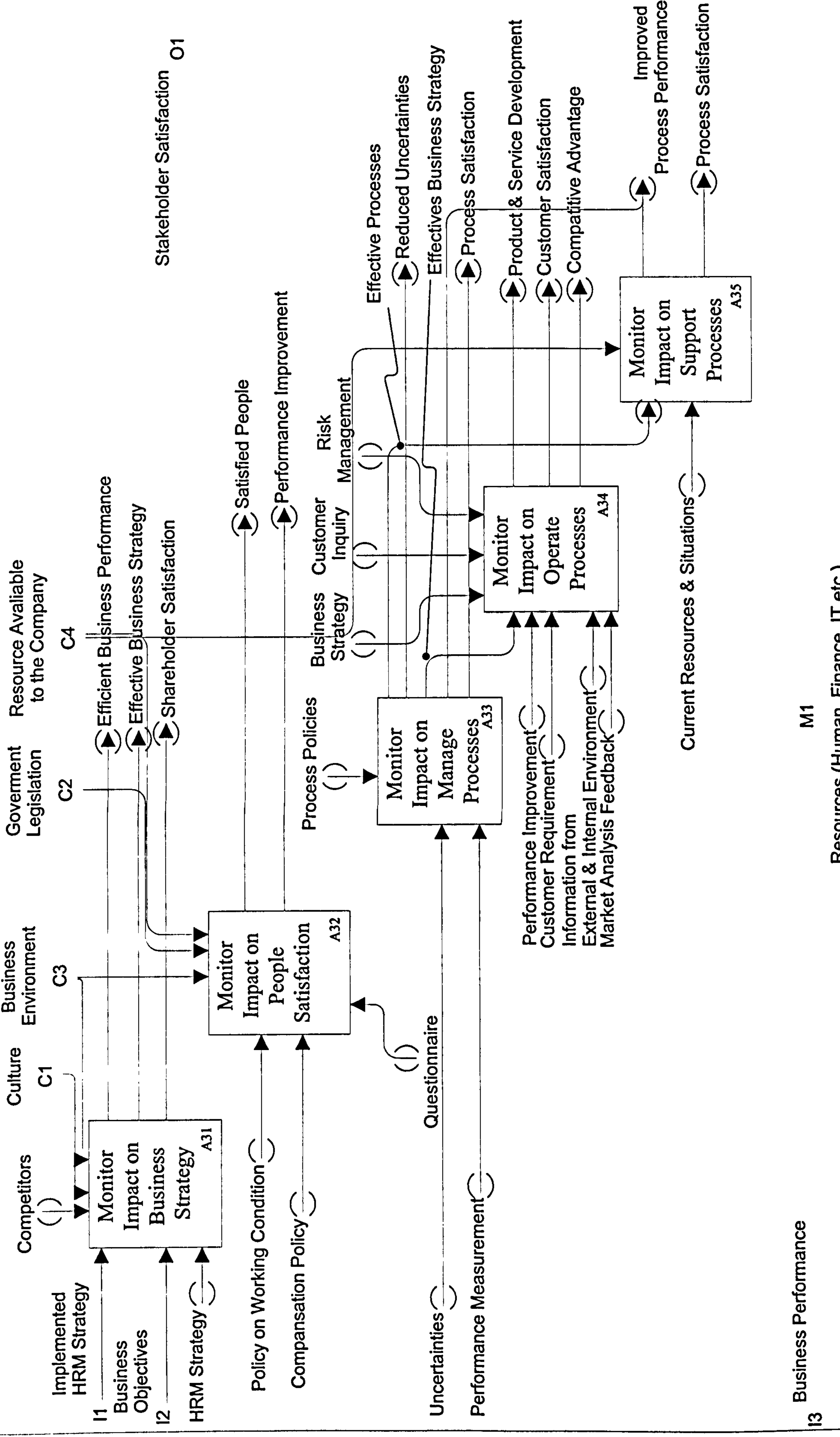
REV.:

DRAFT

RECOMMENDED

PUBLICATION

NOTES: 1 2 3 4 5 6 7 8 9 10



I3 Business Performance

M1

Resources (Human, Finance, IT etc.)

NODE: A3

TITLE:

NUMBER:

P. 5

RESULTS

The model validation process has involved several companies and key academics. We send out questionnaires to 13 academician. Eight have been returned, so far, with comments regarding the Human Resource Management Process Model. Table 1. Shows the result from the questionnaire, that the HRM Process Model is both a System Model and Normative Model. This result is very important for the research. As we mentioned before, in the literature, there is confusion about model of HRM. As you can remember from above, their decision is different for Harvard Model. Some academicians support Harvard Model as Normative and others support it as Analytical. Although there is some argument for both case, there is agreement that Hard Systems Model of the Human Resources Management Process Model is Normative. This means that the model is clear and an understandable, also that research adaptation for a systems approach to HRM is successful. These results support Systems Approach which is based on Systems Engineering principles which clarify any ambiguity which arises.

Common comment is The Human Resources Process Model has not completed yet. There are varying points of view regarding this research field. The Human Resources Management side and Systems Engineering side hold different viewpoints. The research boundary has been drawn on Systems Engineering principles. It will be a combination of both Human Resources Management and Systems Engineering.

Here is some comment for the Human Resources Management Process Model from the academician (author).

“Overall comment: Excellent! Very thorough, systematic, and reflective of the field today, especially in linking HRM with the larger environment, both inside the organization as well as outside.” **Professor Randall S. Schuler**

“I think that you are investigating something very worthwhile.” **Dr. Ashly Pinnington**

“It is very comprehensive” **Dr. Catherine Truss**

Table 1. Questionnaire result.

	1	2	3	4	5	6	7	8
It is a System Model	X	✓	✓	X	✓	✓	✓	X
It is a Normative Model	✓	✓	✓	✓	✓	X	✓	X
It is complete	X	X	X	X	X	✓	X	X

APPENDIX 2

HRM BUSINESS PROCESS AUDIT WORKBOOK

SET HR OBJECTIVES Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
1. The organisation has a clear mission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. The organisation has a clear vision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. The organisation has a clear objective	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. The organisation has a clear strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. The HR related requirements of the business and business processes are clearly understood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. In creating HR strategy, the organisation use feedback from the outcomes of previous HR strategies, policies and actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. The business has clear people satisfaction objectives and targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. The process of setting HR objectives ensure that due attention is given to company's HR philosophy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. The process of setting HR objectives ensure that due attention is given to government legislation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. The process of setting HR objectives ensure that due attention is given to business environment (Economic, Political, Technological, Socio-Cultural Environment)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

SET HR OBJECTIVES Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
11. The process of setting HR objectives ensure that due attention is given to resources (e.g. Human, Finance, IT) available to the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. The organisation has a clear set of HR objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13. The resulting HR objectives are clearly based on the above inputs (1,2,3,4,5,6,7)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

ESTABLISH CURRENT CAPABILITIES Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
14. The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
15. The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
16. The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource's	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
17. The HR development needs and gaps are clearly identified and documented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

PLAN Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
18. In planning, the organisation uses feedback from the outcomes of previous HR plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
19. In creating the plan, the organisation uses information on budgetary constrains	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
20. The organisation effectively identifies alternative routes available to achieve each development need / gap	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
21. There is a clear and specific strategy for HR development which is clearly based on the above inputs (18, 19,20)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
22. The HR strategy quantify in terms of performance measures, the expected impact on the business process and results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

NEGOTIATE BUDGET Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
23. The organisation assesses the financial implications and business benefits of its HR development strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
24. The organisation allocates its HR development budget based on clear cost-benefit analysis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
25. The organisation makes sure that financial resources are used effectively	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

NEGOTIATE BUDGET Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
26. The organisation makes sure that HRM strategy is consistent with its business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
27. The organisation makes sure that HRM strategy is consistent with its mission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
28. The organisation makes sure that HRM strategy is consistent with its vision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
29. The organisation makes sure that HRM strategy is consistent with its values	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
30. The organisation makes sure that HRM strategy is consistent with its negotiated agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

SET HR POLICIES Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
31. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
32. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
33. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its mission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

SET HR POLICIES Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
34. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its vision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
35. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its values	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
36. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its negotiated agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

CONTROL HR Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
37. The organisation ensures that its HR strategy is implemented in accordance with the HR plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
38. The organisation ensures that the implementation of its HR strategy is monitored using the performance measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
39. The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

ASSESS, SELECT, RECRUIT Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
40. The organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

ASSESS, SELECT, RECRUIT Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
41. The organisation ensures that the assessment, selection and recruitment process are inline with its HR policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
42. The Organisation has a job description	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

TRAIN EDUCATE DEVELOP Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
43. The organisation ensures that its training and development plan applied correctly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
44. The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
45. Where appropriate the organisation provides new and emerging technologies for training needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
46. The organisation ensures that training and development provided have been affective	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

MANAGE HR PERFORMANCE Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
47. The organisation continuously reviews the impact of its HR strategy on business and operational results and revise / change its HR and / or Business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

MANAGE HR PERFORMANCE Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
48. The organisation has personel performance measurement system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

MANAGE REDEPLOYMENT Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
49. The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
50. If question 49 is not possible the organisation considers the redeployment of current job holder within or out-with the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

NEGOTIATIONS FOR WORKING CONDITION Criteria	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree	Comments
51. The organisation accepts that working conditions effects HR performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
52. Both the organisation and the employees are satisfied with the agreements regarding working conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
53. Both the organisation and employees are satisfied regarding the implementation of their agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
54. The organisation ensures that its HR policies are consistent with its working conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

APPENDIX 3
CASE ANALYSIS

1. DAKS SIMPSON
2. SIMPSON LABEL
3. HOUSTON WAREHOUSING
4. HIGHLAND SPRING

HUMAN RESOURCE MANAGEMENT BUSINESS PROCESS MODEL AUDIT WORKBOOK AT DAKS

DAKS Simpson works approximately 400 people at Larkhall. It is functional based company. They have a HR department.

Objectives

As part of a research program a Business Process Model for the HRM process has been developed by the researches in CSM. The details of this Model is included in Appendix 3. The Objective of the study conducted in Daks Simpson was to compare the current HRM Processes in the Company to the HRM Business Process Reference Model.

The reader must appreciate that this report represents an audit against the reference model, which is intended to be generic. As a result the audit may identify areas of weaknesses that may not be appropriated in specific cases. Therefore it is recommended that in reading the results of the audit this point is borne in mind at all times.

Methodology

The audit workbook was applied at three levels - HR Manager, Functional Senior Manager and Functional Employee, through interviews. The audit workbook was completed in two visits almost one man-day of Company time.

Overall Conclusion

Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in one area, "Manage HR Performance". The company has a performance review system, however, the results of reviews are not effectively utilised to manage performance. Therefore a more effective performance management system is required.

The remainder of the model is not complete with large gaps in several areas such as Establish Current Capabilities.

Research Data (Table 1)

The results of this audit are summarised in Table 1. The Table consists of two sections. The first section shows the completeness of the HRM process in Daks Simpson which in turn, includes:

- effectiveness of approach
- degree of deployment.

The second section shows the congruence of views between the three respondents to statements posed during the interviews. The Table includes summary congruence and detailed congruence for exact responses, summary congruence and detailed congruence for similar responses provided by the interviews. During interviews the respondents were asked to select one of five options for each statement. These

options were “Strongly Agree”, “Agree”, “Strongly Disagree”, “Disagree” and “Unsure”. In the table for similar responses, the difference between “Strongly Agree and Agree” as well as “Strongly Disagree and Disagree” are ignored. Therefore the five points scale is reduced to three points, i.e. “Agree”, “Unsure”, “Disagree”. A definition of each score is provided in the Appendix. A

The summary congruence gives the following based on exact and similar answers:-

Exact response

- HR Manager and Functional S. Manager : 13% (7 out of 52 questions)
- Functional S. Manager and Functional Employee : 17% (9 out of 52 questions)
- HR Manager and Functional Employee : 2% (1 out of 52 questions)

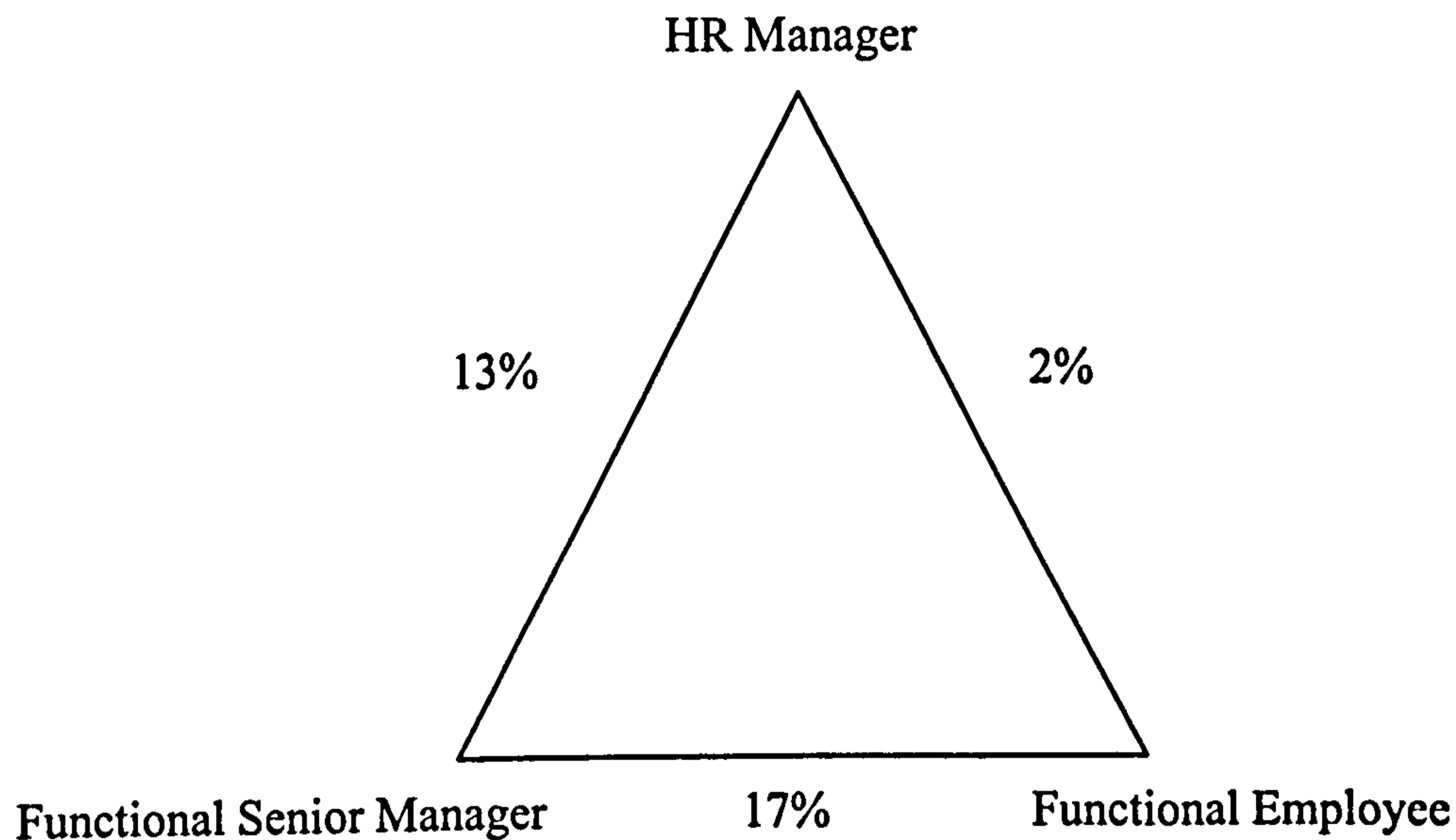


Figure 1. Exact response results between HR Manager, Functional Senior Manger and Functional Employee

Similar response

- HR Manager and Functional S. Manager : 73% (39 out of 52 questions)
- Functional S. Manager and Functional Employee : 23% (12 out of 52 questions)
- HR Manager and Functional Employee : 4% (2 out of 52 questions)

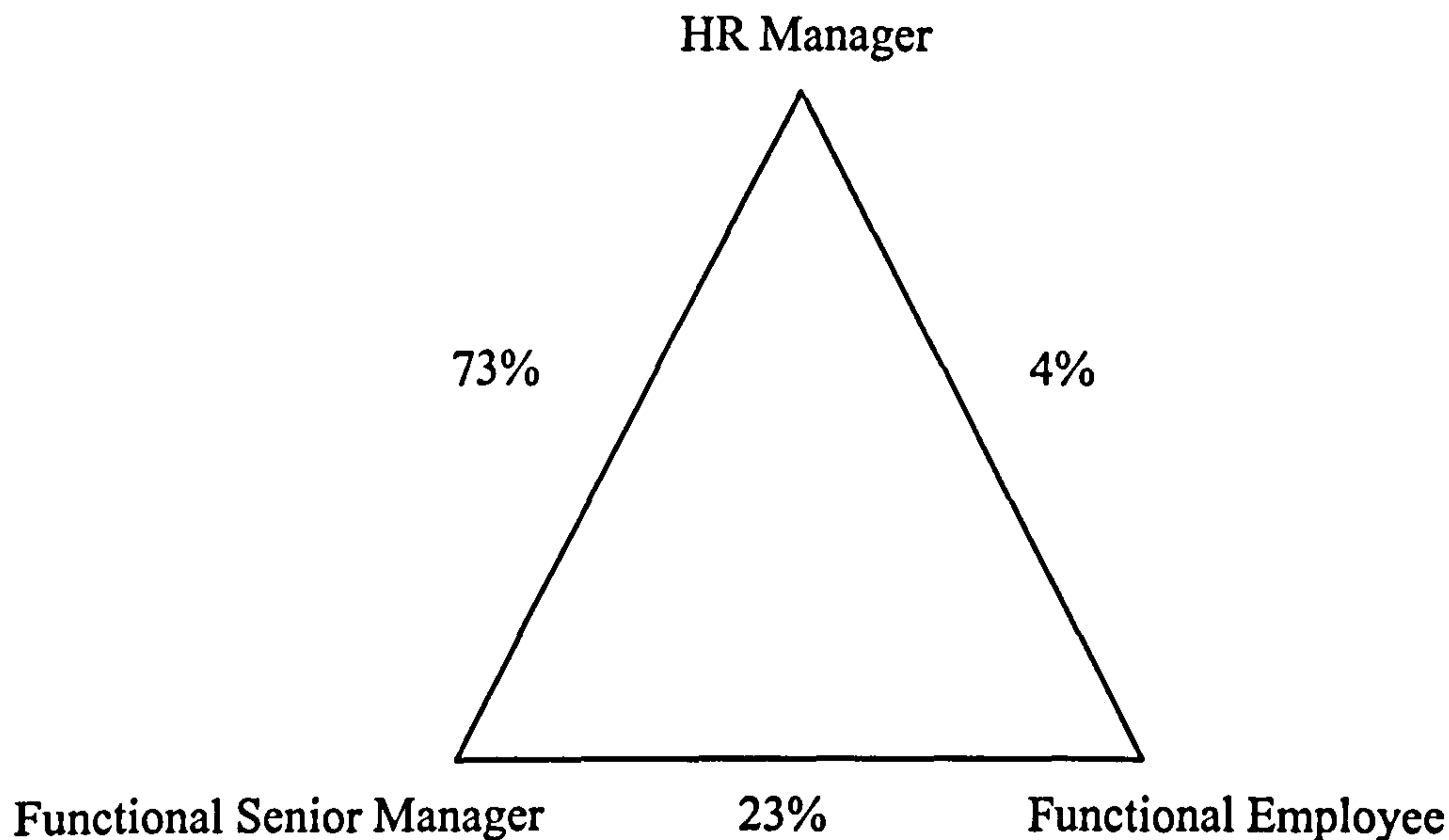


Figure 2. Similar response results between HR Manager, Functional Senior Manger and Functional Employee

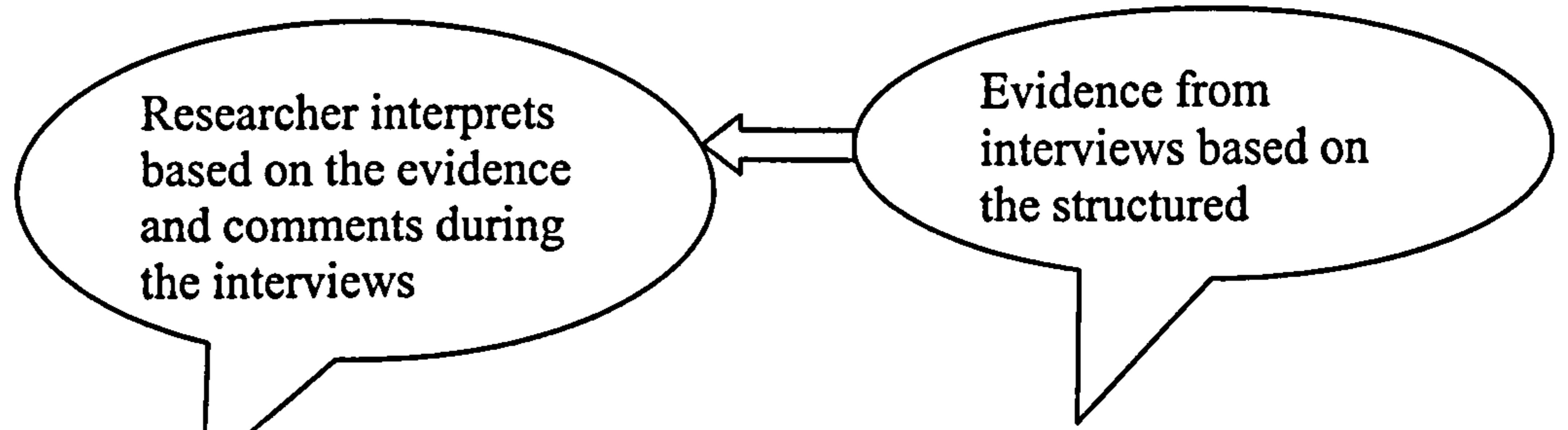
The congruence section of Table 1 presents detailed congruence from exact and similar responses and is analysed on an activity basis.

The HR Manager, Functional Senior Manager and Functional Employee's results are summarised in Diagram 1. This diagram shows their congruence very clearly. Details of the analysis are provided in Appendix B.

The completeness and congruence table consists of three parts, Activities Criteria, Completeness and Congruence. The research (Report) is compiled based on interviews using a structured questionnaire and comments during the interviews. Researcher's interprets based on these evidences. Figure 3 provide guidelines on interpretation of Table 1.

MISSING

PRINT



Activities Criteria	COMPLETENESS		CONGRUENCE					
	Effectiveness of Approach	Degree of Deployment	Exact Response			Similar Response		
			Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%

Figure 3. Guidelines for interpreting Table 1.

Recommendation

- **An holistic approach to HRM should be taken by more clearly at all levels communicating the following**
 - **Role of the HR process and its business input**
 - **How they can use the HR process effectively**
 - **How is going to help them**
 - **How effects business results**

- **The organisation mission, vision, objective and strategy should be clear and shared between people at all levels in the hierarchy, from managing director to shop floor employees**

- **The organisation has to implement the whole HR process. Implementing parts of process does not seem to work. They need to update processes according to current situation.**

- **An integrated HR strategy should be review and implement in full.**

- **A new system for getting feedback on individual and team performance should be established**

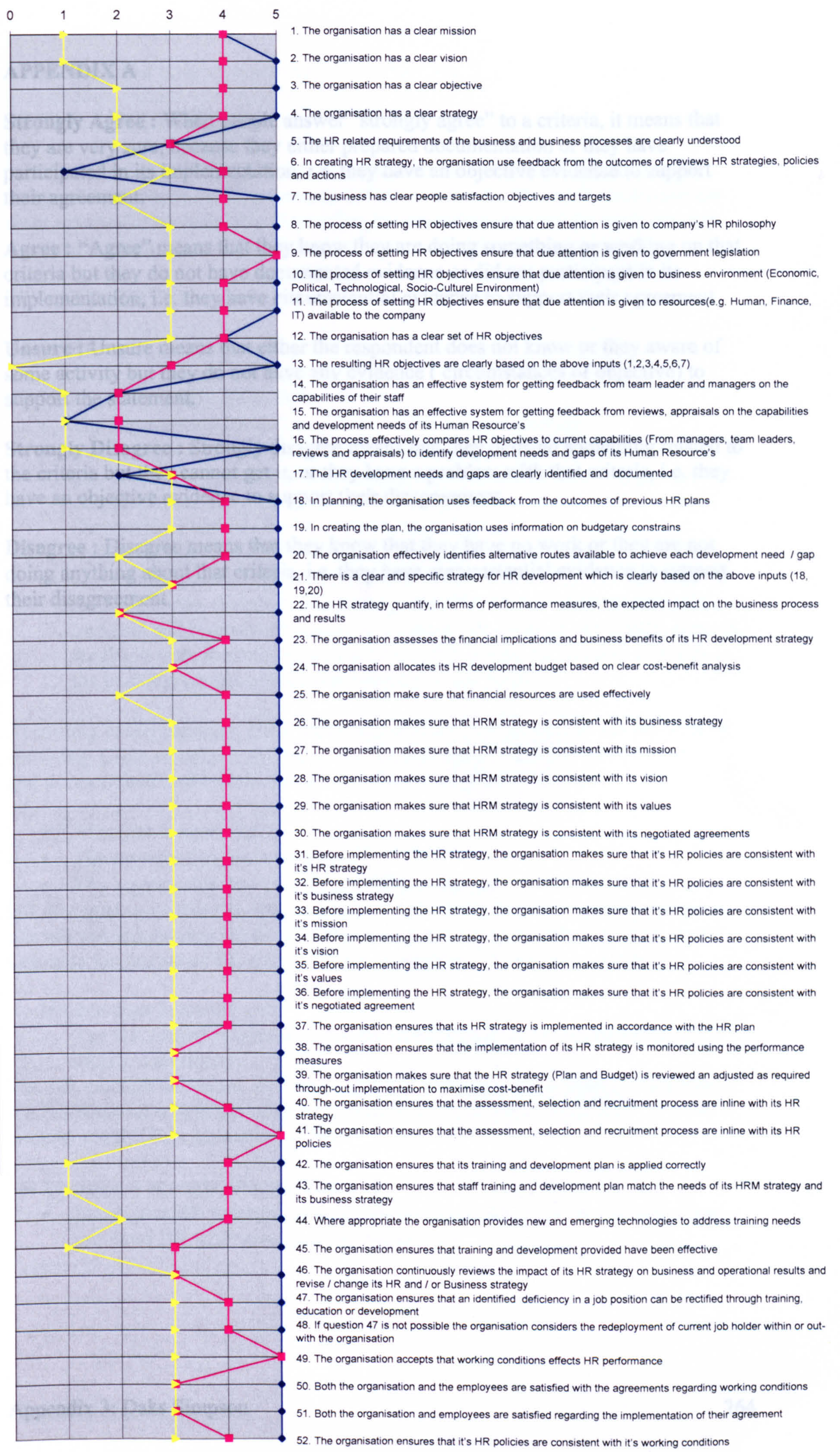
- **The management style needs to be reviewed and changed to become more open and trusting.**

Table 1. DAKS Simpson's Completeness and Congruence Table

		CONGRUENCE								
		COMPLETENESS			Exact Response			Similar Response		
Activities Criteria	Effectiveness of Approach	Degree of Deployment	HR Manager and Functional S.	Functional S. and HR Manager	HR Manager and Functional Employee	Functional S. and HR Manager	HR Manager and Functional S.	Functional S. and HR Manager	HR Manager and Functional Employee	Functional S. and HR Manager
Set Objective	Some evidence of a system	No usage	4 out of 13 31%	0 out of 13 0%	0 out of 13 0%	10 out of 13 77%	0 out of 13 0%	0 out of 13 0%	0 out of 13 0%	0 out of 13 0%
Establish Current Capabilities	No evidence of existence	No usage	1 out of 4 25%	1 out of 4 25%	1 out of 4 25%	2 out of 4 50%	4 out of 4 100%	2 out of 4 50%	2 out of 4 50%	2 out of 4 50%
Plan	Anecdotal	Little usage	0 out of 5 0%	2 out of 5 40%	0 out of 5 0%	3 out of 5 60%	2 out of 5 40%	0 out of 5 0%	0 out of 5 0%	0 out of 5 0%
Negotiate Budget	Some evidence of a system	Little usage	0 out of 8 0%	1 out of 8 12%	0 out of 8 0%	7 out of 8 88%	1 out of 8 13%	0 out of 8 0%	0 out of 8 0%	0 out of 8 0%
Set HR Policies	Anecdotal	Little usage	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	6 out of 6 100%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%
Control HR	Anecdotal	No usage	0 out of 3 0%	2 out of 3 66%	0 out of 3 0%	1 out of 3 33%	2 out of 3 67%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%
Assess, Select, Recruit	Some evidence of a system	Little usage	1 out of 2 50%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%
Train, Educate, Develop	Some evidence of a system	Little usage	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	3 out of 4 75%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%	0 out of 4 0%
Manage HR Performance	Clear evidence of soundly based system	Part usage	0 out of 1 0%	1 out of 1 100%	0 out of 1 0%	0 out of 1 100%	1 out of 1 100%	0 out of 1 0%	0 out of 1 0%	0 out of 1 0%
Manage Redeployment	Anecdotal	Little usage	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%	0 out of 2 0%
Negotiations for Working Condition	Some evidence of a system	Little usage	1 out of 4 25%	2 out of 4 50%	0 out of 4 0%	2 out of 4 50%	2 out of 4 50%	0 out of 4 0%	2 out of 4 50%	0 out of 4 0%
Summary Congruence			7 out of 52 13%	9 out of 52 17%	1 out of 52 2%	38 out of 52 75%	12 out of 52 23%	2 out of 52 4%		

- 0. No Comment
- 1. Strongly Disagree
- 2. Disagree
- 3. Unsure
- 4. Agree
- 5. Strongly Agree

◆ HR Manager
 ■ Functional S. Manager
 ◆ Functional Employee



APPENDIX A

Strongly Agree : When people answer “strongly agree” to a criteria, it means that they are very sure, because they either prepared documentation or they have participated in its implementation, i.e. they have an objective evidence to support their agreement.

Agree : “Agree” means that they know they are doing something or working on that criteria but they do not have documented evidence or did not participant in its implementation, i.e. they have circumstantial evidence to support their agreement

Unsure : Unsure means that either the respondent does not know or they aware of some activity but they do not have any evidence (circumstances of objective) to support the statement.

Strongly Disagree : Strongly disagree means that they demand something related to the criteria but they cannot get it, or they have a problem with that criteria, i.e. they have an objective evidence to support their disagreement.

Disagree : Disagree means that they know that they have no work or they are not doing anything about that criteria, i.e. they have circumstantial evidence to support their disagreement

APPENDIX B

DETAIL ANALYSIS

In order to understand HRM Business process audit workbook results better, we analysed three respondents' answers and their comments. The audit workbook has some criteria for each activity. According to respondent answers for each criterion we make decision about HRM Business Process Model in the company.

SET OBJECTIVES

HRM Manager

HR Manager is strongly agree that:

- The organisation has a clear vision, objectives and strategy
- The business has clear people satisfaction objectives and targets
- The process of setting HR objectives ensure that due attention is given to company's HR philosophy, government legislation, business environment (Economic, Political, Technological, Socio-Cultural Environment) and resources (e.g. Human, Finance, IT) available to the company.
- The resulting HR objectives are clearly based on these inputs (organisation mission, vision, objective and strategy, the HR related requirements of the business and business processes, in creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions, the business people satisfaction objectives and targets)

According to HR manager, clear vision and objective are crucial in this industry for surviving. Clear strategy is necessary for HR and other relevant department to set and develop their individual strategy and also to integrate with them.

HR Manager is agree that:

- The organisation has a clear mission
- The organisation has a clear set of HR objectives

HR manager agree that the organisation has a clear mission but due to the current climate and redundancy situation within the company this requires to be reviewed. Organisation has set of HR objectives but sometimes it is not clear enough.

HR Manager is unsure that

- The HR related requirements of the business and business processes are clearly understood

The HR manager is unsure. Because, curtain processes in the company are aware of the HR function within the business requirement. However, people point of view in company still HR as personnel welfare.

HR Manager is strongly disagree that:

- In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions

The HR manager is strongly disagree. Because, there is no HR strategies and policies system were in place before in the company.

Functional Senior Manager

Functional Senior Manager is strongly agree that:

- The process of setting HR objectives ensure that due attention is given to government legislation

Functional Senior Manager is agree that:

- The organisation has a clear mission, vision, objective, set of HR objectives
- In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions
- The business has clear people satisfaction objectives and targets
- The process of setting HR objectives ensure that due attention are given to company's HR philosophy, business environment (Economic, Political, Technological, Socio-Cultural Environment), resources (e.g. Human, Finance, IT) available to the company

Functional Senior Manager is unsure that:

- The organisation has a clear strategy
- The HR related requirements of the business and business processes are clearly understood
- The resulting HR objectives are clearly based on these inputs, organisation mission, vision, objective and strategy, the HR related requirements of the business and business processes, in creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions, the business people satisfaction objectives and targets

The Functional Senior Manager believes that the organisation has strategy, which is not clear to them. Functional senior manager's point of view on HRM is same as the HR manager's view as mentioned above. HR is like personnel welfare such as paying salaries, checking the timings, employing the people. Their communication usually involves employee's unusual situation such as discipline. Therefore functional senior manager is not sure that there is a requirement between the business and HR relationships.

Functional Employee

Functional employee is unsure that:

- In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions.
- The process of setting HR objectives ensure that due attention is given to company's HR philosophy, government legislation, business environment (Economic, Political, Technological, Socio-Cultural Environment) and resources (e.g. Human, Finance, IT) available to the company.

Functional employee is disagree that:

- The organisation has a clear objectives and strategy
- The HR related requirements of the business and business processes are clearly understood
- The business has clear people satisfaction objectives and targets

Functional employee is strongly disagree that:

- The organisation has a clear mission and vision

Functional employee did not give any comments about

- The resulting HR objectives are clearly based on these inputs, organisation mission, vision, objective and strategy, the HR related requirements of the business and business processes, in creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions, the business people satisfaction objectives and targets.

Employee levels of people in there generally are not sharing anything about business and HR objectives.

ESTABLISH CURRENT CAPABILITIES

HRM Manager

HR Manager is strongly agree that:

- The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource's

HR Manager is disagree that:

- The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff
- The HR development needs and gaps are clearly identified and documented

HR Manager is strongly disagree that:

- The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's

According to HR manager the organisation does not effective system of obtaining feedback from anywhere. She is strongly disagreeing that organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's. Because, according to HR manager job descriptions are not place for all employees. This system was introduced to the executive team prior to the redundancy. In my opinion, there is no system neither getting feedback nor using feedback information.

Functional Senior Manager

Functional senior manager is disagree that:

- The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff
- The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's
- The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource's

Functional Senior Manager is unsure that:

- The HR development needs and gaps are clearly identified and documented

As far as I understand, the functional senior manager and the HR department have no relationship at this point. Functional senior manager is not writing that systematically annually or monthly report to HR department neither past nor currently. What are the current capabilities of his staff, what they need to improve, what he needs from them etc?

Functional Employee

Functional employee is unsure that:

- The HR development needs and gaps are clearly identified and documented

Functional employee is strongly disagree that:

- The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff
- The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's
- The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource's

The functional employee's believe that there has been no system available to the organisation in order for them to obtain feedback.

PLAN

HRM Manager

HR Manager is strongly agree that:

- In planning, the organisation uses feedback from the outcomes of previous HR plans
- In creating plan, the organisation uses information on budgetary constrains
- The organisation effectively identifies alternative routes available to achieve each development needs/gap
- There is a clear and specific strategy for HR development which are clearly based on the above inputs

- The HR strategy quantify, in terms of performance measures, the expected impact on the business processes and results

According to HR manager there is a clear and specific strategy for HR development and it is as a valuable. However, it cannot be fully implemented at present because of the current situation within company. The HR manager believes that the HR strategy quantify really affect the business results. For example, absenteeism has been reduced from 12% to 5% due to the HR strategy.

Functional Senior Manager

Functional Senior Manager is agree that:

- In planning, the organisation uses feedback from the outcomes of previous HR plans
- In creating plan, the organisation uses information on budgetary constrains
- The organisation effectively identifies alternative routes available to achieve each development needs/gap

Functional Senior Manager is unsure that:

- There is a clear and specific strategy for HR development which are clearly based on the above inputs

Functional Senior Manager is disagree that:

- The HR strategy quantify, in terms of performance measures, the expected impact on the business processes and results

Functional senior manager does not sure there is a HR strategy in company. He has not come across HR strategy anywhere. He disagrees that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. If we compare HR manager answer and his answer there might be two reasons for this conflict. First functional manager does not feel anything about absenteeism or absenteeism does not affect his job. Second functional manager thinks this result about absenteeism does not related with HR strategy. HR department in there needs to give more information about their work and its results.

Functional Employee

Functional employee is unsure that:

- In planning, the organisation uses feedback from the outcomes of previous HR plans
- In creating plan, the organisation uses information on budgetary constrains
- There is a clear and specific strategy for HR development which are clearly based on these inputs. In planning, the organisation uses feedback from the outcomes of previous HR plans, In creating plan, the organisation uses information on budgetary constrains, the organisation effectively identifies alternative routes available to achieve each development needs/gap

Functional employee is disagree that:

- The organisation effectively identifies alternative routes available to achieve each development needs/gap
- The HR strategy quantify, in terms of performance measures, the expected impact on the business processes and results

Functional employee level of people in there, are not sure about HR plan and its implementation. The functional employee is not sure what should be in HR plan, what is involving, how is the relationship between plan and budget. She does not believe that organisation can identify any alternative routes about (for) development needs and gap. Same as senior manager the functional employee is disagree that the HR strategy quantify, in terms of performance measures, the expected impact on the business process and results. Comment is same as above and HR department needs more communication with them.

NEGOTIATE BUDGET

HRM Manager

HR Manager is strongly agree that:

- The organisation assesses the financial implications and business benefits of its HR development strategy
- The organisation allocates its HR development budget based on clear cost-benefit analysis
- The organisation makes sure that financial resources are used effectively
- The organisation makes sure that HRM strategy is consistent with its business strategy
- The organisation makes sure that HRM strategy is consistent with its mission
- The organisation makes sure that HRM strategy is consistent with its vision
- The organisation makes sure that HRM strategy is consistent with its values
- The organisation makes sure that HRM strategy is consistent with its negotiated agreements

From a managerial point of view, HR manager is strongly in agreement with all of the point above. She is very sure that they are applying the same thing as above very clearly. She believes that these are should be in an organisation.

Functional Senior Manager

Functional Senior Manager is unsure that:

- The organisation allocates its HR development budget based on clear cost-benefit analysis

Functional Senior Manager is agree that:

- The organisation assesses the financial implications and business benefits of its HR development strategy
- The organisation makes sure that financial resources are used effectively

- The organisation makes sure that HRM strategy is consistent with its business strategy
- The organisation makes sure that HRM strategy is consistent with its mission
- The organisation makes sure that HRM strategy is consistent with its vision
- The organisation makes sure that HRM strategy is consistent with its values
- The organisation makes sure that HRM strategy is consistent with its negotiated agreements

Functional senior manager he is not very sure about the organisation allocates its HR development budget based on clear cost-benefit analysis. Even he has ever come across HR strategy anywhere, but he believes that HR strategy should consistent with its business strategy, mission, vision, values and negotiated agreements.

Functional Employee

Functional employee is unsure that:

- The organisation assesses the financial implications and business benefits of its HR development strategy
- The organisation allocates its HR development budget based on clear cost-benefit analysis
- The organisation makes sure that HRM strategy is consistent with its business strategy
- The organisation makes sure that HRM strategy is consistent with its mission
- The organisation makes sure that HRM strategy is consistent with its vision
- The organisation makes sure that HRM strategy is consistent with its values
- The organisation makes sure that HRM strategy is consistent with its negotiated agreements

Functional employee is disagree that:

- The organisation makes sure that financial resources are used effectively

Because of their working position she has no idea about the relationship between HRM strategy and business strategy and HRM strategy is consist with its business strategy, mission, vision, values and negotiated agreements.

SET HR POLICIES

HRM Manager

HR Manager is strongly agree that:

- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's business strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's mission

- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement

HR manager is strongly in agreement with all of the point above. HR manager believes that they are doing the same things above.

Functional Senior Manager

Functional Senior Manager is agree that:

- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's business strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's mission
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement

Even, functional senior manager has not seen HR strategy anywhere yet but he agrees all the things above. He thinks it should be.

Functional Employee

Functional employee is unsure that:

- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's business strategy
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's mission
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
- Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement

Due to functional employee working position she is not sure about the strategy implementation procedure and what they need to check before and after that.

CONTROL HR

HRM Manager

HR Manager is strongly agree that:

- The organisation ensures that its HR strategy is implemented in accordance with the HR plan
- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed an adjusted as required through-out implementation to maximise cost-benefit

She is very curtain about all of the above and she mentioned that HR strategy related budget reviewed monthly basis.

Functional Senior Manager

Functional Senior Manager is agree that:

- The organisation ensures that its HR strategy is implemented in accordance with the HR plan

Functional Senior Manager is unsure that:

- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed an adjusted as required through-out implementation to maximise cost-benefit

Functional Employee

Functional employee is unsure that:

- The organisation ensures that its HR strategy is implemented in accordance with the HR plan
- The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
- The organisation makes sure that the HR strategy (Plan and Budget) is reviewed an adjusted as required through-out implementation to maximise cost-benefit

ASSESS, SELECT, RECRUIT

HRM Manager

HR Manager is strongly agree that:

- The organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy
- The organisation ensures that the assessment, selection and recruitment process are inline with its HR policies

According to her, assessment, selection and recruitment process is in place, however due to the circumstances recruitment is restructured.

Functional Senior Manager

Functional Senior Manager is agree that:

- The organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy

Functional Senior Manager is strongly agree that:

- The organisation ensures that the assessment, selection and recruitment process are inline with its HR policies

The functional senior manager is agreeing the organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy and he is strongly agree that, the organisation ensures that the assessment, selection and recruitment process are inline with its HR policies. But he has no idea that what are the assessment, selection and recruitment process and how it works.

Functional Employee

Functional employee is unsure that:

- The organisation ensures sure that the assessment, selection and recruitment process are inline with its HR strategy
- The organisation ensures sure that the assessment, selection and recruitment process are inline with its HR policies

Functional employee does not know what the assessment is, nor the selection and recruitment process and how it works.

TRAIN, EDUCATE, DEVELOP

HRM Manager

HR Manager is strongly agree that:

- The organisation ensures that its training and development plan is applied correctly

According to HR manager, the training and development plan comes from assessing the individual requirements.

- The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business

Her comment is in this point same as above

- Where appropriate the organisation provides new and emerging technologies to address training needs

According to her this is relevant due to changes in styles etc.

- The organisation ensures that training and development provided have been effective

The HR manager is very certain about at this point and she says (that) the production levels indicate this.

Functional Senior Manager

Functional Senior Manager is agree that:

- The organisation ensures that its training and development plan is applied correctly
- The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business
- Where appropriate the organisation provides new and emerging technologies to address training needs

Functional Senior Manager is unsure that:

- The organisation ensures that training and development provided have been effective

Functional Employee

Functional employee is disagree that:

- Where appropriate the organisation provides new and emerging technologies to address training needs

Functional employee is strongly disagree that:

- The organisation ensures that its training and development plan is applied correctly
- The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business
- The organisation ensures that training and development provided have been effective

Employees in there, at this point are not satisfied enough.

MANAGE HR PERFORMANCE

HRM Manager

HR Manager is strongly agree that:

- The organisation continuously reviews the impact of its HR strategy on business and operational results and revise/change its HR and/ or business strategy

The HR manager strongly agrees, because the business is changing in line with the industries. This becomes of paramount importance.

Functional Senior Manager

Functional Senior Manager is unsure that:

- The organisation continuously reviews the impact of its HR strategy on business and operational results and revise/change its HR and/ or business strategy

The functional senior manager is not very sure at this point.

Functional Employee

Functional employee is unsure that:

- The organisation continuously reviews the impact of its HR strategy on business and operational results and revise/change its HR and/ or business strategy

The functional employee is not very sure also.

MANAGE REDEPLOYMENT

HRM Manager

HR Manager is strongly agree that:

- The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development
- If question above is not possible the organisation considers the redeployment of current jobholder within or out-with the organisation

According to her, multi skilling has been essential. However, a new skill if not available within the organisation than recruitment is essential.

Functional Senior Manager

Functional Senior Manager is agree that:

- The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development
- If question above is not possible the organisation considers the redeployment of current jobholder within or out-with the organisation

As a manager, he is in agreement with all of above.

Functional Employee

Functional employee is unsure that:

- The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development
- If question above is not possible the organisation considers the redeployment of current jobholder within or out-with the organisation

Because of functional employee position she remains uncertain about that.

NEGOTIATIONS FOR WORKING CONDITION

HRM Manager

HR Manager is strongly agree that:

- The organisation accepts that working conditions effects HR performance
- Both the organisation and the employees are satisfied with the agreements regarding working conditions
- Both the organisation and the employees are satisfied regarding the implementation of their agreement
- The organisation ensures that it's HR policies are consistent with it's working conditions

The HR manager is very certain all about these. According to her GMB union is very much involved in the working conditions of employee. Both the organisation and the employees are satisfied regarding the implementation of their agreement because the contract signed by employee.

Functional Senior Manager

Functional Senior Manager is strongly agree that:

- The organisation accepts that working conditions effects HR performance

Functional Senior Manager is agree that:

- The organisation ensures that it's HR policies are consistent with it's working conditions

Functional Senior Manager is unsure that:

- Both the organisation and the employees are satisfied with the agreements regarding working conditions
- Both the organisation and the employees are satisfied regarding the implementation of their agreement

The functional senior manager is not very sure, both the organisation and the employees are satisfied with the agreements regarding working conditions and the implementation of their agreement. There might be two reasons at this point. He might have problem or conversation about that with his staff before or it might be his feelings in the working environment. He is not agreeing at this point with HR manager.

Functional Employee

Functional employee is unsure that:

- The organisation accepts that working conditions effects HR performance
- Both the organisation and the employees are satisfied with the agreements regarding working conditions
- Both the organisation and the employees are satisfied regarding the implementation of their agreement
- The organisation ensures that it's HR policies are consistent with it's working conditions

She is not enough satisfied.

Note

73% (38 out of 52 questions) HR manager and functional senior manager give the similar answer (e.g. Strongly agree, agree or strongly disagree, disagree). Sometimes the reasons might be different but in most of case HR manager and functional senior manager are in agreement with each other and with the points in audit workbook. Sometimes functional senior managers' answers do not reflect the reality within the organisation. For example, even though the functional senior manager has not seen the HR strategy nor has he used or been part of HR strategy he agrees with all the points relating to HR strategy. He seems to be responding based on what he thinks HR should be rather than what it is like. HR manager and functional senior manager do not agree on three points.

- In creating HR strategy, the organisation uses feedback from the outcomes of previews HR strategies, policies and actions.

HR manager strongly disagrees with this point. Because according to her there was no HR strategies and policies in place in the company. On the contrary functional senior manager agrees with this point in my opinion this is because he is responding based on what he thinks HR process should be rather than based on reality.

- The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisal) to identify development needs and gaps of its Human Resource's.

HR manager strongly agrees that the process is effective. On the contrary functional senior manager disagrees on this point. The reason might be that the process does not exist or it is not effective.

- The HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results.

HR manager believes that the HR strategy is affecting the business results. According to her absenteeism has been reduced from 12% to 5% due to the HR strategy. Functional senior manager disagrees with HR manager at this point. There might be two reasons for this conflict. Absenteeism might not effect this particular functional senior manager's work or functional senior manager thinks that absenteeism does not relate to HR strategy.

Functional employees point of view and answers are totally different from HR manager and functional senior manager. The reason might be the HR process at Daks is not working at that level.

HR manager, functional senior manager and functional employee are in agreement with each other on two points. There are:

- The organisation does not have an effective system for getting feedback from team leader and managers on the capabilities of their staff
- The organisation does not have an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's

They are in agreement that the organisation does not effective system of obtaining feedback from anywhere. Actually functional employee's does not believe that there is a system or has been a system at all.

It is not possible to get a response to some of the questions in the workbook from the employee's because of their working position in the company. Sometimes her answer was unsure because she is not able to give any comment because the context of the question does not relate to her work or position. The functional senior manager did not want to answer some of the questions and he was not prepared to comment on his reasons for disagreeing, agreeing or being unsure. He did not want to be critical of the Company. He wanted to be in agreement with all points. Some of the people were reluctant to answer these questions because they think it might adversely affect their work and working position.

We summarised on the diagram, the result of this audit. We can see clearly how they are in conflict on some of the point.

Strengths and Weaknesses

Strengths

- Working on performance management
- The organisation has on annual performance review system (Policy, Procedure etc.)

Weaknesses

- Lack of:
 - Effective communication
 - Process implementation
 - Strategy implementation
 - Effective systems
 - People knowledge about HRM

HUMAN RESOURCE MANAGEMENT BUSINESS PROCESS MODEL AUDIT WORKBOOK AT SIMPSON LABEL

Simpson Label is a printing company employing 64 people. They have no HR department and no person has specific HR responsibility.

Objective

As part of a research program a Business Process Model for the HRM process has been developed by the researches in CSM. The details of this Model is included in Appendix 3. The Objective of the study conducted in Simpson Label was to compare the current HRM Processes in the Company to the HRM Business Process Reference Model.

The reader must appreciate that this report represents an audit against the reference model, which is intended to be generic. As a result the audit may identify areas of weaknesses that may not be appropriated in specific cases. Therefore it is recommended that in reading the results of the audit this point is borne in mind at all times.

Methodology

The audit workbook was applied at three levels - Managing Director, Team Leader (Sales & Marketing Director) and Quality Co-ordinator, through interviews. The audit workbook was completed in two visits almost one man-day of Company time.

Overall Conclusion

Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in three areas. "Establish Current Capabilities", "Train, Educate, Develop" and "Manage Redeployment". The HR development needs and gaps are identified and scheduled and the employee training and development plan is documenting detailed. But there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity the company identifies people needs and prepares employee-training plans for each employee.

The remainder of the model is not complete with large gaps in several areas such as Manage HR performance and performance measurement.

Research Data (Table 1)

The results of this audit are summarised in Table 1. The Table consists of two sections. The first section shows the completeness of the HRM process in Simpson Label which in turn, includes:

- effectiveness of approach
- degree of deployment.

The second section shows the congruence of views between the three respondents to statements posed during the interviews. The Table includes summary congruence and detailed congruence for exact responses, summary congruence and detailed

congruence for similar responses provided by the interviews. During interviews the respondents were asked to select one of five options for each statement. These options were “Strongly Agree”, “Agree”, “Strongly Disagree”, “Disagree” and “Unsure”. In the table for similar responses, the difference between “Strongly Agree and Agree” as well as “Strongly Disagree and Disagree” are ignored. Therefore the five points scale is reduced to three points, i.e. “Agree”, “Unsure”, “Disagree”. A definition of each score is provided in the Appendix.A

The summary congruence gives the following based on exact and similar answers:-

Exact response

- Managing Director and Team Leader : 15% (8 out of 54 questions)
- Team Leader and Quality Co-ordinator : 11% (6 out of 54 questions)
- Managing Director and Quality Co-ordinator : 31% (17 out of 54 questions)

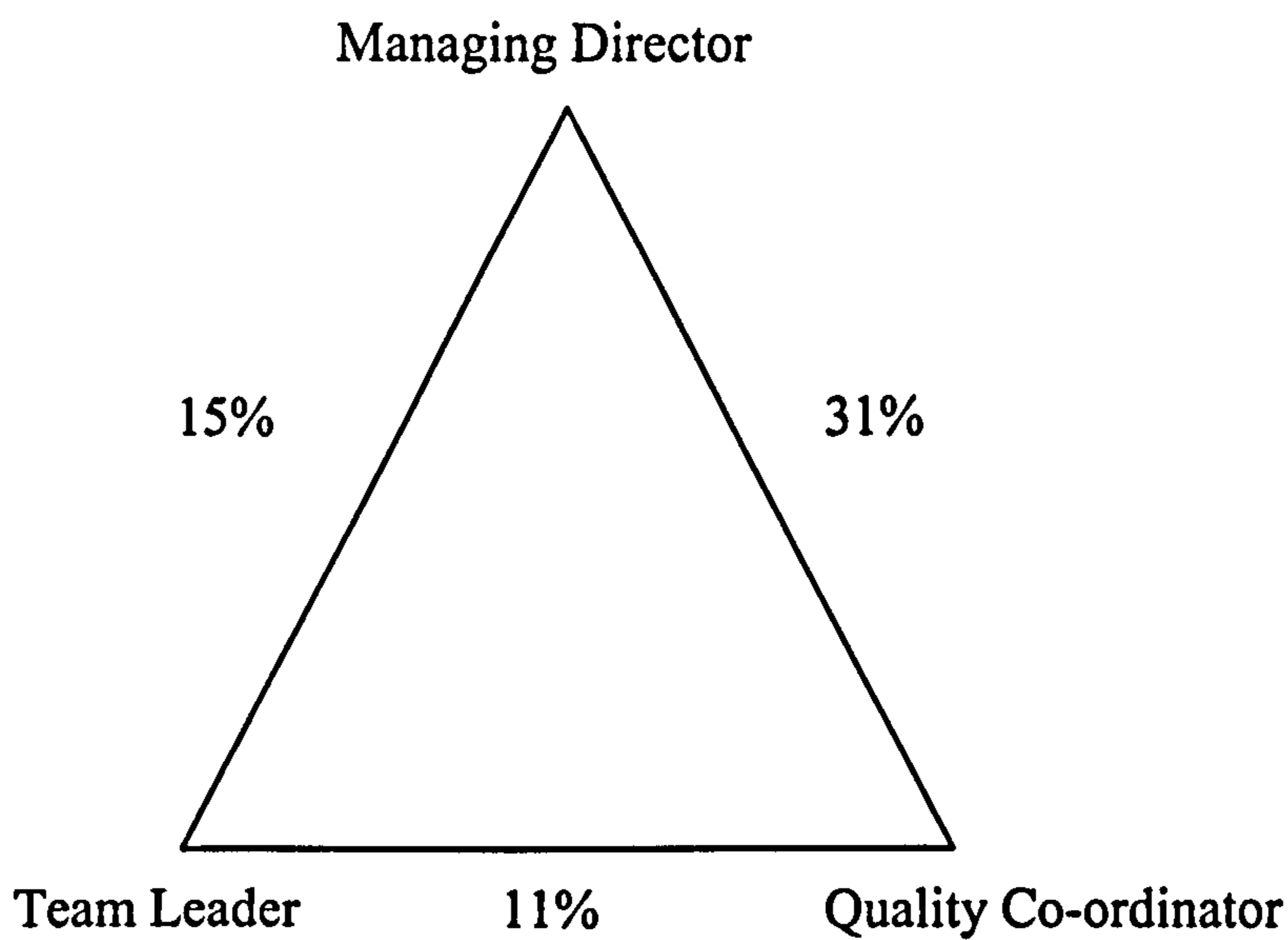


Figure 1. Exact response results between Managing Director, Team Leader and Quality Co-ordinator

Similar response

- Managing Director and Team Leader : 46% (25 out of 54 questions)
- Team Leader and Quality Co-ordinator : 31% (17 out of 54 questions)
- Managing Director and Quality Co-ordinator : 31% (17% out of 54 questions)

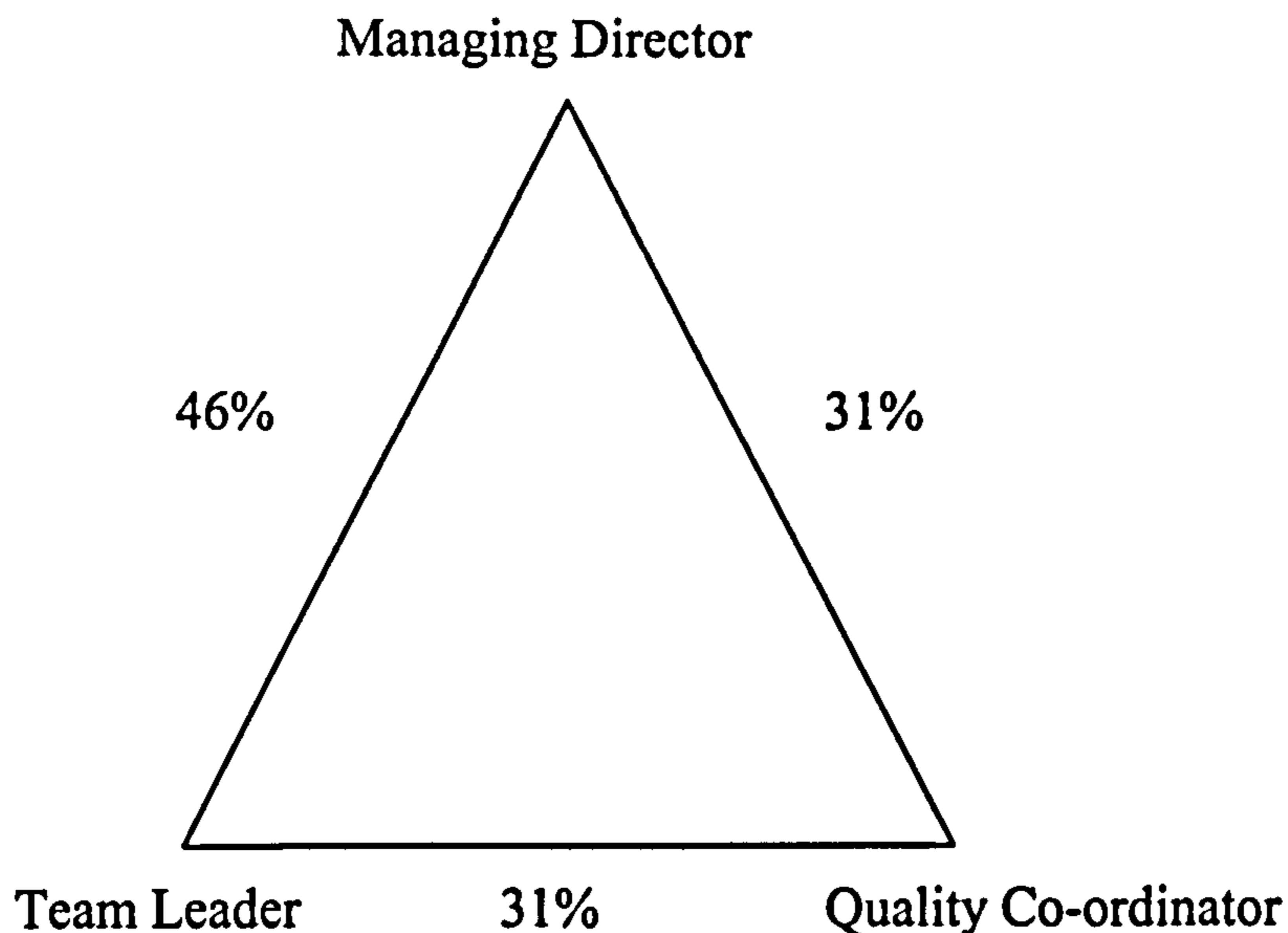


Figure 1. Similar response results between Managing Director, Team Leader and Quality Co-ordinator

The congruence section of Table 1 presents detailed congruence from exact responses and is analysed on an activity basis. The best results come from “Manage HR Performance” activity. The three interviews are 100% sure that they have no personal performance measurement system and work is needed on a review system.

Congruence section presents the detailed congruence from similar responses that the best results come from the “Manage HR Performance” and “Manage Redeployment” activities. The Managing Director, Team Manager and Quality Manager agree one hundred percent congruence with these criteria.

In analysing the responses, a number of assumptions have been made. The main and most significant assumption was arrived at as follows:

In responding to questions 6, 8, 10, 12, 13, 16, 17, 18, 21, 31-35, 37, 39, 41, and 47 the Managing Director stated that there was no HR strategy, policy, plan and objectives. We are assuming that this meant “There is no formal HR strategy”, the reasons behind this assumption are:

1. The company has written documentation for Employee Development Policy and Employee Training Plan, but these have not been pulled together under any formal HR strategy.

2. In response to questions 26-30, 36, 40, 44 and 54 the Managing Director indicates that HR strategy is consistent with business strategy, mission, vision, values and negotiated agreements, which further suggests that there is an HR strategy albeit informal.
3. The Team Leader agrees that there is a HR strategy.

Managing Director, Team Leader and Quality Co-ordinator results are summarised in the diagram1. This diagram shows their congruence very clearly. Detail of the analysis is provided in the Appendix B.

The completeness and congruence table consists of three parts, Activities Criteria, Completeness and Congruence. The research (Report) is compiled based on interviews using a structured questionnaire and comments during the interviews. Researcher's interprets based on these evidences. Figure 3 provide guidelines on interpretation of Table 1.

ACTIVITIES	COMPLETENESS		CONGRUENCE					
			Exact Response			Similar Response		
			Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager
Activities Criteria	Effectiveness of Approach	Degree of Deployment						
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%

Figure 3. Guidelines for interpreting Table 1.

Recommendation

- The organisation's mission, vision, objectives and strategy should be clear for all people (employees).
- The organisation's strategy should be clear at all levels.
- The organisation's strategy should be discussed before implementation.
- The organisation should define clearly its HR strategy, (including Policy, Philosophy and Objectives etc.) as part of its Business strategy. The HR strategy should be formally documented.
- The organisation should develop a system for reviewing the effectiveness of their HR strategy in relation to overall business strategy.
- The organisation should develop personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual
- The organisation should have a system for understanding the cost-benefit of HR development activities.
- The organisation should prepare job descriptions to facilitate assessing, selecting recruiting and developing people.
- The organisation should prepare peoples' profile (people map). Indicating their specialisation, work experience, skills ability etc. and use this information to facilitate development planning.
- The organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets.

		CONGRUENCE									
		COMPLETENESS		Exact Response				Similar Response			
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Quality Manager
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 8%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%	3 out of 13 23%	4 out of 13 31%	4 out of 13 31%
Establish Current Capabilities	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%	2 out of 4 50%	1 out of 4 25%	1 out of 4 25%
Plan	Anecdotal	Little usage	0 out of 5 0%	0 out of 5 0%	2 out of 5 40%	1 out of 5 20%	1 out of 5 20%	2 out of 5 40%	1 out of 5 20%	2 out of 5 40%	2 out of 5 40%
Negotiate Budget	Anecdotal	Little usage	1 out of 8 13%	1 out of 8 13%	1 out of 8 13%	6 out of 8 75%	1 out of 8 13%	1 out of 8 13%	1 out of 8 13%	1 out of 8 13%	1 out of 8 13%
Set HR Policies	Some evidence of a system	Little usage	0 out of 6 0%	0 out of 6 0%	0 out of 6 0%	1 out of 6 17%	1 out of 6 17%	0 out of 6 0%	1 out of 6 17%	0 out of 6 0%	0 out of 6 0%
Control HR	Anecdotal	No usage	0 out of 3 0%	0 out of 3 0%	1 out of 3 33%	0 out of 3 0%	1 out of 3 33%	1 out of 3 33%	1 out of 3 33%	1 out of 3 33%	1 out of 3 33%
Assess, Select, Recruit	Anecdotal	Little usage	1 out of 3 33%	1 out of 3 33%	3 out of 3 100%	2 out of 3 67%	2 out of 3 67%	3 out of 3 100%	2 out of 3 67%	3 out of 3 100%	3 out of 3 100%
Train, Educate, Develop	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	1 out of 4 25%	1 out of 4 25%	0 out of 4 0%	1 out of 4 25%	0 out of 4 0%	0 out of 4 0%
Manage HR Performance	No evidence of existence	No usage.	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%
Manage Redeployment	Clear evidence of soundly-based system	Full usage	0 out of 2 0%	0 out of 2 0%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%
Negotiations for Working Condition	Anecdotal	Little usage	0 out of 4 0%	0 out of 4 0%	1 out of 4 25%	4 out of 4 100%	1 out of 4 25%	1 out of 4 25%	1 out of 4 25%	1 out of 4 25%	1 out of 4 25%
		Summary Congruence	8 out of 54 15%	6 out of 54 11%	17 out of 54 31%	25 out of 54 46%	17 out of 54 31%	17 out of 54 31%	17 out of 54 31%	17 out of 54 31%	17 out of 54 31%

- 0. No Comment
- 1. Strongly Disagree
- 2. Disagree
- 3. Unsure
- 4. Agree
- 5. Strongly Agree

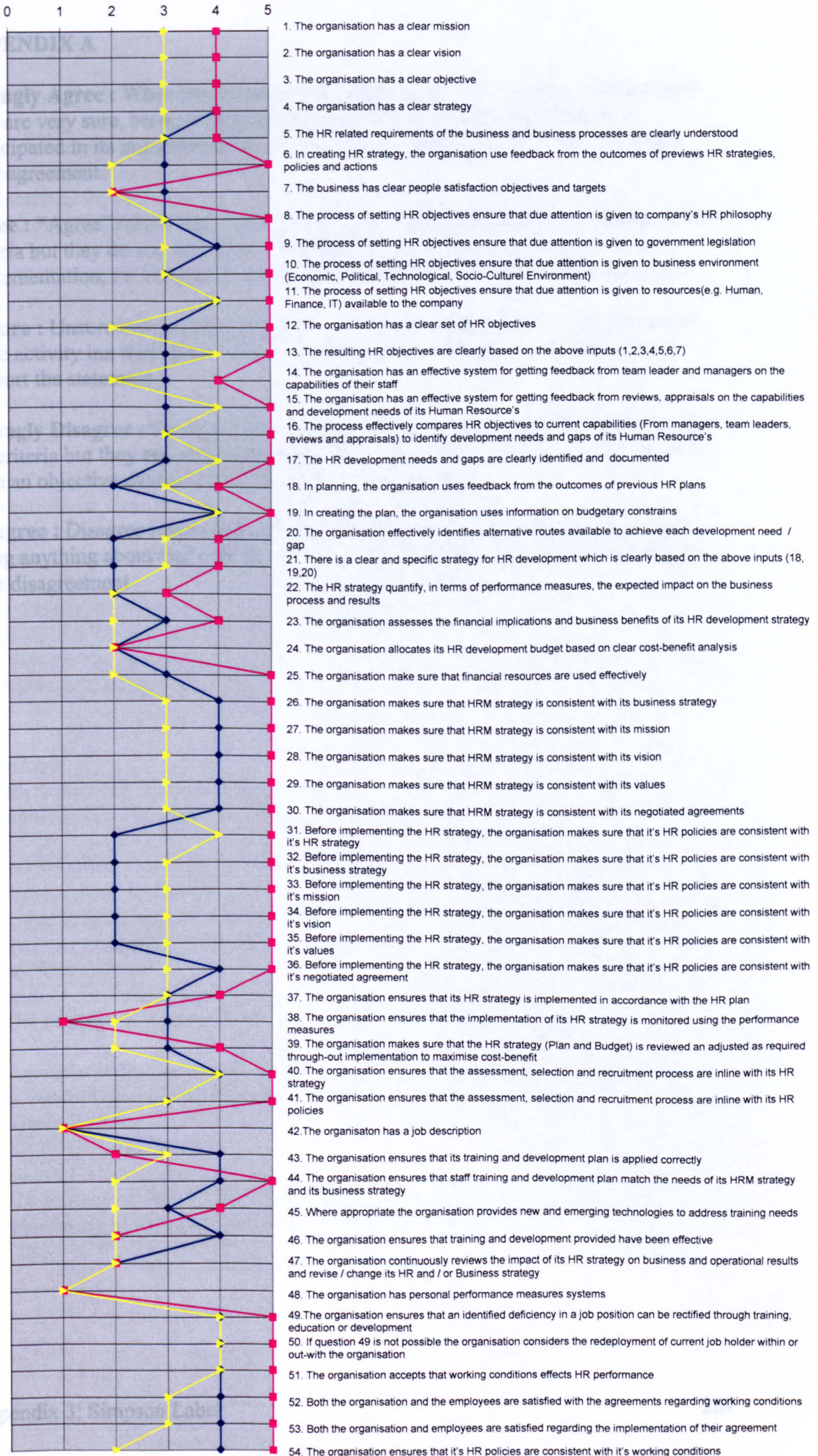


Diagram 1. Representing Managing Director, Team Leader and Quality Co-ordinator results

Managing Director Team Leader Quality Co-ordinator

APPENDIX A

Strongly Agree : When people answer “strongly agree” to a criteria, it means that they are very sure, because they either prepared documentation or they have participated in its implementation, i.e. they have an objective evidence to support their agreement.

Agree : “Agree” means that they know they are doing something or working on that criteria but they do not have documented evidence or did not participant in its implementation, i.e. they have circumstantial evidence to support their agreement

Unsure : Unsure means that either the respondent does not know or they aware of some activity but they do not have any evidence (circumstances of objective) to support the statement.

Strongly Disagree : Strongly disagree means that they demand something related to the criteria but they cannot get it, or they have a problem with that criteria, i.e. they have an objective evidence to support their disagreement.

Disagree : Disagree means that they know that they have no work or they are not doing anything about that criteria, i.e. they have circumstantial evidence to support their disagreement

APPENDIX B

DETAIL ANALYSIS

In order to understand HRM Business process audit workbook results better, we analysed three respondents' answers and their comments. The audit workbook has some criteria for each activity. According to respondent answers for each criterion we make decision about HRM Business Process Model in the company.

SET OBJECTIVES

Questions 1-4

- 1. The organisation has a clear mission**
- 2. The organisation has a clear vision**
- 3. The organisation has a clear objective**
- 4. The organisation has a clear strategy**

According to the Managing Director and Team Leader the organisation has a clear mission, vision, objective and strategy, but the Quality Co-ordinator who works with the Team Leader, is "unsure" about this point. According to the Quality Co-ordinator, these (aims) are not clear enough, especially organisation strategy, which is not detailed or defined enough and not effectively communicated. According to the Team Leader, the organisation has a clear strategy because he creates that strategy. However, the Team Leader knows that this strategy is not clear enough for people who work in the company. At this point, the important thing is the Team Leader's awareness of this situation.

Question 6

In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions

The organisation has no formal documented and integrated HR strategy. However, they have a documented employee development policy, communication strategy, employee training plan, objective plan etc. These are part of HR strategy, but they are not integrated under an overall HR strategy.

Question 7

The business has clear people satisfaction objectives and targets

The organisation has no people satisfaction measures objectives and targets. The Team Leader believes that they do not need these, because they have open management style.

Question 11

The process of setting HR objectives ensure that due attention is given to resources(e.g. Human, Finance, IT) available to the company

The Managing Director, Team Leader and Quality Co-ordinator “agree” that the process of setting HR objectives ensures that due attention is given to the resources (Human, Finance, IT) available to the company. The Team Leader states that they have a specific HR budget. However, the Quality Co-ordinator is not convinced that clear HR objectives are set, but he agrees in principle.

Question 12

The organisation has a clear set of HR objectives

The Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that the organisation has a clear set of HR objectives. On the contrary the Team Leader strongly agrees that the organisation has a clear set of HR objectives because the Team Leader creates them. In this situation, the reason might be that they have no formal documented HR strategy and/or HR objectives or the HR objectives might not be clear enough.

ESTABLISH CURRENT CAPABILITIES

Question 14

The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff

According to the Team Leader the organisation is very small and they have an effective system for getting feedback, but the Managing Director is “unsure” about this. The Quality Co-ordinator “disagrees” with this point. According to the Quality Co-ordinator, the system is not as effective as it could be. The Managing Director, Team Leader and Quality Co-ordinator “agree” that they have a system, but the Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that it is effective.

Question 15

The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource’s

The Team Leader strongly “agrees” that the organisation has an effective system for getting feedback from reviews and appraisals on the capabilities and development needs of its Human Resource’s. The Quality Co-ordinator “agrees” that there is scope for improvement. The Quality Co-ordinator says there is an appraisal procedure, but the Managing Director is “unsure” of this.

Question 16

The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource’s

The Team Leader “strongly agrees” that the process effectively compares HR objectives to current capabilities (from managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource’s. The

Quality Co-ordinator and Managing Director are “unsure” about this. The reason might be that HR objectives are not documented specifically. Actually, the organisation has an objectives plan and an employee-training plan and they are documented in detailed. These documents involve employee’s name, development need, method/action, timescale, etc. Also, the organisation has an employee development policy.

Question 17

The HR development needs and gaps are clearly identified and documented

The Team Leader strongly agrees and the Quality Co-ordinator “agrees” that HR development needs and gaps are clearly identified and documented, but the Managing Director is still “unsure” on this. They do have documentation.

PLAN

Question 18

In planning, the organisation uses feedback from the outcomes of previous HR plans

The Managing Director “disagrees” that, in planning, the organisation uses feedback from the outcomes of previous HR plans, because, according to him, the organisation has no HR Strategy, HR Plan, etc. now or in the past. The Quality Co-ordinator is “unsure” on his point. According to him there is no clear or specific HR Strategy or Plan. Another reason for this uncertainty might be that the Quality Co-ordinator has only been working there for two years and has limited experience of the organisation. The Team Leader “agrees” with this point, because, as mentioned, Team Leader creates Strategy, Plan etc. and according to him, the organisation uses feedback from the outcomes of previous HR plans.

Question 19

In creating the plan, the organisation uses information on budgetary constrains

The Managing Director, Team Leader and the Quality Co-ordinator “agree” that in creating the plan, budgetary constraints are taken into account.

Question 20

The organisation effectively identifies alternative routes available to achieve each development need / gap

The Team Leader “agrees” that the organisation effectively identifies which alternative routes are available in order to achieve each development needs / gaps. On the contrary, the Managing Director “disagrees” and the Quality Co-ordinator is “unsure” on this point.

Question 22

The HR strategy quantify, in terms of performance measures, the expected impact on the business process and results

The Managing Director and Quality Co-ordinator “disagree” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Team Leader is, however, “unsure” on this point and the Team Leader mentioned that there is no quantitative evidence.

NEGOTIATE BUDGET

Question 23

The organisation assesses the financial implications and business benefits of its HR development strategy

The Team Leader “agrees” that the organisation assesses the financial implications and business benefits of its HR development strategy. The Quality Co-ordinator “disagrees”, and states that such assessment is done informally. The Managing Director is “unsure” on this point.

Question 24

The organisation allocates its HR development budget based on clear cost-benefit analysis

The Managing Director, Team Leader and Quality Co-ordinator Disagree that the organisation allocates its HR development budget based on clear cost-benefit analysis. According to Team Leader they are not doing cost-benefit analysis. According to Quality Co-ordinator it is not done in a formal enough basis.

Question 25

The organisation makes sure that financial resources are used effectively

The Team Leader “strongly agrees” that the organisation makes sure that financial resources are used effectively, the Quality Co-ordinator “disagrees” and the Managing Director is “unsure”.

Questions 26-30

- 26 The organisation makes sure that HRM strategy is consistent with its business strategy
- 27 The organisation makes sure that HRM strategy is consistent with its mission
- 28 The organisation makes sure that HRM strategy is consistent with its vision
- 29 The organisation makes sure that HRM strategy is consistent with its values
- 30 The organisation makes sure that HRM strategy is consistent with its negotiated agreements

The Team Leader “strongly agrees” that the organisation makes sure that HRM strategy is consistent with its business strategy, mission, vision, values and negotiated agreements and the Managing Director “agrees” all these points. However the Managing Director’s answers are inconsistent here, as he stresses that the

organisation has no HRM strategy. The reason for this answer might be that the Managing Director generalises on all strategies in the company. He feels that not only HRM strategy, but every strategy, should be consistent with the business strategy, mission, vision, etc. The Quality Co-ordinator is “unsure” on all these points. According to him, there is no clear, formal HRM strategy in the company.

SET HR POLICIES

Questions 31-36

- 31 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy
- 32 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's business strategy
- 33 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's mission
- 34 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
- 35 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
- 36 Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement

The Team Leader “strongly agrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy, business strategy, mission, vision, values and negotiated agreements. The Managing Director “disagrees” with all these points, except negotiated agreements, because, according to him, there is no HR policy in the company. On the other hand, he “agrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its negotiated agreements. The Quality Co-ordinator is “unsure” about all these points, except HR strategy. The Quality Co-ordinator “agrees” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy. According to him this is true if HR strategy is clearly defined.

CONTROL HR

Question 37

The organisation ensures that its HR strategy is implemented in accordance with the HR plan

The Managing Director and Quality Co-ordinator are “unsure” that the organisation ensures that its HR strategy is implemented in accordance with the HR plan. According to the Quality Co-ordinator, HR strategy is not clear enough. The Team Leader agrees with this.

Question 38

The organisation ensures that the implementation of its HR strategy is monitored using the performance measures

The Team Leader “strongly disagrees” and Quality Co-ordinator “disagrees” that the organisation ensures that implementation of its HR strategy is monitored using performance measures. According to the Team Leader they have no performance measurement system. The Managing Director is “unsure” about this.

Question 39

The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

The Team Leader “agrees”, the Managing Director is “unsure” and the Quality Co-ordinator “disagrees” that the organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required throughout implementation in order to maximise cost-benefit.

ASSESS, SELECT, RECRUIT

Question 40

The organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy

The Team Leader “strongly agrees” and the Managing Director and Quality Co-ordinator “agree” that the organisation ensures that assessment, selection and recruitment processes are in line with its HR strategy. The Managing Director’s answer is here inconsistent with his other answers, relating to HR strategy, because, according to him, there is no HR strategy. The reason might be that he thinks they have strategy, but not necessarily HR strategy.

Question 41

The organisation ensures that the assessment, selection and recruitment process are inline with its HR policies

The Team Leader “strongly agrees” that the organisation ensures that assessment, selection and recruitment processes are in line with its HR policies. On the contrary, the Managing Director and Quality Co-ordinator are “unsure” on this, because, according to the Managing Director, there is no HR policy in company and the Quality Co-ordinator believes that the, HR policies are not defined or documented clearly enough.

Question 42

The organisation has a clear job description

The Managing Director, Team Leader and Quality Co-ordinator “strongly disagree” that the organisation has a job description.

TRAIN EDUCATE DEVELOP

Question 43

The organisation ensures that its training and development plan is applied correctly

The Managing Director “agrees” that the organisation ensures that its training and development plan is applied correctly. The Quality Co-ordinator is “unsure” on this point. According to him he is not clear what the training and development plan is. The Team Leader “disagrees” with this point. He feels that the organisation has no system in place to check if a training and development plan is being implemented.

Question 44

The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business strategy

The Team Leader “strongly agrees” and the Managing Director “agrees” that the organisation ensures that its staff training and development plan matches the needs of its HRM strategy and business strategy. The Quality Co-ordinator “disagrees”, as he feels that HRM strategy, as well as, the training and development plan, are not clearly defined or(and) documented.

Question 45

Where appropriate the organisation provides new and emerging technologies to address training needs

The Team Leader “agrees” that where appropriate, the organisation provides new and emerging technologies to address training needs but the Managing Director is “unsure” and the Quality Co-ordinator “disagrees”.

Question 46

The organisation ensures that training and development provided have been effective

The Team Leader and the Quality Co-ordinator both “disagree” that the organisation ensures that training and development provided is effective. The Managing Director “agrees” that it is effective.

MANAGING HR PERFORMANCE

Question 47

The organisation continuously reviews the impact of its HR strategy on business and operational results and revise / change its HR and / or Business strategy

The Managing Director, Team Leader and Quality Co-ordinator “disagree” that the organisation continuously reviews the impact of its HR strategy on business and operational results and revise / change its HR and / or Business strategy accordingly.

Question 48

The organisation has personal performance measurement system

The Managing Director, Team Leader and the Quality Co-ordinator “strongly disagree” that the organisation has personal performance measurement systems.

MANAGE REDEPLOYMENT

Questions 49,50

49 The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development

50 If question 49 is not possible the organisation considers the redeployment of current job holder within or out-with the organisation

The Team Leader “strongly agrees” and the Managing Director, and Quality Co-ordinator “agree” that the organisation ensures that an identified job deficiency can be rectified through training, education or development and if this is not possible the organisation considers the redeployment of the current job holder elsewhere.

NEGOTIATIONS FOR WORKING CONDITION

Question 51

The organisation accepts that working conditions effects HR performance

The Team Leader “strongly agrees” and the Managing Director and Quality Co-ordinator “agree” that the organisation accepts that working conditions affect HR performance.

Questions 52,53

52 Both the organisation and the employees are satisfied with the agreements regarding working conditions

53 Both the organisation and employees are satisfied regarding the implementation of their agreement

The Team Leader “strongly agrees”, the Managing Director “agrees” and the Quality Co-ordinator is “unsure” that both organisation and employees are satisfied with the agreements regarding working conditions and their implementation.

Question 54

The organisation ensures that it’s HR policies are consistent with it’s working conditions

The Team Leader “strongly agrees” and the Managing Director “agrees” that the organisation ensures that its HR policies are consistent with its working conditions, but the Quality Co-ordinator “disagrees”.

HUMAN RESOURCE MANAGEMENT BUSINESS PROCESS MODEL AUDIT WORKBOOK AT HOUSTON WAREHOUSING

Houston Warehousing is a packaging company employing 110 people, 57 of whom are permanent and 53 are temporary. They have no HR department and no one person has specific HR responsibility.

Objective

As part of a research program a Business Process Model for the HRM process has been developed by the researches in CSM. The details of this Model is included in Appendix 3. The Objective of the study conducted in Houston Warehousing was to compare the current HRM Processes in the Company to the HRM Business Process Reference Model.

The reader must appreciate that this report represents an audit against the reference model, which is intended to be generic. As a result the audit may identify areas of weaknesses that may not be appropriated in specific cases. Therefore it is recommended that in reading the results of the audit this point is borne in mind at all times

Methodology

The audit workbook was applied at three levels - Managing Director, Operations Manager and Warehouse Manager, through interviews. The audit workbook was completed in two visits totalling approximately one-man day of Company time.

Overall Conclusion

Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in two areas, "Train, Educate, Develop" and "Manage Redeployment". The HR development needs and gaps have been identified and scheduled according to the survey. "Training Needs Analysis" and "Person Specification" are documented in detail, but there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity, the company identifies peoples' needs and prepares employee-training plans for each employee. The company has evidence of some success in three areas, "Set Objectives", "Establish Current Capabilities" and "Assess, Select, Recruit". However, more work is still required.

The remainder of the model is not complete with large gaps in several areas such as Plan, Control HR and Performance Measurement.

Research Data (Table 1)

The results of this audit are summarised in Table 1. The Table consists of two sections. The first section shows the completeness of the HRM process in Houston Warehousing which, in turn, includes:

- effectiveness of approach
- degree of deployment

The second section shows the congruence of views between the three respondents to statements posed during the interviews. The Table includes summary congruence and detailed congruence for exact responses, and summary congruence and detailed congruence for similar responses provided by the interviews. During interview the respondents were asked to select one of five options for each statement. These options were “Strongly Agree”, “Agree”, “Strongly Disagree”, “Disagree” and “Unsure”. In the table for similar responses, the difference between “Strongly Agree” and “Agree” as well as “Strongly Disagree” and “Disagree” are ignored. Therefore, the five points scale is reduced to three points, i.e. “Agree”, “Unsure”, “Disagree”. A definition of each score is provided in Appendix A.

The summary congruence gives the following based on exact and similar answers: -

Exact response

- Managing Director and Operations Manager : 33% (18 out of 54 questions)
- Operations Manager and Warehouse Manager: 44% (24 out of 54 questions)
- Managing Director and Warehouse Manager : 30% (16 out of 54 questions)

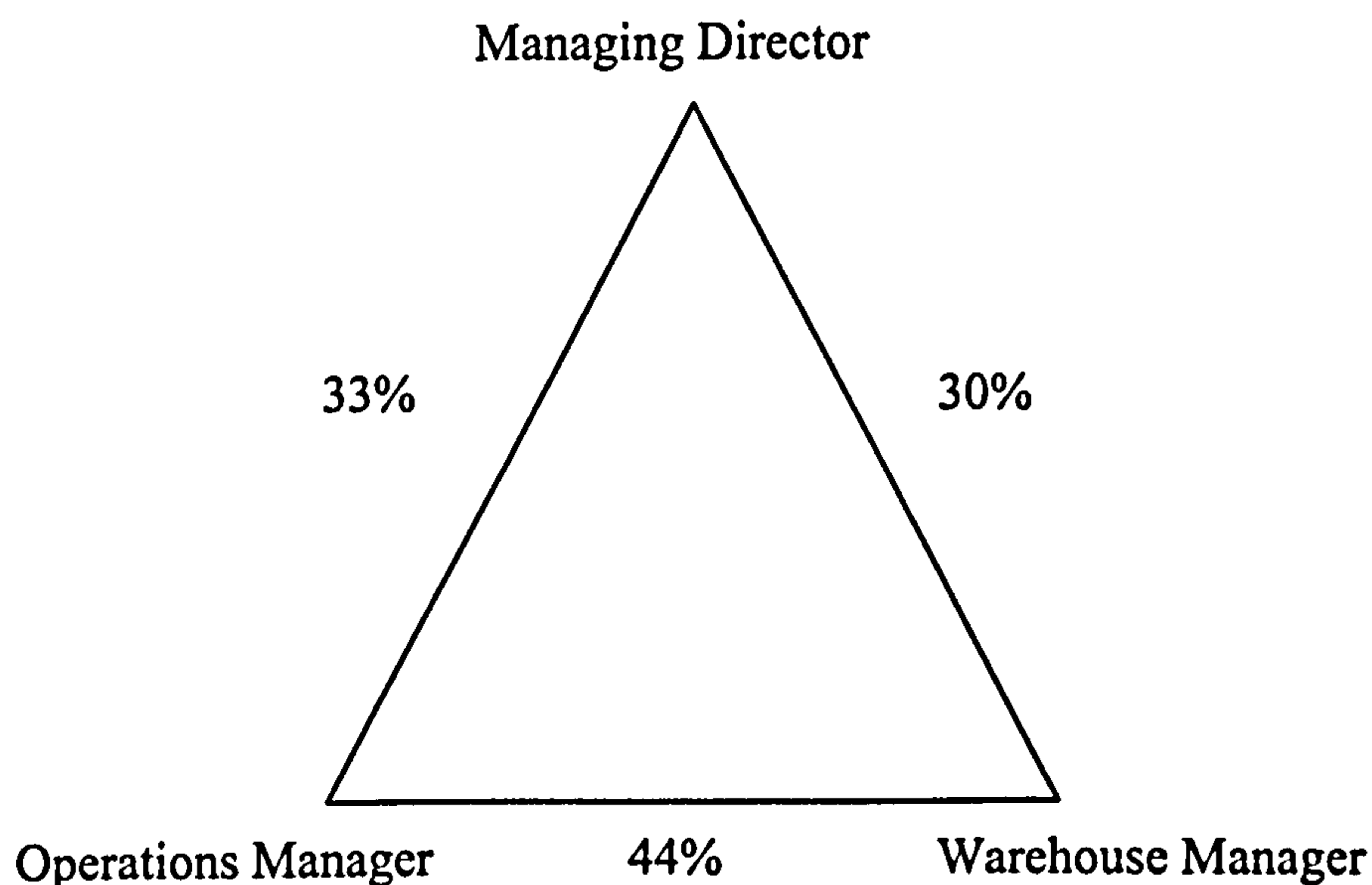


Figure 1. Exact response results between Managing Director, Operations Manager and Warehouse Manager

Similar response

- **Managing Director and Operations Manager : 35% (19 out of 54 questions)**
- **Operations Manager and Warehouse Manager: 52% (28 out of 54 questions)**
- **Managing Director and Warehouse Manager : 35% (19 out of 54 questions)**

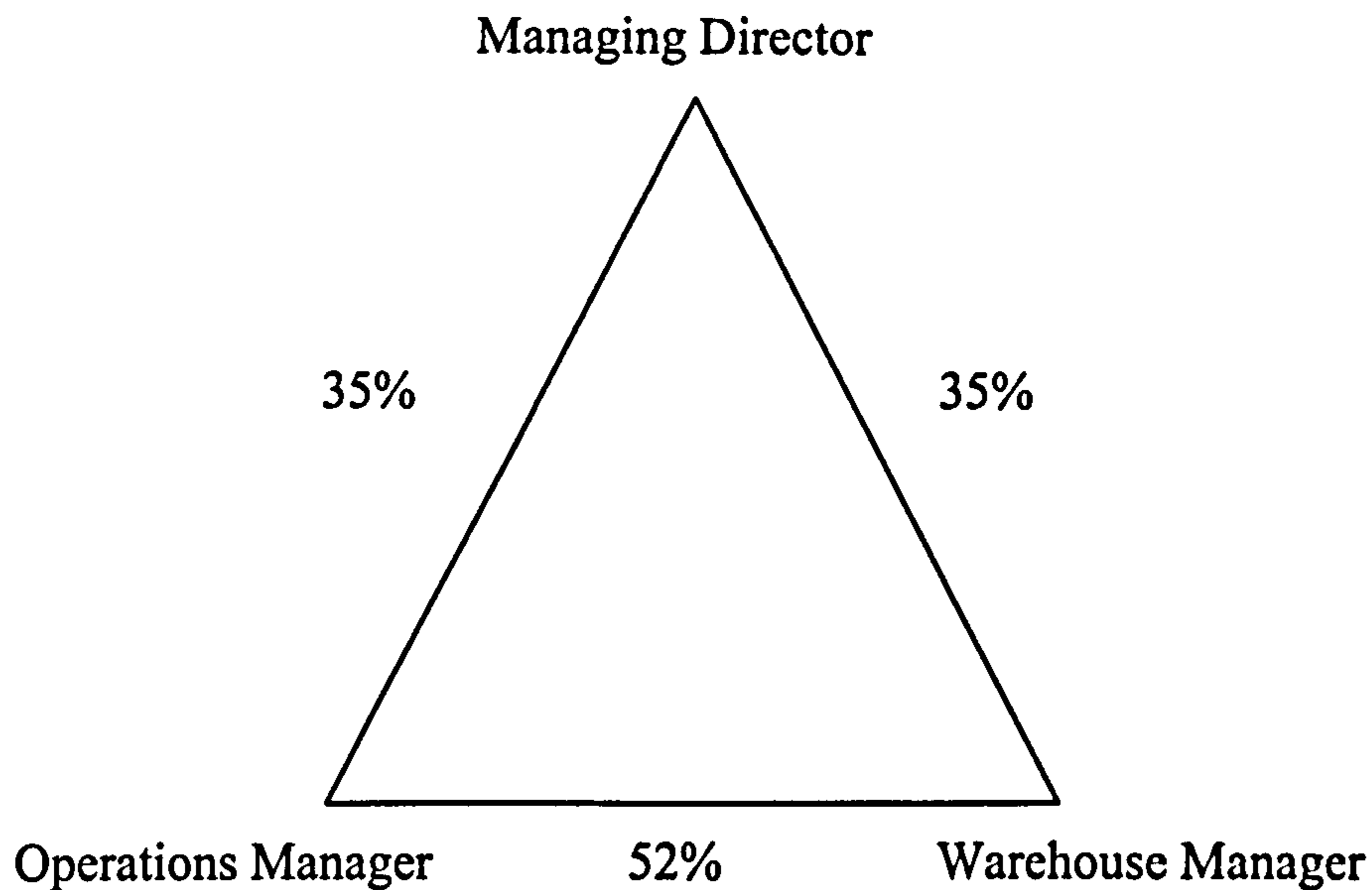
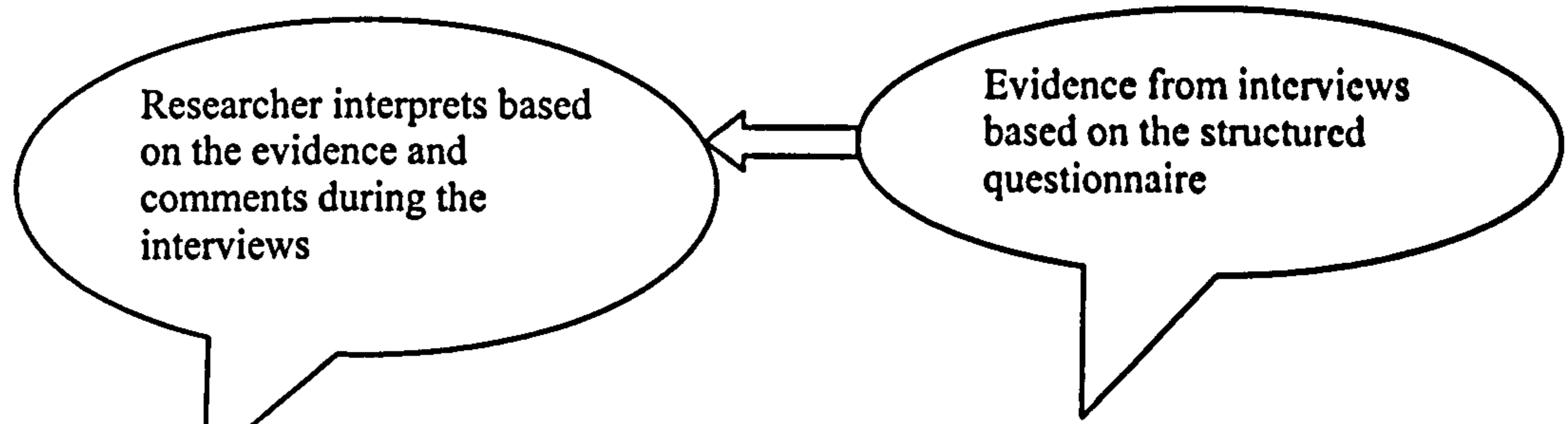


Figure 2. Similar response results between Managing Director, Operations Manager And Warehouse Manager

The congruence section of Table 1 presents detailed congruence from exact and similar responses and is analysed on an activity basis. The best results come from “Manage Redeployment” activity. The Managing Director, Operations Manager and Warehouse Manager agree one hundred percent congruence with these criteria.

The Managing Director, the Operations Manager and Warehouse Manager’s results are summarised in Diagram 1. This diagram shows their congruence very clearly. Details of the analysis are provided in Appendix B.

The completeness and congruence table consists of three parts, Activities Criteria, Completeness and Congruence. The research (Report) is compiled based on interviews using a structured questionnaire and comments during the interviews. Researcher’s interprets based on these evidences. Figure 3 provide guidelines on interpretation of Table 1.



			CONGRUENCE					
COMPLETENESS			Exact Response			Similar Response		
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%

Figure 3. Guidelines for interpreting Table 1.

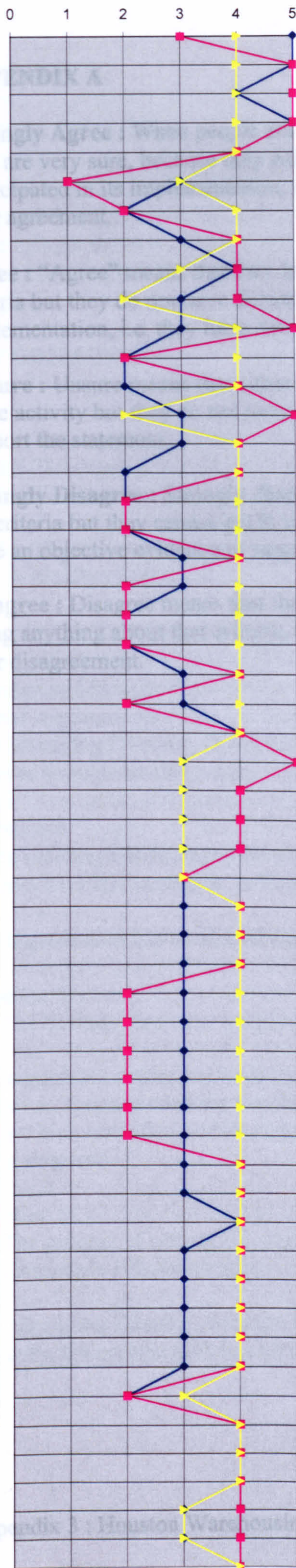
Recommendations

- the organisation should have clear people satisfaction objectives and targets
- the organisation should define clearly its HR strategy, (including Policy, Philosophy, Objectives etc.) as part of its Business strategy; the HR strategy should be formally documented
- the organisation should develop a system for reviewing the effectiveness of their HR strategy in relation to its overall business strategy
- the organisation should develop a personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual.
- the organisation should have a system for understanding the cost-benefit of HR development activities
- the organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets
- the organisation should develop an effective system for checking that the training plan is applied correctly
- peoples' experiences on critical matters should be formally documented and shared through a formal system.

Table 1. Houston Warehousing Completeness and Congruence Table

		CONGRUENCE								
		COMPLETENESS			Exact Response			Similar Response		
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing Director and Operations Manager	Operations Manager and Warehouse Manager	Managing Director and Warehouse Manager	Managing Director and Operations Manager	Operations Manager and Warehouse Manager	Managing Director and Warehouse Manager	Operations Manager and Warehouse Manager	Managing Director and Warehouse Manager
Set Objective	Some evidence of a system	Little usage	6 out of 13 46%	3 out of 13 23%	3 out of 13 23%	7 out of 13 54%	7 out of 13 54%	6 out of 13 46%	7 out of 13 54%	6 out of 13 46%
Establish Current Capabilities Plan	Some evidence of a system	Little usage	1 out of 4 25%	2 out of 4 50%	0 out of 4 0%	1 out of 4 25%	2 out of 4 50%	0 out of 4 0%	2 out of 4 50%	0 out of 4 0%
Negotiate Budget	No evidence of existence	No usage	3 out of 5 60%	1 out of 5 20%	0 out of 5 0%	3 out of 5 60%	1 out of 5 20%	0 out of 5 0%	3 out of 5 60%	0 out of 5 0%
Set HR Policies	Anecdotal	Little usage	2 out of 8 25%	3 out of 8 38%	6 out of 8 75%	2 out of 8 25%	3 out of 8 38%	6 out of 8 75%	2 out of 8 25%	3 out of 8 38%
Control HR	Anecdotal	Little usage	0 out of 6 0%	3 out of 6 50%	0 out of 6 0%	0 out of 6 0%	3 out of 6 50%	0 out of 6 0%	3 out of 6 50%	0 out of 6 0%
Assess, Select, Recruit	No evidence of existence	No usage	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%	0 out of 3 0%
Train, Educate, Develop	Some evidence of a system	Little usage	1 out of 3 33%	3 out of 3 100%	1 out of 3 33%	1 out of 3 33%	3 out of 3 100%	1 out of 3 33%	3 out of 3 100%	1 out of 3 33%
Manage HR Performance	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	4 out of 4 100%	0 out of 4 0%	0 out of 4 0%	4 out of 4 100%	0 out of 4 0%	4 out of 4 100%	0 out of 4 0%
Manage Redeployment	Anecdotal	Little usage	1 out of 2 50%	1 out of 2 50%	0 out of 2 0%	1 out of 2 50%	1 out of 2 50%	0 out of 2 0%	1 out of 2 50%	0 out of 2 0%
Negotiations for Working Condition	Clear evidence of soundly-based system	Full usage	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%	2 out of 2 100%
Summary Congruence		Little usage	18 out of 54 33%	24 out of 54 44%	16 out of 54 30%	19 out of 54 35%	28 out of 54 52%	19 out of 54 35%	28 out of 54 52%	19 out of 54 35%

- 0. No Comment
- 1. Strongly Disagree
- 2. Disagree
- 3. Unsure
- 4. Agree
- 5. Strongly Agree



1. The organisation has a clear mission
2. The organisation has a clear vision
3. The organisation has a clear objective
4. The organisation has a clear strategy
5. The HR related requirements of the business and business processes are clearly understood
6. In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions
7. The business has clear people satisfaction objectives and targets
8. The process of setting HR objectives ensure that due attention is given to company's HR philosophy
9. The process of setting HR objectives ensure that due attention is given to government legislation
10. The process of setting HR objectives ensure that due attention is given to business environment (Economic, Political, Technological, Socio-Culturel Environment)
11. The process of setting HR objectives ensure that due attention is given to resources(e.g. Human, Finance, IT) available to the company
12. The organisation has a clear set of HR objectives
13. The resulting HR objectives are clearly based on the above inputs (1,2,3,4,5,6,7)
14. The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff
15. The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resource's
16. The process effectively compares HR objectives to current capabilities (From managers, team leaders, reviews and appraisals) to identify development needs and gaps of its Human Resource's
17. The HR development needs and gaps are clearly identified and documented
18. In planning, the organisation uses feedback from the outcomes of previous HR plans
19. In creating the plan, the organisation uses information on budgetary constrains
20. The organisation effectively identifies alternative routes available to achieve each development need / gap
21. There is a clear and specific strategy for HR development which is clearly based on the above inputs (18, 19,20)
22. The HR strategy quantify, in terms of performance measures, the expected impact on the business process and results
23. The organisation assesses the financial implications and business benefits of its HR development strategy
24. The organisation allocates its HR development budget based on clear cost-benefit analysis
25. The organisation make sure that financial resources are used effectively
26. The organisation makes sure that HRM strategy is consistent with its business strategy
27. The organisation makes sure that HRM strategy is consistent with its mission
28. The organisation makes sure that HRM strategy is consistent with its vision
29. The organisation makes sure that HRM strategy is consistent with its values
30. The organisation makes sure that HRM strategy is consistent with its negotiated agreements
31. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's HR strategy
32. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's business strategy
33. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's mission
34. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
35. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
36. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement
37. The organisation ensures that its HR strategy is implemented in accordance with the HR plan
38. The organisation ensures that the implementation of its HR strategy is monitored using the performance measures
39. The organisation makes sure that the HR strategy (Plan and Budget) is reviewed an adjusted as required through-out implementation to maximise cost-benefit
40. The organisation ensures that the assessment, selection and recruitment process are inline with its HR strategy
41. The organisation ensures that the assessment, selection and recruitment process are inline with its HR policies
42. The organisation has a job description
43. The organisation ensures that its training and development plan is applied correctly
44. The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business strategy
45. Where appropriate the organisation provides new and emerging technologies to address training needs
46. The organisation ensures that training and development provided have been effective
47. The organisation continuously reviews the impact of its HR strategy on business and operational results and revise / change its HR and / or Business strategy
48. The organisation has personal performance measures systems
49. The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development
50. If question 49 is not possible the organisation considers the redeployment of current job holder within or out-with the organisation
51. The organisation accepts that working conditions effects HR performance
52. Both the organisation and the employees are satisfied with the agreements regarding working conditions
53. Both the organisation and employees are satisfied regarding the implementation of their agreement
54. The organisation ensures that it's HR policies are consistent with it's working conditions

Diagram 1. Presenting Managing Director, Operations Manager and Warehouse Manager's results.

Managing Director
Operations Manager
Warehouse Manager

APPENDIX A

Strongly Agree : When people answer “strongly agree” to a criteria, it means that they are very sure, because they either prepared the documentation or they participated in its implementation, i.e. they have an objective evidence to support their agreement.

Agree : “Agree” means that they know they are doing something or working on that criteria but they do not have documented evidence or did not participate in its implementation, i.e. they have circumstantial evidence to support their agreement.

Unsure : Unsure means that either the respondent does not know or they aware of some activity but they do not have any evidence (circumstances of objective) to support the statement.

Strongly Disagree : Strongly disagree means that they demand something related to the criteria but they cannot get it, or they have a problem with that criteria. I.e. They have an objective evidence to support their disagreement

Disagree : Disagree means that they know that they have no work or they are not doing anything about that criteria, i.e. they have circumstantial evidence to support their disagreement.

APPENDIX B

DETAIL ANALYSIS

In order to understand HRM Business process audit workbook results better, we analysed three respondents' answers and their comments. The audit workbook has some criteria for each activity. According to the respondents' answers for each criterion we made decisions about the HRM Business Process Model in the company.

SET OBJECTIVES

Questions 1-5

- 1. The organisation has a clear mission.**
- 2. The organisation has a clear vision.**
- 3. The organisation has a clear objective.**
- 4. The organisation has a clear strategy.**
- 5. The HR-related requirements of the business and business processes are clearly understood.**

According to the Managing Director, Operations Manager and Warehouse Manager the organisation has a clear mission, vision, objective and strategy. According to the Warehouse Manager this is the case, only from this year. They agree that the HR-related requirements of the business and business processes are clearly understood. The Managing Director, Operations Manager and Warehouse Manager have the same comments on this point.

Question 6

In creating HR strategy, the organisation use feedback from the outcomes of previews HR strategies, policies and actions

The organisation has no formal documented HR strategy.

Question 7

The business has clear people satisfaction objectives and targets

The organisation does not have clear people satisfaction objectives and targets. However, they are working to achieve this. They carried out a survey relating to this point which identified certain requirements, e.g. training needs, and an analysis is being prepared.

Question 8

The process of setting HR objectives ensure that due attention is given to company's HR philosophy

The Managing Director is unsure if there is a process for setting HR objectives. Actually, the organisation has no documented HR objectives.

Question 12

The organisation has a clear set of HR objectives.

The Managing Director and Operations Manager disagree that the organisation has a clear set of HR objectives. The organisation has no formal documented HR strategy, objectives and policy.

ESTABLISH CURRENT CAPABILITIES

Question 14

The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff.

The Managing Director is “unsure” on this point. According to him there is a system, but it has not been formally developed and he is not sure has effective it is. The Operations Manager strongly agrees on this point as the organisation has formal documented “Person Specification” and “Training Needs Analysis” which were prepared following comments from the team leaders and managers. The Warehouse Manager disagrees because, according to him, the system does not work.

Question 15

The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resources’.

Both the Operations Manager and Warehouse Manager agree that the organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resources. However, the Managing Director is “unsure” on this point, because, according to him, the system is only being introduced now, is not formally developed and is not effective enough.

Question 16

The process effectively compares HR objectives to current capabilities (from Managers, Team Leaders, reviews and appraisals) to identify development needs and gaps of its Human Resources

The Managing Director disagrees because, according to him the process has just started and HR objectives are not clear enough. The Operations Manager and Warehouse Manager also mentioned that the process has just started and agree that it is effective.

Question 17

The HR development needs and gaps are clearly identified and documented.

The Warehouse Manager agrees that the HR development needs and gaps are clearly identified and documented. However, he reiterated that the process has just started. The Managing Director “disagrees” as the system is only now being established. The Operations Manager disagrees as well. According to him more work is required.

PLAN

Question 18

In planning, the organisation uses feedback from the outcomes of previous HR plans.

The Managing Director and Operations Manager disagree that, in planning, the organisation uses feedback from the outcomes of previous HR plans. According to them they never had an HR plan. The Warehouse Manager agrees with this. However, according to him, although they have no formally documented HR plan, they go on past experience.

Question 20

The organisation effectively identifies alternative routes available to achieve each development needs / gaps.

The Managing Director is “unsure” on this point. According to him the system is only being introduced at present. On the contrary, the Operations Manager “Disagrees” and the Warehouse Manager “Agrees”.

Question 22

The HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results.

The Managing Director and Operations Manager “disagree” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Warehouse Manager “agrees” but there is no evidence to support his answer.

NEGOTIATE BUDGET

Question 23

The organisation assesses the financial implications and business benefits of its HR development strategy.

The Managing Director is “unsure” that the organisation assesses the financial implications and business benefits of its HR development strategy. According to him they will do this as part of new development and training plans. On the contrary, the Operations Manager and the Warehouse Manager “agree” with this point.

Question 24

The organisation allocates its HR development budget based on clear cost-benefit analysis.

The Managing Director is “unsure”, the Operations Manager “Disagrees” and the Warehouse Manager “agrees” on this point. According to the Managing Director the organisation is not doing cost-benefit analysis for HR.

Question 25

The organisation makes sure that financial resources are used effectively.

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation uses its financial resources effectively.

Questions 26-29

26. The organisation makes sure that HRM strategy is consistent with its business strategy
27. The organisation makes sure that HRM strategy is consistent with its mission
28. The organisation makes sure that HRM strategy is consistent with its vision
29. The organisation makes sure that HRM strategy is consistent with its values

The Managing Director and the Warehouse Manager are “unsure” that the organisation makes sure that its HRM strategy is consistent with its business strategy, mission, vision and values because the organisation has no formal documented HR strategy. According to the Managing Director, HR strategy has not been formalised, but current HR activities are directed to integration with business aims. The Operations Manager “agrees” on these points.

Question 30

The organisation makes sure that HRM strategy is consistent with its negotiated agreements.

The Managing Director, the Operations Manager and the Warehouse Manager are all “unsure” on this point. According to the Operations Manager the organisation has no negotiated agreements, but complies with Company Rules/ Handbook. The Managing Director and the Warehouse Manager also maintain this as the organisation has no formal documented HR strategy.

SET HR POLICIES

Questions 31-33

31. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy
32. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its business strategy
33. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its mission

The Managing Director is “unsure”, because, according to him the organisation has no formal documented HR strategy, policy and objectives. The Operations Manager “agrees”, as, according to him this is happening implicitly. The Warehouse Manager “agrees”, because, according to him, there is no documentation, but training needs are identified and addressed.

Questions 34-36

34. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's vision
35. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's values
36. Before implementing the HR strategy, the organisation makes sure that it's HR policies are consistent with it's negotiated agreement

The Managing Director is "unsure" and the Warehouse Manager "agrees" on this point for the same reason as above. The Operations Manager is "disagree" on this point.

CONTROL HR

Question 37

The organisation ensures that HR strategy is implemented in accordance with the HR plan.

The Managing Director is "unsure". According to him the organisation has no formal documented HR plan yet. The Operations Manager "disagrees" because, according to him the organisation does not have an explicit plan. The Warehouse Manager "agrees" that the organisation ensures that its HR strategy is implemented in accordance with the HR plan.

Questions 38-39

38. The organisation ensures that the implementation of its HR strategy is monitored using the performance measures.
39. The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit

The Manager Director is "unsure", the Operations Manager "disagrees" and the Warehouse Manager "agrees" on these points.

ASSESS, SELECT, RECRUIT

Questions 40-41

40. The organisation ensures that the assessment, selection and recruitment processes are in line with its HR strategy.
41. The organisation ensures that the assessment, selection and recruitment processes are in line with its HR policy.

The Operations Manager and the Warehouse Manager "agree" that the organisation ensures that the assessment, selection and recruitment processes are in line with its HR strategy and HR policy. According to the Operations Manager the organisation is advancing that process. The Managing Director is "unsure" on this point. According to him nothing is formalised, but recruitment is in line with business vision.

Question 42

The organisation has a job description.

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation has a job description, which is formally documented.

TRAIN EDUCATE, DEVELOP

Questions 43-46

- 43 The organisation ensures that its training and development plan is applied correctly.
- 44 The organisation ensures that staff training and development plan matches the needs of its HRM strategy and its business strategy
- 45 Where appropriate the organisation provides new emerging technologies for training needs
- 46 The organisation ensures that training and developments provided have been affective.

The Managing Director is “unsure” an all these points. According to him Job Description and Person Specification are agreed for all employees. The Training Needs Analysis and Plan are under way. The Operations Manager and Warehouse Manager “agree” on these points. However, the Operations Manager stated that staff requiring training were identified, but there is no effective system for checking if the training plan is being applied correctly.

MANAGE HR PERFORMANCE

Question 47

The organisation continuously reviews the impact of its HR strategy on business and operational results and revises / changes its HR and / or Business strategy

The Managing Director is “unsure” and the Operations Manager and Warehouse Manager “agree” that the organisation continuously reviews the impact of its HR strategy on business and operational results and revises / changes its HR and / or Business strategy. According to the Warehouse Manager this has only recently been implemented.

Question 48

The organisation has a personal performance measurement system.

The Managing Director and the Operations Manager “disagree” and the Warehouse Manager is “unsure” that the organisation has a personal performance measurement system. According to the Managing Director they do not carry out individual performance measurement.

MANAGE REDEPLOYMENT

Questions 49-50

49. The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development.
50. If question 49 is not possible the organisation considers the redeployment of the current job holder within or out with the organisation.

The Managing Director, the Operations Manager and the Warehouse Manager “agree” that the organisation ensures that an identified deficiency in a job position can be rectified through training, education or development and if this is not possible the organisation considers the redeployment of the current job holder elsewhere.

NEGOTIATIONS FOR WORKING CONDITIONS

Question 51

The organisation accepts that working conditions affect HR performance.

The Managing Director, the Operations Manager and the Warehouse Manager all “agree” that the organisation accepts that working conditions affect HR performance.

Questions 52-53

52. Both the organisation and the employees are satisfied with the agreements regarding working conditions
53. Both the organisation and employee are satisfied regarding the implementation of their agreement

The Managing Director and Warehouse Manager are “unsure” and the Operations Manager “agrees” that both the organisation and employees are satisfied with the agreements regarding working conditions and their implementation. The Managing Director mentioned that there are a few complaints. According to the Operations Manager there is no formal agreement. The Warehouse Manager mentioned that he is unsure how other Team Leaders and Managers views working conditions.

Question 54

The organisation ensures that its HR policies are consistent with its working conditions.

The Managing Director, the Operations Manager and the Warehouse Manager all “agree” that the organisation ensures that its HR policies are consistent with its working conditions. According to the Managing Director and Warehouse Manager they are trying to ensure that this is the case.

HUMAN RESOURCE MANAGEMENT BUSINESS PROCESS MODEL AUDIT WORKBOOK AT HIGHLAND SPRING

Highland Spring is a natural mineral water company employing about 180 people. They have no HR department and no one person has specific HR responsibility.

Objective

As part of a research program a Business Process Model for the HRM process has been developed by the researches in CSM. The details of this Model are included in Appendix 3. The Objective of the study conducted in Highland Spring was to compare the current HRM Processes in the Company to the HRM Business Process Reference Model.

The reader must appreciate that this report represents an audit against the reference model, which is intended to be generic. As a result the audit may identify areas of weaknesses that may not be appropriated in specific cases. Therefore it is recommended that in reading the results of the audit this point is borne in mind at all times

Methodology

The audit workbook was applied at three levels - Operations Director, Operations Manager and Productions Team Leader, through interviews. The audit workbook was completed in two visits totalling approximately one-man day of Company time.

Overall Conclusion

Based upon the audit results, the HRM Business Process Model is not fully complete. Although the current HR activities are insufficient, the company has well-established systems in two areas, "Train, Educate, Develop" and "Manage Redeployment". The training plan, process, records, feedback are documenting detailed. But there is no formal control system for assessing the effectiveness of training. Concerning the "Manage Redeployment" activity, the company identifies peoples' needs and prepares employee-training plans for each employee (Training Matrix). The company has evidence of some success in two areas, "Establish Current Capabilities" and "Control HR". However, more work is still required. Hi-SAS (Highland-Spring Appraisal System) developed and starting work with Hi-SAS soon. It is documented in detail.

The remainder of the model is not complete with large gaps in several areas such as Set HR Objectives, Set HR Policies.

Research Data (Table 1)

The results of this audit are summarised in Table 1. The Table consists of two sections. The first section shows the completeness of the HRM process in Highland Spring which, in turn, includes:

- effectiveness of approach
- degree of deployment

The second section shows the congruence of views between the three respondents to statements posed during the interviews. The Table includes summary congruence and detailed congruence for **exact responses**, and summary congruence and detailed congruence for **similar responses** provided by the interviews. During interview the respondents were asked to select one of five options for each statement. These options were “Strongly Agree”, “Agree”, “Strongly Disagree”, “Disagree” and “Unsure”. In the table for similar responses, the difference between “Strongly Agree” and “Agree” as well as “Strongly Disagree” and “Disagree” are ignored. Therefore, the five points scale is reduced to three points, i.e. “Agree”, “Unsure”, “Disagree”. A definition of each score is provided in Appendix A.

The summary congruence gives the following based on exact and similar answers: -

Exact response

- Operations Director and Operations Manager : 16% (9 out of 54 questions)
- Operations Manager and Productions Team Leader : 7 % (4 out of 54 questions)
- Operations Director and Productions Team Leader : 66% (36 out of 54 questions)

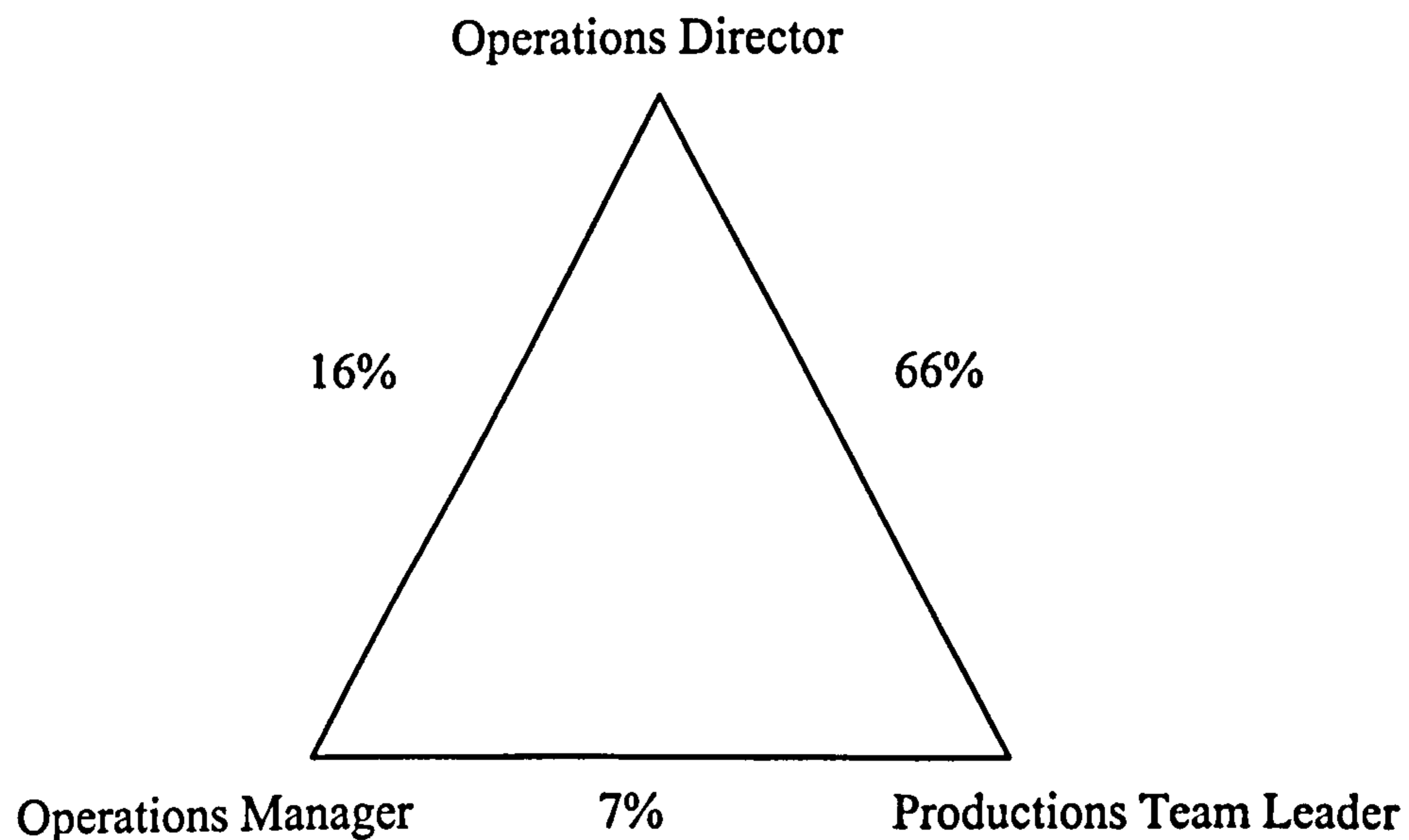


Figure 1. Exact response results between Operations Director, Operations Manager and Productions Team Leader

Similar response

- **Operations Director and Operations Manager : 79% (43 out of 54 questions)**
- **Operations Manager and Productions Team Leader: 61% (33 out of 54 questions)**
- **Operations Director and Productions Team Leader : 66% (36 out of 54 questions)**

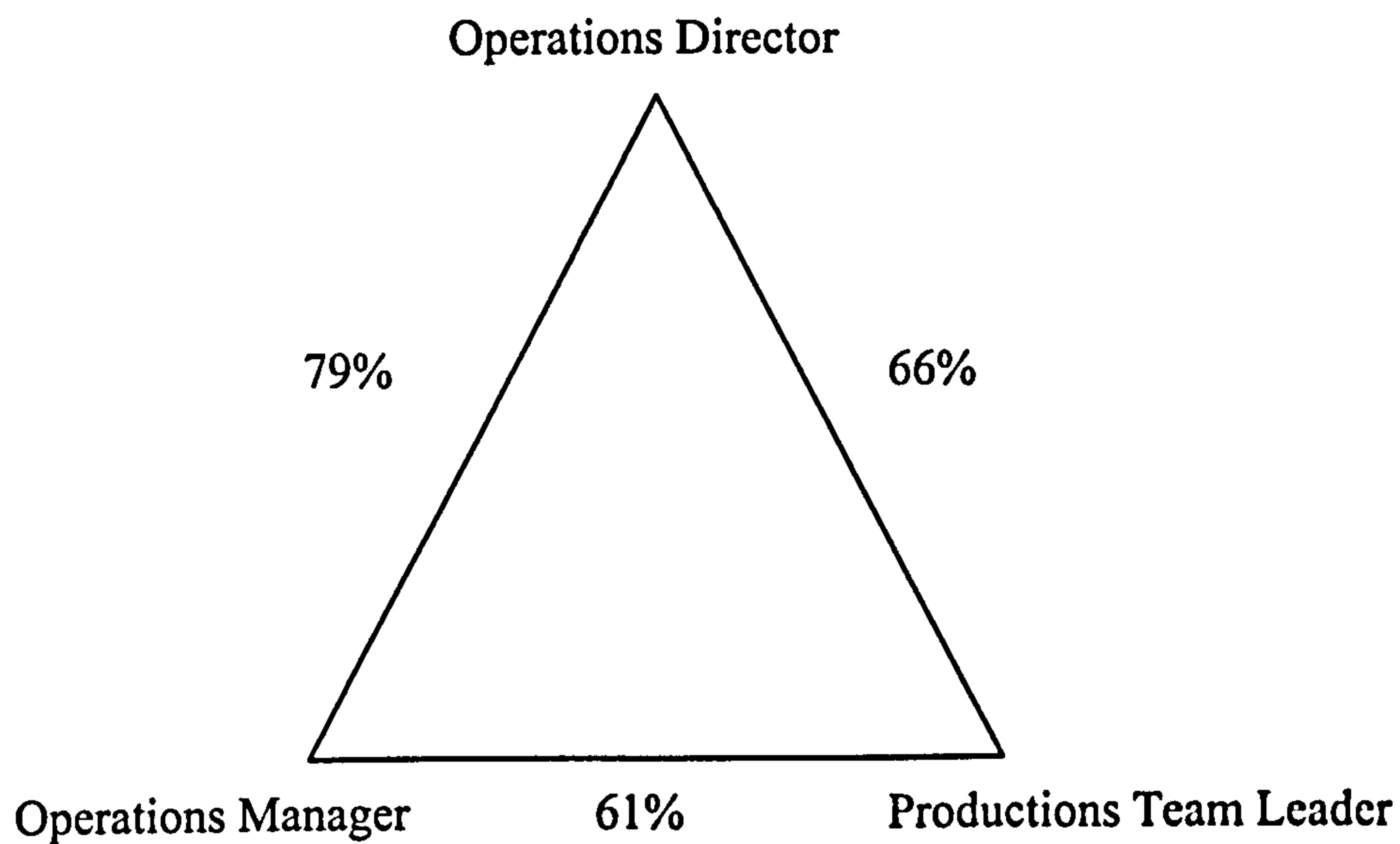
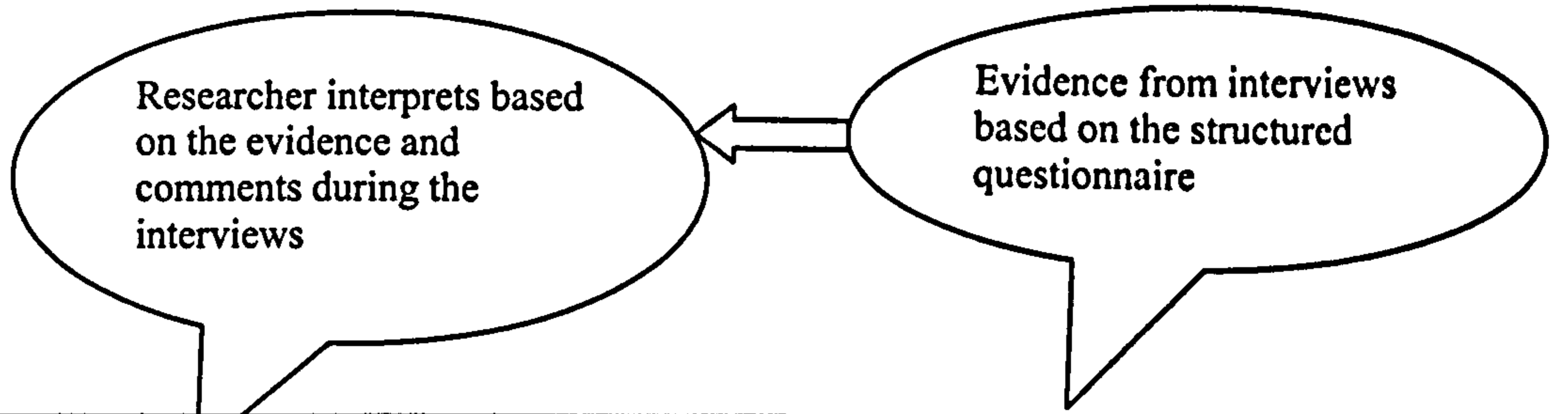


Figure 2. Similar response results between Operations Director, Operations Manager and Productions Team Leader

The congruence section of Table 1 presents detailed congruence from exact and similar responses and is analysed on an activity basis. The best results come from “Set HR Policies” activity. The Operations Director, Operations Manager and Productions Team Leader agree one hundred percent congruence with these criteria.

The Operations Director, Operations Manager and Productions Team Leader’s results are summarised in Diagram 1. This diagram shows their congruence very clearly. Details of the analysis are provided in Appendix B.

The completeness and congruence table consists of three parts, Activities Criteria, Completeness and Congruence. The research (Report) is compiled based on interviews using a structured questionnaire and comments during the interviews. Researcher’s interprets based on these evidences. Figure 3 provide guidelines on interpretation of Table 1.



			CONGRUENCE					
COMPLETENESS			Exact Response			Similar Response		
Activities Criteria	Effectiveness of Approach	Degree of Deployment	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager	Managing Director and Team Leader	Team Leader and Quality Manager	Managing Director and Quality Manager
Set Objective	Some evidence of a system	Little usage	4 out of 13 31%	1 out of 13 23%	4 out of 13 31%	6 out of 13 46%	3 out of 13 23%	4 out of 13 31%
Establish Current Capabilities . .	Clear evidence of soundly-based system	Part usage	0 out of 4 0%	0 out of 4 50%	1 out of 4 25%	0 out of 4 0%	2 out of 4 50%	1 out of 4 25%

Figure 3. Guidelines for interpreting Table 1.

Recommendations

- **The organisation should prepare formally documented its mission, vision, objectives and strategy and these should be clear for all people (employees).**
- **The organisation should prepare HR strategy, as part of its business strategy**
- **The organisation should develop a personal performance measurement and review system to ensure that business goals and strategy are deployed to teams and individual.**
- **The organisation should develop an effective system for checking that the training plan is applied correctly.**
- **The organisation should prepare formally documented annual HR targets and should present the target achievements and their contribution to the business targets.**
- **The organisation should have clear people satisfaction objectives and targets.**

Table 1. Highland Spring's Completeness and Congruence Table

Activities Criteria	COMPLETENESS		CONGRUENCE				
	Effectiveness of Approach	Degree of Deployment	Exact Response		Similar Response		
Set Objective	Anecdotal	No usage	Operations Director and Manager 4 out of 13 31%	Operations Manager and Team Leader 0 out of 13 0%	Operations Director and Manager 13 out of 13 100%	Operations Manager and Team Leader 6 out of 13 46%	Operations Director and Team Leader 6 out of 13 46%
Establish Current Capabilities Plan	Some evidence of a system	Little usage	Operations Director and Manager 2 out of 4 50%	Operations Manager and Team Leader 2 out of 4 50%	Operations Director and Manager 4 out of 4 100%	Operations Manager and Team Leader 2 out of 4 50%	Operations Director and Team Leader 2 out of 4 50%
Negotiate Budget	No evidence of existence	No usage	Operations Director and Manager 0 out of 5 0%	Operations Manager and Team Leader 0 out of 5 0%	Operations Director and Manager 2 out of 5 40%	Operations Manager and Team Leader 3 out of 5 60%	Operations Director and Team Leader 4 out of 5 80%
Set HR Policies	Anecdotal	No usage	Operations Director and Manager 0 out of 8 0%	Operations Manager and Team Leader 1 out of 8 13%	Operations Director and Manager 7 out of 8 88%	Operations Manager and Team Leader 8 out of 8 100%	Operations Director and Team Leader 7 out of 8 88%
Control HR	No evidence of existence	No usage	Operations Director and Manager 0 out of 6 0%	Operations Manager and Team Leader 0 out of 6 0%	Operations Director and Manager 6 out of 6 100%	Operations Manager and Team Leader 6 out of 6 100%	Operations Director and Team Leader 6 out of 6 100%
Assess, Select, Recruit	Some evidence of a system	No usage	Operations Director and Manager 0 out of 3 0%	Operations Manager and Team Leader 0 out of 3 0%	Operations Director and Manager 1 out of 3 33%	Operations Manager and Team Leader 1 out of 3 33%	Operations Director and Team Leader 3 out of 3 100%
Train, Educate, Develop	No evidence of existence	No usage	Operations Director and Manager 0 out of 3 0%	Operations Manager and Team Leader 0 out of 3 0%	Operations Director and Manager 3 out of 3 100%	Operations Manager and Team Leader 2 out of 3 67%	Operations Director and Team Leader 2 out of 3 67%
Manage HR Performance	Clear evidence of soundly-based system	Part usage	Operations Director and Manager 1 out of 4 25%	Operations Manager and Team Leader 0 out of 4 0%	Operations Director and Manager 3 out of 4 75%	Operations Manager and Team Leader 1 out of 4 25%	Operations Director and Team Leader 2 out of 4 50%
Manage Redeployment	Anecdotal	Little usage	Operations Director and Manager 0 out of 2 0%	Operations Manager and Team Leader 0 out of 2 0%	Operations Director and Manager 1 out of 2 50%	Operations Manager and Team Leader 1 out of 2 50%	Operations Director and Team Leader 1 out of 2 50%
Manage Working Condition	Clear evidence of soundly-based system	Full usage	Operations Director and Manager 2 out of 2 100%	Operations Manager and Team Leader 1 out of 2 50%	Operations Director and Manager 2 out of 2 100%	Operations Manager and Team Leader 1 out of 2 50%	Operations Director and Team Leader 1 out of 2 50%
Negotiations for Working Condition	Anecdotal	Little usage	Operations Director and Manager 0 out of 4 0%	Operations Manager and Team Leader 0 out of 4 0%	Operations Director and Manager 1 out of 4 25%	Operations Manager and Team Leader 2 out of 4 50%	Operations Director and Team Leader 2 out of 4 50%
Summary Congruence			9 out of 54 17%	4 out of 54 7%	43 out of 54 85%	33 out of 54 61%	36 out of 54 67%

- 0. No Comment
- 1. Strongly Disagree
- 2. Disagree
- 3. Unsure
- 4. Agree
- 5. Strongly Agree

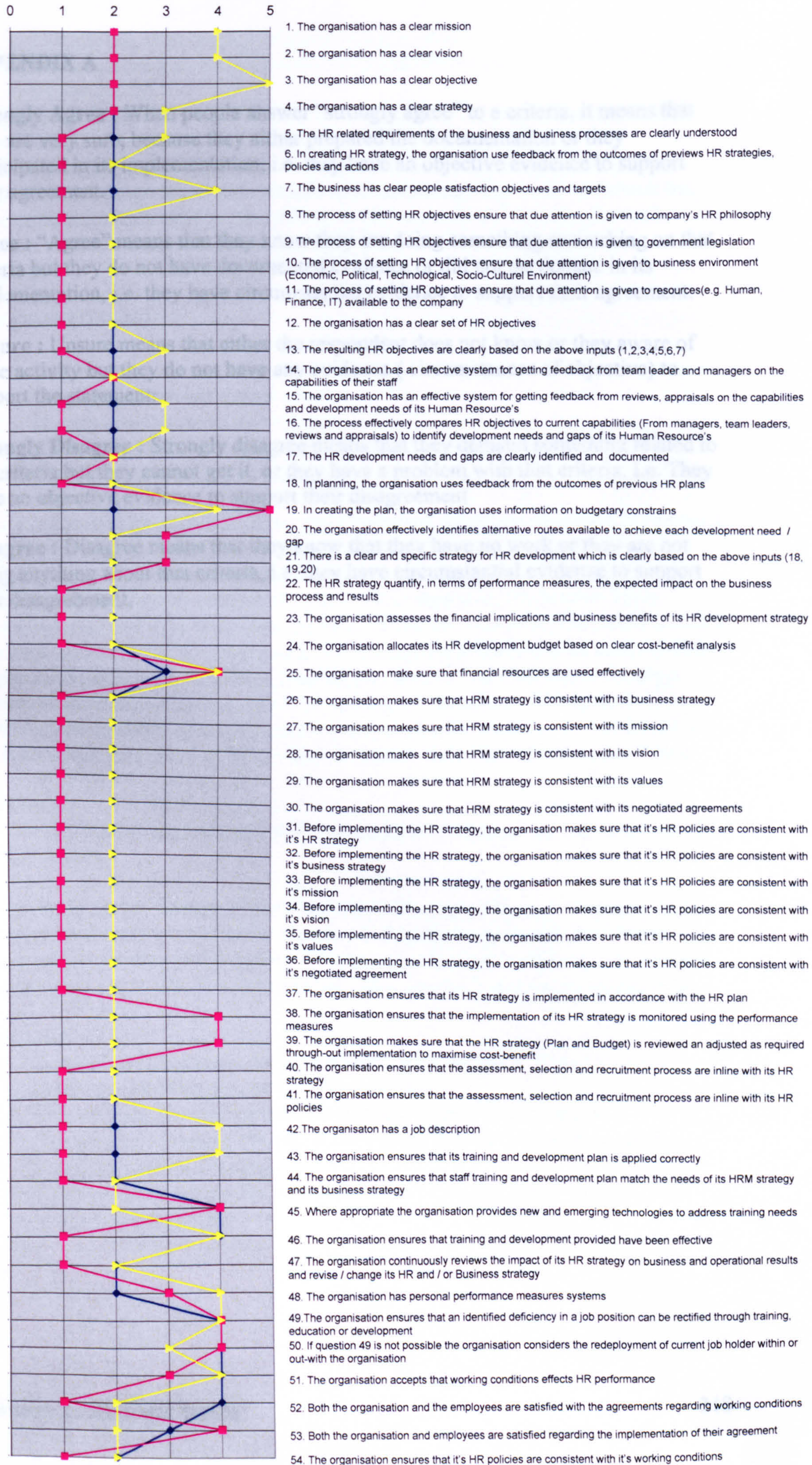


Diagram 1. Presenting Operations Director, Operations Manager and Productions Team Leader's results.

Operations Director Operations Manager Productions Team Leader

APPENDIX A

Strongly Agree : When people answer “strongly agree” to a criteria, it means that they are very sure, because they either prepared the documentation or they participated in its implementation, i.e. they have an objective evidence to support their agreement.

Agree : “Agree” means that they know they are doing something or working on that criteria but they do not have documented evidence or did not participate in its implementation, i.e. they have circumstantial evidence to support their agreement.

Unsure : Unsure means that either the respondent does not know or they aware of some activity but they do not have any evidence (circumstances of objective) to support the statement.

Strongly Disagree : Strongly disagree means that they demand something related to the criteria but they cannot get it, or they have a problem with that criteria. I.e. They have an objective evidence to support their disagreement

Disagree : Disagree means that they know that they have no work or they are not doing anything about that criteria, i.e. they have circumstantial evidence to support their disagreement.

APPENDIX B

DETAIL ANALYSIS

In order to understand HRM Business process audit workbook results better, we analysed three respondents' answers and their comments. The audit workbook has some criteria for each activity. According to the respondents' answers for each criterion we made decisions about the HRM Business Process Model in the company.

SET OBJECTIVES

Questions 1-4

1. The organisation has a clear mission.
2. The organisation has a clear vision.
3. The organisation has a clear objective.
4. The organisation has a clear strategy.

According to the *Operations Director* and *Operations Manager* organisation has not a clear mission, vision, objective and strategy. On the contrary *Production Team Leader* "Agree" that the organisation has a clear mission and vision and he is "Strongly Agree" that the organisation has a clear objective. *Production Team Leader* believes that they have clear mission, vision and objective. He mentioned that their objective is "to be low cost producer". *Productions Team Leader* believes these are documented as well. However, *Operations Director* and *Operations Manager* mentioned these are not documented. According to *Operations Manager*, there is no clear mission statement. Therefore not clear direction for all. Also he mentioned as an organisation they have no clear vision but some individuals have a clear vision.

Question 5

The HR-related requirements of the business and business processes are clearly understood.

Operations Director "Disagree" and *Operations Manager* "Strongly Disagree" that the HR related requirements of the business and business processes are clearly understood. According to *Operations Director* and *Operations Manager* they do not have anything about HR. The *Productions Team Leader* is unsure about this point.

Questions 6-13

6. In creating HR strategy, the organisation uses feedback from the outcomes of previews HR strategies, policies and actions.
7. The business has clear people satisfaction objectives and targets.
8. The process of setting HR objectives ensure that due attention is given to company's HR philosophy.
9. The process of setting HR objectives ensure that due attention is given to government legislation.

10. The process of setting HR objectives ensure that due attention is given to business environment (Economic, Political, Technological, Socio-Cultural Environment).
11. The process of setting HR objectives ensure that due attention is given to resources (e.g. Human, Finance, IT) available to the company
12. The organisation has a clear set of HR objectives.
13. The resulting HR objectives are clearly based on the above inputs (1,2,3,4,5,6,7).

The Operations Director “Disagree” and Operations Manager “Strongly Disagree” that all the questions above (6-13). The reason is that they mentioned the organisation has no HR strategy. They also mentioned they have no HR department, strategy, objective, anything related the HR. However, Operations Director stresses that they are aware/ make sure that they consider the business environment and they comply with the government legislation, but not HR objectives point of view. It is general. He also add they consider strongly Human, Finance and IT resources. The Productions Team Leader “Disagree” all the questions related to HR strategy, objectives etc. as well. Except two questions. He is “Agree” that the business has clear people satisfaction objectives and targets, and “unsure” that the resulting HR objectives are clearly based on the above inputs.

ESTABLISH CURRENT CAPABILITIES

Question 14

The organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff.

The Operations Director, Operations Manager and Productions Team Leader “Disagree” that the organisation has an effective system for getting feedback from team leader and managers on the capabilities of their staff. However, Operations Director and Operations Manager mentioned that systems are starting to develop.

Question 15

The organisation has an effective system for getting feedback from reviews, appraisals on the capabilities and development needs of its Human Resources’.

The Operations Director “disagrees” on this point. According to him there was no system before. They are starting to develop. The operations Manager “Strongly Disagrees”, because, according to him on an organisational basis that is certainly not true. The Productions Team Leader “unsure” on this point.

Question 16

The process effectively compares HR objectives to current capabilities (from Managers, Team Leaders, reviews and appraisals) to identify development needs and gaps of its Human Resources

The Operations Director “Disagrees”, The Operations Manager “Strongly disagrees” with this point. The main reasons, first, they are just starting to develop system and

the second they have no HR objectives. The productions Team Leader “Unsure” because, he believes there is a system but not effective enough and also he knows the organisation do not have HR objectives.

Question 17

The HR development needs and gaps are clearly identified and documented.

The Operations Director, Operations Manager and Productions Team Leader “disagree” with this point. According to Operations Manager the systems are not developed enough to allow this.

PLAN

Question 18

In planning, the organisation uses feedback from the outcomes of previous HR plans.

The Operations Director and Productions Team Leader “Disagree” and Operations Manager “Strongly Disagree” that, in planning, the organisation uses feedback from the outcomes of previous HR plans. According to them they never had a HR plan.

Question 19

In creating the plan, the organisation uses information on budgetary constrains.

The Operations Manager “Strongly Agrees” and The Productions Team Leader “Agrees” that in creating plan, budgetary constrains are taken into account. The Operations Director “Disagrees” with this point. According to him they consider all plan but they do not have specific for HR.

Question 20

The organisation effectively identifies alternative routes available to achieve each development needs / gaps.

The Operations Director and Productions Team Leader are “Disagree” on this point. According to Operations Director they have plan but not documented also plan is not long time plan (not for next 4-5 years). The Operations Manager “Unsure” on this point.

Question 21

There is a clear and specific strategy for HR development which is clearly based on the above inputs (18,19,20)

The Operations Director and the Productions Team Leader are “Disagree” on this point. According to them they have no specific strategy for HR. The Operations Manager “Unsure” on this point. Because, he is not sure about HR development strategy based on these input.

Question 22

The HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results.

The Operations Director and the Productions Team Leader are “Disagree” and Operations Manager “Strongly Disagrees” that the HR strategy quantifies, in terms of performance measures, the expected impact on the business process and results. The Operations Manager thinks it does but they do not have HR strategy.

NEGOTIATE BUDGET

Questions 23-24

23. The organisation assesses the financial implications and business benefits of its HR development strategy.
24. The organisation allocates its HR development budget based on clear cost-benefit analysis.

The Operations Director and The Productions Team Leader are “Disagree” and the Operations Manager “Strongly Disagree” that the organisation assesses the financial implications and business benefits of its HR development strategy. According to Operations Director they strongly consider financial implications and they are doing cost-benefit analysis but not for HR.

Question 25

The organisation makes sure that financial resources are used effectively.

The Operations Manager and Productions Team Leader are “agree” and the Operations Director is “Unsure” with this point. According to Operations Director generally financial resources uses effectively, but they do not have HR part .

Questions 26-30

26. The organisation makes sure that HRM strategy is consistent with its business strategy
27. The organisation makes sure that HRM strategy is consistent with its mission
28. The organisation makes sure that HRM strategy is consistent with its vision
29. The organisation makes sure that HRM strategy is consistent with its values
30. The organisation makes sure that HRM strategy is consistent with its negotiated agreements.

The Operations Director and the Productions Team Leader are “Disagree” and Operations Manager “Strongly Disagree” that the organisation makes sure that its HRM strategy is consistent with its business strategy, mission, vision, values and negotiated agreements. According to them the organisation has no formal documented or informal HR strategy.

SET HR POLICIES

Questions 31-36

- 31. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy**
- 32. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its business strategy**
- 33. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its mission**
- 34. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its vision**
- 35. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its values**
- 36. Before implementing the HR strategy, the organisation makes sure that its HR policies are consistent with its negotiated agreement**

The Operations Director and the Productions Team Leader are “Disagree” and Operations Manager “Strongly Disagree” that before implementing HR strategy, the organisation makes sure that its HR policies are consistent with its HR strategy, business strategy, mission, vision, values and negotiated agreements. According to them the organisation has no formal documented or informal HR policies.

CONTROL HR

Question 37

The organisation ensures that its HR strategy is implemented in accordance with the HR plan

The Operations Director and Productions Team Leader “Disagree” and Operations Manager “Strongly Disagrees” with this point. According to them the organisation has no HR strategy and plan.

Questions 38-39

- 38. The organisation ensures that the implementation of its HR strategy is monitored using the performance measures.**
- 39. The organisation makes sure that the HR strategy (Plan and Budget) is reviewed and adjusted as required through-out implementation to maximise cost-benefit**

The Operations Manager and Productions Team Leader “Disagree” and the Operations Manager “agree”, on these points. According to Operations Manager the organisation starting soon with Hi-SAS (Highland-Spring Appraisal System).

ASSESS, SELECT, RECRUIT

Questions 40-41

40. The organisation ensures that the assessment, selection and recruitment processes are in line with its HR strategy.
41. The organisation ensures that the assessment, selection and recruitment processes are in line with its HR policy.

The Operations Director and Productions Team Leader “Disagree” and Operations Manager “strongly disagree” on these points. According to them the organisation has no HR strategy and policies. However, according to Operations Director the organisation ensure good assessment, selection and recruitment.

Question 42

The organisation has a job description.

The Operations Director “disagrees” and the Operations Manager “strongly disagrees” that the organisation has a job description. According to Operations Director they will develop. According to Operations Manager, some department specific roles & responsibilities available. But as a company they do not have. The Productions Team Leader “agrees” but there is no evidence to support his answer.

TRAIN EDUCATE, DEVELOP

Question 43

The organisation ensures that its training and development plan is applied correctly

The Operations Director “Disagrees”, Operations Manager “Strongly Disagrees” and Productions Team Leader “Agrees” on this point. According to Operations Director they have no plan but they (train & develop...) are doing training and development. The Operation Manager does not believe that training and development plan is applied correctly.

Question 44

The organisation ensures that staff training and development plan match the needs of its HRM strategy and its business strategy

The Operations Director and Productions Team Leader “Disagree” and Operations Manager “Strongly Disagree” on this point. According to Operations Director plan is to meet business requirements.

Question 45

Where appropriate the organisation provides new and emerging technologies for training needs

The Operations Director and Operations Manager “Agree” on this point. The Operations Manager is quite sure about his field. The Productions Team Leader “Disagrees” on this point

Question 46

The organisation ensures that training and development provided have been effective.

The Operations Director and the Productions Team Leader are “Agree” the Operations Manager “Strongly Disagrees” on this point. The Operations Manager does not believe it is effective.

MANAGE HR PERFORMANCE

Question 47

The organisation continuously reviews the impact of its HR strategy on business and operational results and revises / changes its HR and / or Business strategy

The Operations Director and Productions Team Leader “disagree” and Operations Manager “Strongly Disagree” on this point. As they mentioned above they have no HR strategy .

Question 48

The organisation has a personal performance measurement system.

The Operations Director “disagrees” Operations Manager “Unsure” and the Productions Team Leader “Agrees” that the organisation has a personal performance measurement system. According to the Operations Director as an organisational they will start next year. According to Operations Manager departmentally they are about to implement a system. According to Productions Team Leader they do not used very often.

MANAGE REDEPLOYMENT

Questions 49-50

49. The organisation ensures that an identified deficiency in a job position can be rectified through training, education or development.

50. If question 49 is not possible the organisation considers the redeployment of the current job holder within or out with the organisation.

The Operations Director and The Operations Manager and Productions Team Leader “agree” that the organisation ensures that an identified deficiency in a job position can be rectified through training, education or development. If this is not possible, according to the Operations Director and Operations Manager the organisation considers the redeployment of the current jobholder elsewhere. However, the Productions Team Leader “Unsure” on this point.

NEGOTIATIONS FOR WORKING CONDITIONS

Question 51

The organisation accepts that working conditions affect HR performance.

The Operations Director, and the Productions Team Leader “Agree” that the organisation accepts that working conditions affect HR performance. However, the Operations Manager “Unsure” on this point. According to him as a department -YES as an organisational -NO

Question 52

Both the organisation and the employees are satisfied with the agreements regarding working conditions

The Operations Director “Agrees”, Operations Manager “Strongly Disagrees” and Productions Team Leader “Disagrees” with this point. The Productions Team Leader mentioned that factory floor sometimes very hot but no air conditioning available. The Operations Manager mentioned as well that environmental part, some of place is very hot.

Questions 53

Both the organisation and employee are satisfied regarding the implementation of their agreement

The operations Director “Unsure”, Operations Manager “Agrees” and the Productions Team Leader “Disagrees” on this point.

Question 54

The organisation ensures that its HR policies are consistent with its working conditions.

The Operations Director and the Productions Team Leader “Disagree” and Operations Manager “Strongly Disagrees” that the organisation ensures that its HR policies are consistent with its working conditions. The Operations Director”, Operations Manager and Productions Team Leader mentioned again that they have no HR policies.