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CIPD Applied Research Conference 2015
The shifting landscape of work and working lives

What Most Makes HR a Profession? The Difference of Views at National and Organisational Levels

Conference paper

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What most makes HR a profession? The difference of views at national and organisational levels¹

Introduction

This paper discusses the institutional factors that determine the professional nature of HR and identifies a mismatch between national-level institutional factors and organisational ones. The result is that the activity and expertise most valued in HR practitioners at organisational level is that of dealing with organisational conflict, whereas at national level, this role is downplayed as appearing too negative. To explain this, the paper proceeds as follows. First, the professionalisation of HR will be discussed as a process linked to neo-institutional theory. Then the HR profession will be discussed in relation to these institutional processes. The research that forms the basis of this paper will then be outlined before discussing why this mismatch exists and what it may mean.

The process of becoming a managerial profession

The issue of placing HR practice into the category of professional work is not a precise exercise. It falls between a number of academic debates that, while overlapping, contain a number of discrete conceptual underpinning themes. From classical sociology, Durkheim identifies professions' purpose as serving as an important check against the power exercised in society by the state and by the market. Weber then introduces the more pessimistic view that organisational forms will always tend toward replacing informal means of leadership systems – including professional forms – with the rationale of rational-legal systems of authority: bureaucracy.

In the period from around 1980, a common feature of organisational and societal developments has been a retrenchment of some of the traditional havens of professional activity: reforms in welfare systems, economic deregulation and a significant increase in the encroachment of 'the market' into all aspects of inter- and intra-organisational relationships have contributed to this process. All of this has put pressure on traditional notions of professionalism by removing claims to exclusive jurisdiction of the activities professionals could traditionally claim a gatekeeper role on. Yet all of this has also been accompanied by a rise in what has been termed 'credentialism', whereby the certification required in order to claim credibility has increased. These two recent – apparently conflicting – trends could be explained by the redefinition of professions by a third development, which is the emergence of a hybrid class of professional: the 'organisational' or 'managerial' professional. Here the claims to professional occupational status rely not on traditional claims to discretionary expert judgement based on certified and exclusive peer-referenced associations, but to less tangible codes of knowledge and practices, aligned to organisational objectives.

Linked to this third theme is a question about the processes by which a professionalisation project works. Here theorists have variously looked at how traditional professions have adapted to new managerialist pressures within organisations by the way in which the outward appearance of 'performativity' is conveyed: how language and symbols of professional practice are adapted to suit the dominant discourse of managerial control. Neo-institutionalists have also looked at how the 'professionalisation project' for particular occupations works. Here, importance is placed on how particular inter-relationships between key organisations, regulatory frameworks and individuals influence an institution. By institution, it is meant a:

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...more-or-less taken-for-granted repetitive social behaviour that is underpinned by normative systems and cognitive understandings that give meaning to social exchange and thus enable self-reproducing social order (Greenwood et al 2013: 4–5).

Neo-institutionalist research has tracked the processes of how practices become embedded within part of this analysis. Professions – as institutions – are influential both in the way that they attempt to shape organisational practice, and how and why these attempts succeed or fail. Reciprocally, it also considers how professions are themselves shaped by other institutional practices – particularly state institutions.

One key concept in neo-institutionalism is isomorphism: the notion that behaviours within and between institutions are predisposed to follow a consistent logic. This logic is not necessarily ‘rational’ or equitable but based upon established norms within and between the sets of actors within the institution. Isomorphism is further characterised as consisting of three sub-types (DiMaggio and Powell 1983). First there is *coercive isomorphism* – which is where an absolute imperative for certain action exists. An obvious example would be state regulation or the economic power of monopsony within a supply chain. A second category is *normative isomorphism*. Here the influences of dominant ideas – or myths – shape events: being ‘competitive’, being ‘entrepreneurial’, being ‘strategic’. Finally, *mimetic isomorphism* is influence through imitation. It is frequently taken for granted that when the dissemination of ‘best practice’ is advocated, this process is self-explanatory. It is seldom explained how this dissemination takes place – and with what degree of success and consistency. It is seldom questioned how, in a competitive market (itself an institution), best practice is spread between organisations when logic would suggest that each would seek to restrict dissemination of any such practices.

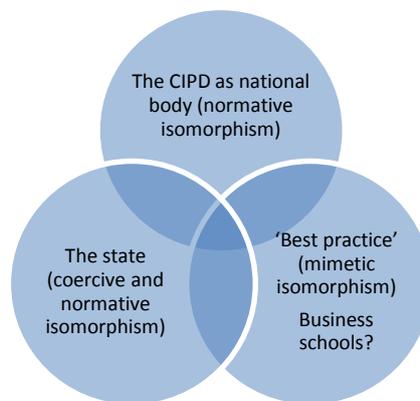
Taken together these are useful ways of framing how and why institutions change – or why they remain resistant to change. They can also be combined. The existence of regulation, for example, may constitute *coercive isomorphism*, but the response to regulation can be interpreted by other institutions – particularly professions – to suit their own advantage. The advantage of the neo-institutionalist approach is that it can acknowledge the existence of relatively closed systems where distinct isomorphic processes occur, determined by particular actors or groups; where change can be slow or rapid as a result of the pre-existing relationships within the system; but that changes can also be explained by changes in circumstances to the power resources of one or more elements within the system. Such changes could be by ‘deviant’ behaviour of individual or collective sets of actors, or by changes external to the system that could affect the power resources of one or more groups within the system. This approach also allows for what might otherwise be defined as ‘irrational’ behaviours of actors or groups within a system: thus there can be dissonance between the espoused values of groups and their actual behaviours. Finally, neo-institutionalism also allows multi-level analysis. A focus of analysis can exist at national-level institutions (and their constituent parts); at sector level (or ‘field’ level); at occupational level; and at the level of the individual organisational level.

How has HR been attempting to appeal to other managerial stakeholders?

Linking this to the discussion about institutions, we can identify three inter-relating national institutions shaping HR as a managerial profession. Firstly, the CIPD is the most visible and prominent institution and could be identified as exercising normative isomorphic influence on HR in the UK. It establishes membership entry requirements and standards, has a code of conduct and lays out the dimensions of what knowledge, skills and behaviours are expected for practitioners operating in the field. It is successful in recruiting members and, while it is possible to practise in HR

without membership, career progression in HR is strongly associated with CIPD membership. The second influence is the state – particularly in the form of the regulatory framework for employment regulation. While this is potentially a hugely complex nexus in its own right – combining party politics, the legal institutions and even the relationship with the EU – in the sense that employment regulations exist in the way that they do, this could be termed coercive isomorphic pressure. As noted, above, neo-institutionalist research has pointed to the ability of professions – and the HR profession in particular – to be able take advantage of the existence of regulation to suit its own ends. So there is a degree of normative isomorphism in this element. Finally, there is the spreading of ‘best practice’ in HR: mimetic isomorphism. This is not all down to the CIPD’s standards. The normative content of the standards emerge from somewhere. So here the influence of the myriad forms of expertise, consultancies, business gurus and, not least, business schools define the accepted norms for HR practice.

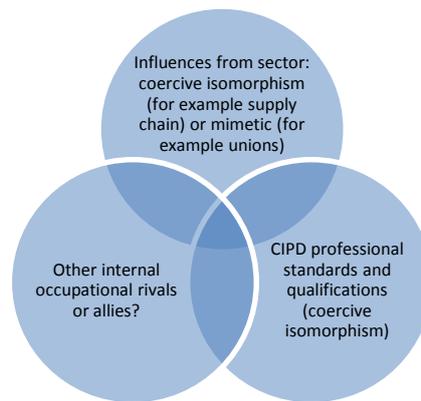
Figure 1: National-level institutional influence on HR



At the organisational level, the position of HR is influenced by a different set of institutional dynamics than that which occurs at the national institutional level. These would be the CIPD standards to which practitioners would need to demonstrate compliance to become members – so in this sense, the standards constitute coercive isomorphism. A second set would be those practices associated with the organisation: sector-specific issues, supply-chain influences. This would constitute mimetic isomorphism. Finally, the intra-organisational relationships with other non-HR colleagues would come into play. These could be interpersonal, but also could involve tacit rivalries with other professional interests.

The debate around HR’s relative influence has largely centred around whether HR has a position on the senior management team within an organisation. The difference at organisational level is due, partly, to the extent to which HR can make a claim to ‘resource dependency’. That is, the extent to which HR contains something (knowledge, skills, expertise) that others in the organisation are dependent upon. It is interesting to note that the notion of resource dependency has been used in the HR literature, but this has largely focused on how HR may be needed to tap into the innate human capital contained within the workforce: that the resource is the workforce itself. But does HR, as a function, contain unique characteristics that make its presence a resource? As far back as 1978 Karen Legge pointed out that HR is in an ambiguous position. It invariably does not have the authority to exercise the area in which it has the expertise (disciplinary processes, for example, are conducted by line management). One way around this was for HR to operate as ‘deviant innovator’: to work outside formal hierarchical structures in order to achieve successful outcomes.

Figure 2: Organisation-level institutional influence on HR



Our study: ‘What aspect of HR is the least substitutable to other management colleagues or to external provision?’

Our study has considered how HR is perceived as an organisational practice, what it does and how this compares with the broader narratives as to what may constitute an organisational profession in relation to inter- and intra-institutional pressures. We considered national-level institutions – reviewing documents and interviewing key people in the CIPD, employer organisations and trade unions – in order to find out what role HR is thought to have. We conducted a national survey of CIPD members to ask what HR practitioners do, how this relates to professional standards laid out by the CIPD and the balance of activities actually being done. Finally, we conducted organisation-level interviews with key people – HR and non-HR – about the role of HR within organisations.

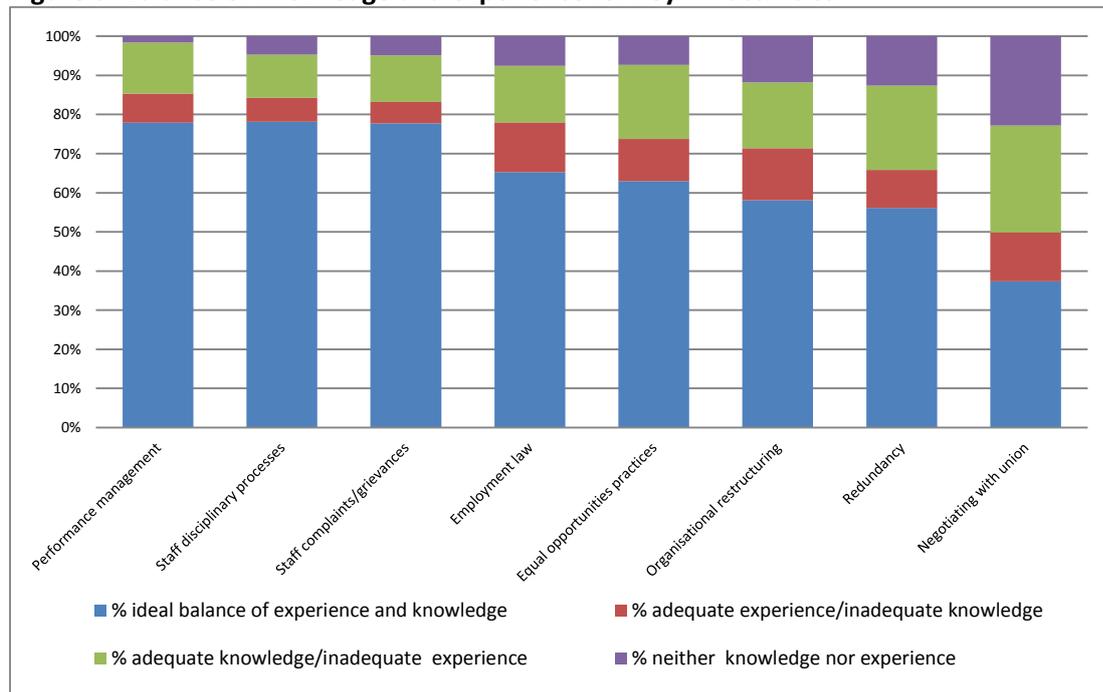
At national level, we found some familiar themes. There was agreement that HR played an important role, but that it needed to demonstrate its instrumental role by the actions of its practitioners. Employer organisations made comment that getting a seat at the top table would be by virtue of individual merit, not by virtue of HR having an innate claim. Part of this was by reference to HR’s role in interpreting regulatory compliance: that the role should be that of risk assessment advice. The view from within the CIPD was aware of the dilemmas: of the futility in continuing to plead for executive-level status as an end in itself; of needing to be seen to be of value to ‘the bottom line’, yet also acting in such a way that is not merely to make HR *‘the illegitimate child of Adam Smith and Dave Ulrich’*.

At organisational level, many of the themes played out at national level were reproduced. However, the organisational context made for a significant difference and the interpretation of the regulatory compliance issue became not so much an issue of ‘attitude’ as was implied at national institutional level, but that of resource-dependence. We asked the question – of HR and non-HR managers – *‘what HR activity is the least capable of being performed by a non-HR generalist or external consultant?’* The answers we received were surprisingly consistent. Much of the training, organisational development, communications, recruitment, selection, payroll and change management activities had experienced some degree of outsourcing, contracting-out as special projects, or colonisation to other management functions – with varying degrees of success. What came back as the most irreducible and irreplaceable advice from HR was that of dealing with workplace conflict. It was expressed in a number of ways – dealing with disciplinary issues, grievances, reference to employment tribunals, regulatory compliance, ‘doing investigations’. There was also acknowledgement made of the use made of additional external legal advisers as back-up.

The need for intervention was also not just that line managers needed advice on something they felt out of their depth with – though this was the case – it was also intervention in dealing with line managers who did not lack confidence, but did lack awareness and knowledge – and a general theme of ‘consistency’ was articulated. Some HR activity in this area did involve training of managers to deal with the issues and, in one case study, company advice was tiered through various self-help procedural guideline stages before one-to-one support was provided. Nonetheless, the advice provided by HR on this issue was consistently held as the one activity that organisations could least do without.

This finding became of more interest when we examined relevant sections of the HR practitioner survey.

Figure 3: Balance of knowledge and experience for key HR activities



We asked, for a range of activities covering the full spectrum of the HR role, whether the respondent (a) has the experience and knowledge of doing the activity, (b) the knowledge, but not the experience to practise, (c) the experience, but inadequate knowledge or (d) neither the experience nor the knowledge. By far the most frequent response on all activities was that indicating (a): an ‘ideal balance’. Some activities indicated low levels of experience (b and d): negotiating with a union being particularly prominent here. The most interesting category, however, was that indicating a knowledge gap in an activity currently being practised. Given the importance placed on the issues linked to organisational conflict, it is perhaps reassuring to see that dealing with disciplinary issues (6%) and grievances (5.5%) constituted the lowest levels of knowledge deficit. However, employment law (13%), equality issues (11%) and redundancy (10%) do indicate potential harmful knowledge deficits. On the employment law knowledge deficit, there was a noticeable split on organisational characteristics. Private sector organisations (14%) and third-sector organisations (16%) experienced higher deficit levels than the public sector (7.5%). Similarly, smaller organisations (16%) had a higher deficit level than larger organisations (10%). There was, interestingly, no significant difference according to the seniority of respondent.

Why the mismatch?

What is the issue here? What we are finding is a mismatch between what is being reported at national institutional levels – and we have no reason to doubt that this is genuinely felt – and what is being reported at organisation level. The reasons for this would seem to be the different institutional pressures operating at each level. At national level, the CIPD – for all its championing of important agendas on improving the conditions of working lives – nonetheless, seeks to position the role of HR in terms of its utility to narratives of competitive advantage, entrepreneurialism and shareholder value. It has to. This is partly due to the success of other national-level institutional agendas: others have reported the influence of particular institutional entrepreneurs on heightening the pre-eminence of management consultancy firms – and the models they pursue – and the accountancy profession, in an era of financialisation, has increased its own institutional pre-eminence through its own resource-dependency. HR cannot hope to compete with these powerful agendas at national level with anything like these kinds of resources. So it adapts its *raison d'être* to the dominant narrative: HR can help achieve business goals through its understanding of being able to make the human factor count. But at organisational level, while the human factor role is understood, it is more difficult to articulate in concrete outcomes. That is not so when dealing with this human factor in its negative connotations: conflict. While academic research continues, in vain, to seek the magic bullet to prevent or design-out workplace conflict, in the meantime, expertise is still needed in organisations to deal with outbreaks. HR has an important role to play here.

But why is this role underplayed at national level? Partly it is because it is difficult to sell this negative role to other national-level institutional rivals and partners. It sounds a little too like extortion. But it is also because there are no metrics to support this role – or at least there are no primary sources. Where there are metrics – the disproportionately high levels of successful employment tribunal claims in organisations with associated low levels of HR presence (particularly in SMEs) – the discussion is not centred around poor employer practices, but of high levels of vexatious claimants and the solution being to restrict access to such external processes.

One final point that can be of significance in the mismatch between national and organisational narratives about the role of HR in organisational conflict is the consequences for those entering the profession. It was commented in our case studies that people studying to become future HR professionals are offered insufficient insight into the conflict aspect of HR. One early career HR practitioner commented that she had given very little consideration to issues around employment law when she studied at university, but that this was the area that she would now consider the pre-eminent issue for her at work. Not because it is the activity she does the most, but because it is the most difficult aspect and also the aspect that is most valued by organisational colleagues.

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