

6. DISCUSSION

6.1. *Introduction*

In this chapter, the theoretical framework developed in the *Literature Review* is combined with the findings from the fieldwork to explore the evidence gathered. First, the research questions are restated for clarification:

What is the perceived level of power of the Personnel department within Higher Education Institutions (HEIs) in the UK relative to other administrative support departments?

To what extent do the following factors of institutionalisation in the HEI context affect the power of the Personnel department: (a) organisational history, (b) professionalism and (c) the use of information systems?

Essentially, throughout this thesis it has been argued that the power of the Personnel department in HEIs is largely determined by structural sources of power, such as its perceived ability to act as a gatekeeper to environmental uncertainty, its perceived ability to contribute to the mission of the institution, and the extent to which it is perceived to be non-substitutable. However, these determinants of power and their outcomes (the perceived overall level of influence of the department, its involvement in decision-making, its position in the hierarchy and its allocation of organisational resource) are also moderated by factors of organisational institutionalism. The historical status of the institution in which the department is based is argued to be one significant factor. Another factor is the extent to which members of the department are professionally qualified and share a professional identity. The final factor is argued to lie in the department's use of information systems for the analysis and distribution of information throughout the organisation, hence defining its role in organisational information flows.

6.2. The HEI context

The *Literature Review* chapter raised the issue of the importance of organisational context when studying subunit power (Tyson, 1983, 1987). Equally, some of the findings in this study point towards the specificity of the HEI context as a possible reason for the phenomena being observed. In this section the detail of the HEI context is summarised to provide background information to the research questions of this study.

6.2.1. Higher Education institutions

As part of the public sector, HEIs are labour intensive, heavily dependent on outside funding, driven by political, governmental and legislative requirements, and subject to substantial trade union influence (Kessler, *et al.*, 2000). HEIs vary in size and structure considerably, but can be classified in terms of their historical status into three types: pre-1992 universities, post-1992 universities (formed by the Further and Higher Education Act 1992) and Higher Education colleges (largely formed by the Education Reform Act 1988). Pre-1992 universities have strong academic governance through bodies such as Senate and Council, whereas post-1992 institutions show more private sector management characteristics (HEFCE 02/17, 2002). As one Pro Vice Chancellor interviewed put it: *“New universities are more managed than old universities. Academic Council is limited to academic matters, and its subcommittees are limited to related academic matters. The management process associated with that is run directly, as it were, down through the Executive Committee out to other functions. So it’s more directly managed.”*

It may also be possible to differentiate between institutions based on their research intensity and science focus. A number of interviewees raised the issue that the high degree of independence demanded by academics working in research-intensive, and particularly scientific environments, can create difficulties for administrative departments. For example, one institution’s Pro Rector commented: *“They [the line managers] are fairly independently-minded people which may be difficult for HR to control. We encourage them to be independent, go out there and get their own money*

and do this, and to them their whole objective in life is to do that. That's what they're good at, that's what they're succeeding at. Anything else that seems to stand in their way is wrong." However, the research/teaching divide within HEIs is not well defined, with a number of institutions still establishing where their primary focus lies, so it is difficult to group institutions unambiguously on this dimension.

Analysis of data from the Higher Education Statistics Authority (HESA) for 2001/2 indicate that the post-1992 universities are the largest institutions (with 68% of them having over 15,000 students), and HE colleges the smallest (75% have fewer than 5,000 students). Pre-1992 universities vary the most in size with a range of small and large institutions. Regarding dependence on government funding, pre-1992 universities are the most financially independent: 41% of them are less than 35% state funded. Post-1992 universities and especially HE colleges are more often highly dependent on government funding councils.

A large proportion of institution funding is thus controlled through state funding councils, although other sources of funding are becoming increasingly important to institutions as the government sources decrease. Departments able to bring in external money are thus highly valued (Lodahl & Gordon, 1973; Salancik & Pfeffer, 1974). In an environment of tight financial constraints, governance structures have largely adopted the framework set by management accounting, setting the standards to which departments must conform to show their contribution to the organisation (Armstrong, 1995; Gowler & Legge, 1983; Sisson, 1993). One Vice Principal amongst the HEIs interviewed for this study in particular highlighted this issue of management accounting being dominant. The decision-making structure in HEIs is a combination of senior management teams and committees, often with overlapping membership and terms of reference. These form important routes for participation for a wide range of organisational members, which lies at the heart of the collegiate tradition of academic institution decision-making (Hickson, *et al.*, 1986).

Interviewees across the HEI sector, particularly in larger institutions, indicated that the trade union presence in their organisation was significant although generally not

problematic. A typical comment by one Pro Vice Chancellor was: *“I don’t think we’ve got particularly difficult industrial relations. I think by and large they are positive. But I do think they are a significant feature of the institution.”* In the smaller institutions, the trade union influence is negligible on the whole. Across the whole of the sector, there are over ten different unions representing different staff groups in different types of institution. Membership levels have been robust, perhaps with less of a decline than has been observed across the public sector as a whole (Kessler, *et al.*, 2000).

In line with a current government review of the sector (DFES, 2003), there has been and is expected to continue to be a lot of change within the sector as competition for resources tightens. Particularly respondents in pre-1992 universities were making this point during the interviews. One Pro Vice Chancellor highlighted the huge change that his institution had been through and hence the massive pressure that the Personnel department had been working under. This was impacting on the amount of power Personnel and other departments could accumulate as the organisation structure was continually changing. In essence, however, the sector as a whole is still perceived as overly bureaucratic. One Director of HR interviewed, having recently come to HE from a different sector, described it as having: *“far too much paperwork which does not comply with the watchwords of accuracy, brevity and clarity. [...] Information overload in the sector as a whole from national bodies like HEFCE and internally within the institution. Very rigid decision-making structures. [...] Very, very slow moving.”*

The HE sector workforce is largely made up of professionals and knowledge-workers, demanding a high degree of autonomy and participation in decision-making (Hope-Hailey, *et al.*, 1997). The professional worker environment often rejects interference from other professional groupings that may be considered inferior (Hickson, *et al.*, 1986). The power focus in HEIs is thus largely internal with competing claims for scarce resources, rather than external due to the relatively high level of independence from direct state control (Butler, *et al.*, 1977). This has led to a framework of decentralised political structures amongst academic departments (Bucher, 1970; Butler, *et al.*, 1977; Covaleski & Dirsmith, 1988; Hackman, 1985; Pfeffer & Salancik, 1974). Such structures are said to have unclear goals, management styles and authority, whilst

also being highly competitive especially for scarce financial resources (Hickson, *et al.*, 1981; Julius, *et al.*, 2000; Pfeffer, 1978). Institutions can thus be classed as loosely-coupled systems according to Weick's (1976) terminology. They are examples of soft structures held together by the pooled interdependence of reliance on a common pot of resources (Hickson, *et al.*, 1981), rather than dependence being induced through authority or task requirements. HEIs are loosely-coupled organisation design archetypes (Greenwood & Hinings, 1988), in which coherence is achieved through the interpretation of structures and processes. Interpretation is obviously subjective, leading to diversity of opinion in an environment in which the potential for power-play is considerable (Butler, *et al.*, 1977).

Administrative departments conversely are more centralised and remain bureaucratic functions (Hackman, 1985). The focus here is therefore more on the structural than on the political sources of power associated with academic departments (Walsh, *et al.*, 1981). Interviewees for this study frequently mentioned the competitive split between the academic and administrative sides of institutions, with comments about the bureaucratic requirements of Personnel administration such as that made by one institution's Secretary: "*a deprivation of resources from direct education or provision of research.*" Administrative departments are thus tightly coupled to achieving organisational goals (Astley & Zajac, 1991). There is thus a dichotomy between the bureaucratic and political models of organisation within HEIs (Pfeffer, 1978; Walsh, *et al.*, 1981). The different models give rise to different forms of power structures, the former focusing on structural interdependence and the latter on resource independence.

The following section pays further attention to the structure of administrative departments in explaining the context of the Personnel department in particular, and how it fits into the centralised bureaucracy mould.

6.2.2. Personnel departments

Within this HEI context, the corporate Personnel department is most often centralised, with a hierarchical structure. It can formally participate in corporate decision-making

through a position at the top executive board level, or through membership of multiple function-specific executive sub-committees. The department provides administrative support to other professional departments, however the range of discretion required by the predominantly professional worker environment diminishes its controlling role (Hope-Hailey, *et al.*, 1997).

There is a strong sense of professional identity within the sector. 80% of questionnaire respondents from Personnel departments were members of the professional body, the Chartered Institute of Personnel and Development (CIPD). The respondents also show evidence of dedication to the Personnel profession in terms of career choices. The questionnaire data show the respondents as having worked in their current job for a mean of five years, eight years in their institution and nineteen years in their specialism. The Higher Education Funding Council for England (HEFCE) is however commenting that more people are now starting to be recruited to HEIs from outside, largely to broaden perspectives and bring new ideas to the sector (HEFCE 02/18, 2002).

According to the interviewees, the role of the Personnel department in HEIs is unclear, as in many other organisations, particularly when compared to other administrative departments. According to one Vice Principal: *“There’s less sort of clarity of view of what Personnel is for [...] whereas with the more functional departments [Registry and Finance] it is a lot clearer to people what it is they do.”* In smaller institutions it was felt that the role of the department was somewhat clearer, particularly as restrictions of size meant that certain activities were not feasible to be undertaken within an institution, such as, for example, local bargaining. The interviews did however confirm that the department’s role in the majority of institutions is operational, and primarily to act as a problem solver as expressed by the Rector of one institution: *“I think HR is so often seen, or Personnel as so many of them still call it, seen as a function, a tool to keep us out of the IR court.”* This again can lead to conflict between how the department is perceived to operate and how it actually would like to operate. The Head of Organisational Development and Change in another institution highlighted that: *“Some senior staff, our supervisors, sometimes rely on Personnel as a policing function, and*

that doesn't always fit with our view of how we should be operating in a strategic and forward-looking sense."

The Personnel department's role has previously gained credibility through its ability to manage relationships with trade unions or resolve problems when relationships have broken down (Rana, 1999). Due to the decline in impact of trade union activities in institutions, the focus is currently more on the Administrative Expert role that the department plays rather than the Employee Champion role (Ulrich, 1997). These roles are predominantly reactive and operational, akin to Tyson and Fell's (1986) contracts managers, Storey's (1992) handmaidens, and Caldwell's (2003) service providers.

During the exploratory interviews for this study it became evident that although this operational role is dominant, departments see themselves moving towards a more strategic role. There is an argument that as the HEI context becomes more complex, it will need an increasingly strategic input from its Personnel professionals, but whilst the sector remains stable, such an input is not required (Monks, 1992). This may however be in conflict with the roles desired by the professionals themselves. The difficulty of combining an operational and strategic role within a single department is also an issue in terms of resource demands (Beer, 1997). The aim must be to find the best fit between personnel management practices, the skills of the people employed and the needs of the organisation (Lepak & Snell, 1998; Tyson, 1997).

An issue raised in the literature (IRS 704, 2000) and during the interviews was the very tight financial constraints under which the Personnel department is having to work, particularly in the larger universities with low proportions of government funding. "*Professionally competent but stretched!*" is how one Pro Vice Chancellor described his institution's Personnel department. Whilst another Director of HR interviewed emphasised that the potential contribution of the department was not being recognised because of the pressures it was under: "*under-resourced, under-funded. There was a complete lack of understanding or recognition of the contribution an HR department can make to an organisation.*"

Interviewees for the study were asked to judge the amount of impact various factors in the HEI context were having on how the Personnel department was being perceived. The number one influence mentioned by over half the respondents was the recent HRM funding initiative launched by HEFCE, 'Rewarding and Developing Staff in Higher Education'. The second greatest impact was perceived to come from the activity of the trade unions in the sector, although this was only mentioned by a quarter of respondents. Next was the impact of decentralising the department, then devolving activities to line management and finally the impact of Personnel information systems. Outsourcing of Personnel department activities was one of the options given to interviewees, but nobody selected this as a priority in terms of its impact on Personnel. The interviews showed that outsourcing is very rare in HEIs except on an occasional basis, bringing in specialist trainers or consultants for specific projects. Each of these issues is now discussed in turn to see what type of impact they are perceived to be having. (The final issue of the use of Personnel information systems is not discussed here, but is covered in detail in a later section of this chapter as part of the discussion of the impact of institutionalisation on power structures.)

The Higher Education Funding Council of England (HEFCE) is assisting Personnel departments in developing a more strategic role in institutions. The initiative launched in 2000, 'Rewarding and Developing Staff in Higher Education', is said to have increased the department's influence in a number of ways. HEFCE suggests that the Personnel department is moving from a transactional to a transformational role as a result of the initiative (HEFCE 02/17 & 02/18, 2002). Line management are also said to appreciate the department more due to its access to external funding. A number of interviewees agreed with this, including one institution's Principal: "*We are in a very interesting stage because we're quite deliberately and proactively and with total massive support from the top, we're reorganising the whole thing [the Personnel department] and making it much more central strategically.*"

The interviewees also highlighted the major impact that the HEFCE initiative is having on the operational activities of Personnel, with comments such as this from one Principal interviewed: "*the HEFCE initiative obviously has been significant because*

we've had monies to do various things." However, the struggle between the operational and strategic dilemma facing Personnel has been highlighted by the initiative; many departments have not had the resources to carry out both tasks simultaneously. One institution's Secretary summed up this concern: *"I think here the HR department's standing has been put in some jeopardy by the concepts associated with the new initiatives from HEFCE; the impact that's had on the ability to perform some of the operational functions."* The same interviewee emphasised that the initiative must lead to beneficial outcomes rather than purely an increase in paperwork and bureaucracy.

The impact of trade unions on the work of the Personnel department has been in decline, however it is not irrelevant as the membership figures have shown (see Table 1, page 18). They are a constraining factor on what the department can do and hence the relationship must be managed. Where trade union impact is low (particularly in the smallest institutions), this reduces the role and hence skill development of the department. One Assistant Principal highlighted that the lack of trade union activity: *"has led to an immaturity in development in the Personnel function. [...] In the past Personnel would have had to have developed to deal with that 'threat' if you like. And because it hasn't existed then Personnel has been able to get by on an operational level."*

Decentralisation is not likely to be a common phenomenon in the HEI environment given its tight financial constraints and centralised administrative structure (Purcell & Ahlstrand, 1994). Where decentralisation does occur in the most complex or geographically diverse institutions, it is seen as improving the visibility and involvement of Personnel, preventing the department from being seen as a detached function, operating from some remote building. However, decentralisation raises financial concerns from subunits paying both locally and centrally for the various administrative services. One institution's Principal commented: *"If you devolve budgets, cost centres hate paying lots of money to the centre for services."*

Due to the predominantly operational activities of the Personnel department, the more strategic focus of human resource management (HRM) has only limited occurrence. The

amount of devolution of personnel management activities to line management is therefore also expected to be low (Legge, 1989a; Tyson & York, 2000). While the department has this operational focus, assigning personnel management activities to line management is a potential threat to the power and non-substitutability of the department (Cunningham & Hyman, 1999; Hall & Torrington, 1998). The primary concern about devolving activities to the line both suggested in the literature (Carroll, 1991) and raised by interviewees is the lack of skill and need for more training amongst line managers to be able to carry out these tasks. It is also considered difficult actually to encourage managers to take on HRM responsibilities. The more common run of events is as one Vice Principal commented: "*Line managers tell them how wonderful they are, Personnel can tell them when they're not.*" This also raises the issue of the confusion of roles between the Personnel department and line management in many institutions. The same interviewee again highlighted: "*Personnel are not line managers. [...] Line managers manage, we [Personnel] can advise.*"

The practice of Personnel in HEIs is thus tightly bound to its context (Flood, *et al.*, 1995; Hope-Hailey, 1999). The characteristics of the HEI context indicate that the Personnel department does have a very important role to play. For example, there is a high ratio of staff costs to overall costs and a centralised administrative structure. The factors that perhaps reduce the impact if not the importance of the department's role include the highly autonomous professional workforce and a collegiate environment of committee-based decision-making. A key determinant of the role that the department is allowed to play within an institution is largely the prevailing top management philosophy and the role that is afforded to the department (Purcell & Ahlstrand, 1994). These and other issues of power affecting the Personnel department and institutions in general are explored in depth in the following section.

6.3. Strategic contingencies theory explored

This study was designed to explore the power of the Personnel department in HEIs in the UK. However, the first step must be to understand what is actually meant by power and what its sources are. The initial framework adopted to achieve this is the strategic

contingencies theory of power, which is summarised below. The implications of this theory and potential moderators are discussed here to see how it applies to the Personnel department in HEIs.

Strategic contingencies theory states that intra-organisational power is based on an organisational subunit's ability to control strategic contingencies for other dependent subunits (Hickson, *et al.*, 1971; Hinings, *et al.*, 1974). The three determinants of power are a department's ability to cope with uncertainty, non-substitutability and centrality (Hickson, *et al.*, 1971). As the measures of these determinants increase, so the level of power of a subunit is proposed to increase. The functional division of labour within an organisation defines a subunit's role in controlling these contingencies and hence the uniform or brand by which it is recognised by others (Tyson, 1999). Perceptions are thus fundamental to any study of power. Interpretation of brand can lead to different actors having different perceptions of power within the same context (Pettigrew & McNulty, 1995; Ryan, 1984a). The approach adopted for this current study has therefore been to gather views from the heads of Personnel departments as this department is the primary focus of the study, but also to compare and contrast these views with those of heads of other administrative departments and other senior managers in a wide variety of HEIs.

The applicability of strategic contingencies theory specifically in the HEI context was first tested by Saunders and Scamell (1982). They largely found support for the propositions of the theory, although the relative importance of the three determinants of power was different to those found in the manufacturing context. For this current study, the three determinants of power (the ability to cope with uncertainty, non-substitutability and centrality) were measured along with level of power indicators (stage of involvement in corporate decision-making and the overall perceived level of power of a department) for four types of administrative department (Estates, Finance, Personnel and Registry). Multivariate canonical correlation analysis showed that between the two sets of variables (the first set being the determinants of power and the second the level of power indicators) using a total of 98 valid cases, there is a strong positive relationship (sig. = .000) explaining 39.4% of variance. All determinant of

power variables were shown to increase as the level of power variables increase, except for a single variable (the non-substitutability of the Estates department). This provides strong support for strategic contingencies theory in this context.

Moving on to look specifically at the Personnel department in HEIs, canonical correlation analysis was again carried out. Using the 66 complete cases, there is again a positive relationship (sig. = .098) explaining 15.4% of variance between the two sets of variables. The result is not as robust as the result including all four departments, however the reduced sample size may be a factor in this. The centrality of the department is the variable that influences the determinants of power variable set most, as was also found in the Saunders and Scamell (1982) study.

Looking across all four departments together, there are significant positive correlations between the perceived overall level of influence and the centrality for all four departments (Estates: sig. = .000; Finance: sig. = .001; Personnel: sig. = .000; Registry: sig. = .000), and coping with uncertainty for two departments (Estates: sig. = .001; Personnel: sig. = .000), and non-substitutability for one department (Registry: sig. = .000). In summary, the strategic contingency theory model of departmental power receives strong support in the HEI context and is shown to be highly relevant to the study of Personnel department power.

Strategic contingencies theory thus facilitates an exploration of the sources of power of a department. The theory focuses on the possession and control of structural power sources rather than the process of enactment of power through the application of skill and will (Burt, 1977; Fincham, 1992; Julius, *et al.*, 2000; Pettigrew & McNulty, 1995; Provan, 1980). Some see this as a weakness of the theory in that it does not consider the impact of individual power and the institutionalisation of power structures (Pfeffer, 1981). This latter point is explored in depth in this current study as a moderator of strategic contingencies theory. The impact of individual power is also touched upon in the following section though not explored in depth, as it is seen as complementary although not integral to the study of structural sources of power.

Other previous studies applying the strategic contingencies theory model of power have focused on an exploration of a particular department's power, such as Information Systems (Huff, 1991; Lucas, 1984; Saunders & Scamell, 1986), Marketing (Jobber & Watts, 1987), libraries (Crawford, 1997, 1998; Crawford & Rice, 1997) and healthcare units (Cohen & Lachman, 1988; Lachman, 1989). These studies have explored in particular the additional role of information systems in institutionalising information and communication flows, hence impacting on power structures (Saunders, 1981). They have also introduced the notion of the impact of professionalism on power structures (Cohen & Lachman, 1988; Lachman, 1989). In the following section, the issues surrounding the power of the Personnel department in HEIs is explored in strategic contingencies theory terms for this current study, investigating also what additional modifications must be made to the theory to ensure its relevance in this context.

6.4. Perceptions of Personnel department power

So far, this chapter has explored the HEI context, and particularly the role that the Personnel department plays within it. It has examined the strategic contingencies theory of departmental power to see how this can facilitate an exploration of departmental power in the given context. More detailed consideration is now given here to the particular sources of power for Personnel in order to explore the first propositions for this study. These propositions based on extant literature argue that the Personnel department lacks organisational power relative to other administrative departments in HEIs:

1a: The Personnel department will be perceived as having lower levels of power compared to other HEI administrative departments.

1b: The rating of the Personnel department on its ability to cope with uncertainty, its centrality, and its non-substitutability will be lower than that of other HEI administrative departments.

The broad literature on Personnel department power is summed up in a recent study by Kelly and Gennard (2001: 3): Personnel “*does not possess significant authority, power and influence at crucial points in the organisation relative to other management functions.*” Previous research into this perceived lack of Personnel department power and influence has explored factors in both the external and internal environments of organisations. Suggestions have been made that the situation could be improved by a focus on professionalism to counter marginality (Legge, 1978), the astute use of information technology (Bloomfield & Coombs, 1992; Hall & Torrington, 1989; Russ, *et al.*, 1998; Scott, 1987), and by focussing on the relationship with the head of the organisation (Brewster, *et al.*, 2000b; Budhwar, 2000). Likewise in the exploratory interviews undertaken in HEIs for this current study, there was an indication that improved Personnel department power could be achieved through efficient policing of policies and practices, top-level board membership, professionalism, accurate information provision, the interpretation of legislation to organisational benefit, and to be seen to contributing to organisational goals.

Specifically, the sources of power for the Personnel department will depend on the model of personnel management it adopts (Tyson & Fell, 1986). These many routes to increased power are therefore explored here in the context of the role that the Personnel department adopts in HEIs.

6.4.1. Indicators of level of power

How power is measured will of course influence how much power a department is perceived to have. It is therefore important to consider the full range of power issues facing Personnel to ensure that as complete a picture as possible of the department’s power is established. This section therefore explores in detail the sources of intra-organisational power for Personnel both in broad terms and in the specific circumstances of HEIs. The discussion looks at the department’s level of influence, its position in the organisational hierarchy, involvement in decision-making, the size of the department, and the role of personal characteristics.

A constant theme of the Personnel power literature is that of a struggle to improve the overall level of influence that the department is perceived to have in a particular context (Guest, 1990; Hope-Hailey, *et al.*, 1997; Legge, 1978; Thurley, 1981; Torrington, 1998; Tyson, 1999; Tyson & Fell, 1986; Watson, 1977). The definition of influence adopted for this study includes how a department is perceived by others as participating in and to some extent controlling the strategic activities of an institution. It includes issues such as visibility and a department's reputation or profile.

In the HEIs studied, the analysis of the questionnaire data confirmed that Personnel was not perceived to be the most influential department, but that this was more likely to be the case for Finance. However, Personnel's overall rating on the perceived influence scale was very much in line with Registry and Estates. The opinions of departments differed significantly only for the Personnel department (sig. = .005). This indicates a broad range of views on how influential this department is actually perceived to be. This was substantiated by the range of views uncovered in the interviews. Some respondents saw their departments as highly influential, such as in this comment from one Principal: *"I think that the personnel department is seen as an essential part of the work of the institution. I think it is perceived as being helpful and supportive and approachable."* Others saw the other administrative departments, particularly Finance, playing a much more influential role, as identified by one institution's Pro Warden: *"There's always a feeling that Finance is important because at the end of the day you don't do anything without money."*

Reputations were often expressed in dynamic terms during the interviews, emphasising how Personnel was moving towards a more influential position in the organisation, particularly as a result of the HEFCE initiative and the financial impact this was having. According to the Head of Organisational Development and Change at one institution: *"There have been some very specific outcomes that people are able to see. It's also raised the profile I think of HR activity within the institution, because people, where previously they might not have perceived it as something important, now it's got a sum of money attached to it, suddenly everybody's interested."* The demands of the initiative have meant Personnel interacting more with others in their institution, raising the

department's profile, as commented by an Assistant Principal: "*The [Personnel] staff themselves have gone out far more than they would ever have done and talked to colleagues. There's a new perception, a new awareness particularly in terms of mandatory legislation in Personnel areas.*" Particularly in pre-1992 universities, the initiative is seen to be changing how the department is perceived, and predominantly in large universities the comment was that it had improved the department's profile.

A contributing factor to the overall low profile of Personnel is the lack of tangibility of the outputs of the department (Legge & Exley, 1975). This was seen in the interviews as constraining recognition of the department's contribution to an institution as highlighted by the Head of Organisational Development and Change in one institution: "*It's easier for individuals to question the worth or value of something that doesn't have a tangible outcome.*" Likewise, where the visibility of the department was low, this meant that the work of the department was not understood. One institution's Pro Vice Chancellor pointed out that: "*Most customers, for want of a better phrase, don't realize the pressures of changing employment law which means that a lot of what the Personnel department has to do is unseen.*" Going back to the exploratory interviews carried out for this study there was already an indication that the Personnel department in HEIs had low credibility particularly when other departments could not see what the department was doing. Visibility is thus a key factor of influence in the HEI context. As the Rector in one institution put it: "*I have an absolutely profound belief that HR is up with Finance in my book for the delivery of the strategic turn of the organisation. I do know that is simply not the case elsewhere. Many never even see their HR person, whereas mine will be with me there at Council and all the major strategic meetings.*"

Influence is an outcome of power that is accumulated and legitimised partly through past performance. It is possible to assess the extent to which the contribution of the department is welcomed by its formal hierarchical position and its involvement in corporate decision-making (Buyens & De Vos, 2001). In terms of hierarchy, departments that report directly to the head of an organisation are seen as most critical (Pfeffer, 1981). Such factors are largely the result of strategic choices made by senior management on how the organisation will operate, based on opinions of previous or

anticipated future contributions (Hall & Torrington, 1998; Marginson, *et al.*, 1993; Purcell, 1995).

The presence of the head of the department on the main board of directors (Council or Board of Governors in HEI terms) or on the executive top team thus is an indicator of involvement in decision-making. A board position has been shown for example to improve the extent to which the Personnel department is involved in corporate matters (Purcell, 1994, 1995). Purely holding a board position is, however, insufficient alone to create power; the actual extent of involvement and influence is crucial (Hickson, *et al.*, 1981; Wright, *et al.*, 1998). The hierarchical position is thus symbolic but not necessarily representative of participation within the organisation (Truss, *et al.*, 2002). The extent to which this is the case in HEIs is explored below.

In the HEI context the definition of the board is complex. There is sometimes an *ex officio* position for a Personnel representative on the Board of Governors or equivalent body. However, the top executive board in institutions is where much of the strategic decision-making takes place. This board varies by name, constitution and structure throughout institutions, and as such it is difficult to measure directly who is a member of the top team. Therefore, with the questionnaire it was decided to consider job titles as an indicator of board membership rather than enquiring about complex committee membership. Based on the job titles of the 73 Personnel department respondents, 58% of them have 'Director' in their title, indicating a substantial presence in top-level committees.

The interview data is able to shed further light on the level of involvement of Personnel in HEIs in corporate decision-making. In some of the institutions interviewed, the idea that the Personnel department is well-respected and a key player in decision-making structures was indeed evident, such as in this comment made by one Pro Vice Chancellor: "*They are seen as part of the management team, not just there in a side role. They are a major player.*" The Board of Governors, or Council, was highlighted as an important decision-making body in a number of institutions as this is where the HRM agenda is set. One Principal therefore suggested that the head of Personnel should

play a role in this body: *“Given that they [the Board of Governors] are responsible for the framework in which employment takes place within an institution, the Board is incredibly important in terms of HR.”*

The study compared the actual level of involvement of the four types of administrative departments in HEIs (Estates, Finance, Personnel and Registry) in corporate decision-making. Each department was asked at what stages they believed they were involved in decision-making in nine key aspects of organisational life. The responses from the different department types differed significantly (sig. = .004) in their total mean scores across all nine issues, indicating that there are differences at departmental level between the opinions on the extent of involvement in decision-making. Individually, the responses showed that the Personnel department is most involved in staff planning issues and secondly in strategic planning. However, despite the apparently significant extent of committee membership discussed above, the department has very little involvement in any other areas of corporate decision-making. This supports the argument that involvement in decision-making is not down to committee membership alone. The questionnaire data is obviously an average across institutions, as during the interviews there was evidence of Personnel departments with a broader remit, or at least of HRM issues being considered in wider ranging topics than just those where the Personnel representative was present.

The Finance department and Registry show a much broader range of involvement in both administrative and academic strategic decision-making, with Finance scoring the highest overall on the involvement variable, with Registry close behind. In interviews, this prevalence of the role of other administrative departments over the role of the Personnel department was also evident. One Vice Principal noted that: *“Throughout the whole Academic Board and its decision-making processes the Registrar is there. The Personnel Manager isn’t. [...] In most of the decision-making processes which the academics see, the Personnel Manager is never involved.”*

The lack of involvement of the department hence has an impact on its overall visibility and thus influence. This evidence is further substantiated by the questionnaire findings

that showed the Personnel department scored lowest overall for involvement in decision-making, with a score that was over a third lower than the Finance department score. For each of the nine key issues explored, on average 41% of Personnel departments get involved in providing information, whereas only 17% actually initiate discussion or 18% decide any action across the topics, including staff planning.

Involvement in decision-making is one of the main goals adopted by the professional body, the Chartered Institute of Personnel and Development (CIPD), and by practitioners themselves to strive towards achieving organisational power (Hall & Torrington, 1998). However, there are also other routes to involvement other than through board and top-team membership (Brewster & Bournois, 1991; Hall & Torrington, 1998). Involvement through informal and indirect channels can also have a significant impact (Brewster, *et al.*, 2000b). Strategic choice by top management determines the extent to which the Personnel department is involved particularly in informal channels (Marginson, *et al.*, 1993; O'Reilly & Anderson, 1982). This was supported in the interviews, as it was suggested that at times when HRM issues are high on the organisation's agenda, the Personnel department will be invited to participate in decision-making through both formal and informal channels which are not normally open to them. One Vice Principal commented: *"Last year there was quite a lot of involvement because it was really that department [Personnel] that had to ensure that when it went to the Board of Governors, every 'i' had been dotted, every 't' had been crossed. [...] This year I think was probably a lot less because the issues that are of concern at the moment are not in that sense HR-related."*

The strategic role of the Personnel department is therefore contingent on the issues facing the institution. As a result, some departments have increased their involvement through change management initiatives introduced into institutions in the current dynamic climate. For example, one department described how it had been invited by the Vice Chancellor to become more involved: *"Over the past five years perceptions have changed as the role has changed. The role now is much more about HR, about development, about management, about management of change."*

In summary, based on the evidence presented here it is fair to conclude in support of proposition *1a*, that in general the Personnel department is perceived as having lower levels of power compared to other HEI administrative departments. Although in statistical terms the overall influence of Personnel was not perceived to differ significantly to that of Registry or Estates, it was still lower than that of Finance. This point was also evidenced in the interview data. The involvement in decision-making of the Personnel department was in statistical terms clearly considerably lower than other departments. Although in the interviews there were examples of institutions where involvement was higher, in general a lack of involvement was presented as an issue impacting on how Personnel was perceived.

Another indicator of the level of power of the Personnel department not yet discussed is its size in relation to the size of the whole organisation. This indicates the amount of organisational resource allocated to a function (Guest, 1991; Timperley & Osbaldeston, 1975). In the current study, the average ratio of Personnel department staff to the total headcount of employees across institutions was 1:94. In pre-1992 universities the figure was higher at 1:110, in HE colleges it was 1:85, and in post-1992 universities it was lowest at 1:75. This indicates that staffing of the Personnel department in HEIs may be considered comparable to that of other sectors found in previous studies. Department size alone is not however conclusive in terms of power. Large departments appear to be most involved in strategic HRM decision-making, but not necessarily in broader strategic issues (Marginson, *et al.*, 1993). Whereas departments with a Personnel Director are perceived as most influential, these are not necessarily the largest departments (Purcell, 1994). However, Van Ommeren and Brewster (1999) found evidence of larger departments being more likely to have a Personnel Director.

Moving away from structural sources of power, the expertise and characteristics of the individual head of the Personnel department are also argued to play a part in the department's power, particularly given the ambiguity of its role (Balogun, *et al.*, forthcoming; Hall & Torrington, 1998; Ulrich, 1997). During the exploratory interviews for this study, it was also suggested that the interpersonal skills of Personnel practitioners were a potential source of power for the department. The characteristics of

the head of the Personnel department were raised by a number of interviewees in the main fieldwork as being a relevant factor in how the department operates as a whole. For example, one Pro Vice Chancellor emphasised how the profile of the head of department impacts on the department's profile: *"I think that Personnel departments stand or fall on the reputation/credibility of their senior staff."* Another institution's Principal mentioned how an individual can adopt a role beyond that specified by his or her function hence broadening the departmental impact: *"Not only I but all my colleagues have immense confidence and respect in our Head of HR. I mean not only in the specific post he has, but in the contribution he makes to the Executive as a strategic group. [...] His personal influence will go beyond the specific role that he undertakes."* The length of experience of individuals is seen as a significant factor in this scenario, according to the Secretary of another institution: *"Finance and Registry have section heads of great experience. [...] They are both held in high regard. The present Director of Personnel has been in post for just over a year so doesn't have the same standing. Nobody could."* Likewise, the personal relationships which the head of Personnel has with other senior managers are likely to impact on the department's perceived power (Kelly & Gennard, 2001). One Pro Vice Chancellor interviewed for this current study also highlighted the importance of these relationships: *"I think Personnel can create a more powerful position or a more influential position in an organisation if they've got the ear of the Vice Chancellor and senior staff."* However, power at the individual level is fragile: when the person leaves the organisation that power is lost (Legge & Exley, 1975; Torrington, 1998).

6.4.2. Determinants of power

This section now moves on to consider how the Personnel department compares with other administrative departments on the determinants of power suggested by strategic contingencies theory: centrality, ability to cope with uncertainty and non-substitutability. Firstly, the context in which the department is operating is considered to understand more about what these determinants mean in HEIs.

There are three possible types of context within which a department can attempt to achieve its desired status: constraining, enabling or impossible (Balogun, *et al.*, forthcoming). For example, in the HEI context, one of the constraining factors is the large amount of autonomy desired by the predominantly professional workforce and hence the advisory role played by centralised administrative departments. The boundaries across which the departments must operate are distinct, hence organisational roles are fundamental to facilitating intra-organisational power. The marginality of the Personnel role already described and the uneasy position the department holds between employees and management thus diminish the centrality of the department in terms of its ability to make a valued contribution (Caldwell, 2003). During the interviews carried out in the HEIs, one Pro Rector highlighted this dichotomy of representation: *“In certain things I think sometimes staff think they don’t get the support they would expect from their HR department. [...] I thought HR should be supporting me [the manager] rather than them [the employee].”*

The prominent industrial relations environment in HEIs enables the Personnel department to play a significant role in coping with this source of organisational uncertainty (Rana, 1999). However, as trade union influence has declined, the non-substitutable expertise of Personnel based on industrial relations has been eroded. Also, subsequent to the process of standardisation, the policies and processes of HRM required to fulfil employment legislation regulations, mean that the expertise of the department is being codified, hence eroding another aspect of the non-substitutability of the department. The emphasis on the skill of carrying out personnel management processes rather than the technical knowledge which is being codified is thus increasingly important (Sahdev, *et al.*, 1999; Tyson, 1983, 1999).

Looking at these determinant of power variables, the questionnaire data showed that there are multiple significant differences between departments in their opinion of their own and each other’s ratings. This highlights the value of taking a multi-respondent approach to studying power to ensure a range of perceptions is collected. In many cases, a department’s own opinion of itself on the three determinant of power variables was higher than the opinion afforded to it by other departments; this phenomenon has also

been observed by others (Buller, 1988; Guest, 1991; Guest & Peccei, 1994; Legge, 1988; Marginson, *et al.*, 1993). This may in part be accounted for by the fact that the advent of the HEFCE initiative is impacting on perceptions within the Personnel department. Individuals may be gaining confidence in the strategic arena as opportunities for involvement are increasing hence seeing a higher profile for themselves.

The centrality of the Personnel department is defined by the contribution it is seen to be making to the organisation through its allocated role. The department's role however appears to sit uncomfortably between whether it is seen as making either an operational or a strategic contribution to the organisation. The department's centrality is often affected by the vicious circle facing Personnel of a lack of ability to demonstrate organisational contribution (Caldwell, 2003; Legge & Exley, 1975; Tyson & Fell, 1986). Looking at the questionnaire data, and removing a department's own opinion of itself, the average rating of centrality of the four department types supports this low level of centrality, showing Personnel to be rated lowest, 14% below the highest rated, Finance.

In the literature, the lack of centrality of the department focuses primarily on these ambiguities of the role (Guest, 1990). Rather than this however, the primary cause of the lack of centrality of the Personnel department in HEIs highlighted by interviewees was a lack of operational efficiency, particularly a lack of speed and quality of service. It was predominantly small but important details of the department's work which were seen to be letting the department down. For example, one institution's Principal described its Personnel department as: "*Dysfunctional and incompetent! [...] We're in the process of trying to turn around that perception. [...] Letters appointing people disappear for two weeks before they get there and undoes all the good work that's been done.*" It was highlighted a number of times that mistakes at the operational level can undermine perceptions of performance at the strategic level, as pointed out by the Secretary to another institution: "*It's difficult for the Director of HR to speak with firm authority when at the same time she is aware that the last promotions panel was full of, or had some, administrative glitches. It's undermining.*" Personnel are thus often seen

as a source of unnecessary bureaucracy according to one Assistant Principal: *“They [the academics] are grateful for the assistance from the Personnel Office when it’s a case of sorting out appointments, but by and large, they regard inevitably the Personnel Office as a source of bureaucracy and unwanted interference.”* The Pro Vice Chancellor of another institution emphasised that the department needs to be seen to be doing strategic activities in order to gain influence: *“If all it [HR] does, or all it’s seen to be doing publicly is just signing forms and arranging interviews, those kind of things, then it won’t be held in high esteem.”* Again, multiple perspectives of the department can abound across an organisation.

The Personnel department’s ability to cope with uncertainty to the benefit of other departments is perhaps more visible although still low. From the questionnaire data comparing the ability to cope with uncertainty of the four department types, with their own opinion of themselves removed, the Personnel department again scored lowest (20% lower than the highest rated department, again Finance). Talking with the interviewees, it was clear that there are however ways in which the department can be seen to be coping with uncertainty. This is largely through the control of processes (rather than resources as the Finance department for example more commonly does), as highlighted by one Pro Vice Chancellor: *“They are the controllers of people into the organisation and to a certain extent getting them out as well if at least involuntarily. So they impact on every department in the institution.”* The Vice Principal of another institution suggested that the department has a reputation as a problem-solving department giving it a potentially enduring powerbase: *“There is still a view that if it goes wrong, Personnel will sort it out.”* As is evident from the department’s involvement in decision-making already discussed, Personnel can also be a source of information in the decision-making arena. It was suggested by some interviewees however that this perhaps is not as frequent or with as much detail as could be achieved, as seen in this comment from one Vice Principal: *“The Registry and Finance are always sending people things. HR aren’t because they haven’t got anything. [...] They [the Personnel department] are not in that constant communication, whereas even if some people get their monthly print-out from Finance and file it straight in the bin, it is something that is happening.”*

For its non-substitutability, from the questionnaire data the Personnel department is rated second lowest, above the Estates department, but still 19% below the score of Registry, the department considered the least substitutable. From the interviews held in HEIs, there was a suggestion that the non-substitutability of Personnel is perhaps enhanced by the ambiguity of its role discussed earlier. As institutions find it difficult to put a boundary around the service that Personnel provides, this means it is difficult to outsource, for example. There was also a feeling amongst interviewees as highlighted by one Pro Vice Chancellor, that the expertise of the department is progressively being seen as non-substitutable given particularly the increasing impact of employment legislation: *“There was a time when anybody with a bit of common sense and nous could do that [the role of HR]. I think now there’s two areas where I think it’s really non-substitutable: the knowledge of legislation [...] and staff discipline.”* However, ultimately the department is still a support department for an institution and as such remains dispensable as pointed out by one institution’s Vice Principal: *“We exist for the students and a lot of those [service department] roles could be contracted out. [...] But you can’t contract out your academics. Why are you doing it otherwise? What are you existing for?”*

In summary, there is wide support in this study for proposition *Ib*, which states that the rating of the Personnel department on its ability to cope with uncertainty, centrality and non-substitutability will be lower than that of other HEI administrative departments. Based on the questionnaire data, the department ranks lowest on two out of the three determinants, and second lowest on the third. The interview data provides examples of why these low ratings might be being observed, which tie in largely with the arguments presented in the literature around Personnel department power. The main difference observed was the focus in HEIs on the lack of operational efficiency of the Personnel department that was leading to low centrality, rather than an ambiguity of role *per se*. Interviewees suggested strategies that the department could adopt to cope with organisational uncertainties and increase its non-substitutability, but highlighted that these strategies were not perhaps as widespread as they could be.

In the following sections, other factors of Personnel department power are considered which have arisen in the study, but which fall outside of the scope of strategic contingencies theory. These factors cover the institutionalised context of HEIs, including organisational history, occupational professionalism, and the application of information systems.

6.5. *Institutional theory and power*

Despite the empirical support found for strategic contingencies theory both here and in previous studies, the theory is known to have weaknesses as identified through various empirical and theoretical developments of the study. A predominant issue raised is the lack of acknowledgement in the theory of existing power structures and attention to 'rules of the game' (Clegg, 1989; Clegg & Dunkerley, 1980). These elements of institutional theory are identified as necessary additions to the theory (Salancik & Pfeffer, 1977) and are explored as such here.

Institutional theory draws both on the importance of an organisation's history in terms of its structure and key people in defining current day systems (Selznick, 1957, 1996), and on the social construction of what is perceived to be legitimate within the organisation's culture and structure (Scott, 1987). The existence of a dominant coalition (Cyert & March, 1963) impacts on current and future power structures, institutionalising the processes of decision-making and organisational behaviour. Power acquired permits a department to sustain a power structure, which institutionalises the existing level of influence of functional subunits (Boeker, 1989; Salancik & Pfeffer, 1974). Organisations are also said to conform to their environment due to mimetic, normative or coercive pressures beyond those required by instrumentality alone (DiMaggio & Powell, 1983), resulting in patterns of behaviour growing across organisational boundaries.

Forces of institutionalisation thus operate both within and across organisations. Both dimensions are explored for this study in the following sections.

6.5.1. Organisational characteristics: a function of history

The first aspect of institutional theory explored is the impact of an organisation's history on current power structures as founding conditions have been recognised as instrumental in determining future organisational structures (Eisenhardt, 1988). The current study therefore proposes that the extent of power that the Personnel department has is related in part to the historical status of the organisation in which it is operating:

2a: The Personnel department will be perceived to have different levels of power depending on the historical status (pre-92 university, post-92 university or HE College) of the institution in which it is based.

2b: The Personnel department will be rated differently on its ability to cope with uncertainty, its centrality, and its non-substitutability depending on the historical status (pre-92 university, post-92 university or HE College) of the institution in which it is based.

HEIs are subject to substantial isomorphic pressures through the intervention of government, professional bodies and trade unions in particular (Kessler, *et al.*, 2000). These pressures have been different over time for the three broad types of institution identified for this current study: pre-1992 universities, post-1992 universities and HE colleges. Prior to unification of the universities under a single nomenclature, the polytechnics and universities had to deal with different systems of governance, standards and trade unions and had different strategic goals. Today, although the division of trade unions between the two types of institution is still largely present, other factors are becoming more similar. However, the history of the institutions remains, and therefore we might expect the 'rules of the game' to be different amongst these different institution types.

Looking at the impact of the environment on the Personnel department, we might also expect to find evidence of multiple isomorphic pressures, such as state intervention in goal setting, the influence of trade unions on industrial relations practices, and the

pressure to conform to local governance practices (Armstrong, 1995; Baron, *et al.*, 1986). These are expected to result in different Personnel practices in the three types of institution due to different historical contexts.

The questionnaire data gathered from the three institution types can start to explore the extent to which history impacts on the level of power indicators for the Personnel department today. There is a significant difference (sig. = .000) between the size of the department in terms of the proportion of Personnel staff to total employee headcount in the three types of institution. The lowest proportion is found in pre-1992 universities (.009), indicating that practitioners working in Personnel departments in these institutions are potentially most stretched, having the highest headcount of employees per member of the department (110 employees per member of the Personnel department compared to only 75 in post-1992 universities). This implies that Personnel in pre-1992 universities is unable to command as large a proportion of organisational resource as in other types of institution, hence implying lower power.

There is also a significant difference (sig. = .088) between the overall level of involvement of the Personnel department in strategic decision-making in the three types of institution. Personnel departments in pre-1992 universities are most involved, indicating more organisational power. From the interview data collected, there was also a pattern emerging of Personnel departments in larger institutions, hence universities rather than HE colleges, perceived to be more involved in decision-making structures, whereas a more informal role seemed to dominate smaller institutions. As one Vice Principal in a smaller institution pointed out: *“There’s a lot more going on [informally], particularly with the role of the Chief Executive, and the one-to-one meetings he will have with lots of people. [...] I would say the decision-making in the institution is actually in one-to-one meetings with him.”* Equally, it was particularly interviewees in smaller institutions who highlighted the importance of the individual characteristics of the head of Personnel as being more important than the department’s formal role. The same interviewee commented that: *“It [the perception of the Personnel department] has been different under each head. [...] I think it [Personnel] very much takes the lead the head gives it.”* An implication here is that there is more scope for personal influence in

smaller institutions than larger ones. In larger institutions it is more likely that involvement in decision-making takes on a more formal character.

So far, the questionnaire data has highlighted different characteristics of the size of the Personnel department and its involvement in decision-making in the three types of institution. Using multiple discriminant analysis, these two indicators predict the type of institution of 59.1% of cases correctly (sig. = .001). Exploring further the patterns in the correctly and incorrectly classified cases for each type of institution, this highlights in particular the highly diverse characteristics of post-92 universities on these variables. There is little evidence available as to why this might be the case, particularly given that as a group they are relatively homogenous in terms of their large size as discussed earlier. It may be that post-1992 universities are not a homogenous group because each institution has had to undergo the most change since 1992 to compete for a place in the market alongside existing universities. Each institution has therefore adopted its own strategy for survival resulting in multiple ways of operating. This is however speculation, and would require further investigation beyond the scope of the present study.

Institutions did not differ significantly by type based on whether the Personnel department has a direct reporting relationship with the head of the institution, nor on the overall perceived level of influence of the department. These are thus not defining features of any particular type of institution. Equally, when exploring the patterns of the determinants of power between institution types, very little variance in the indicators were observed except for one significant difference in the rating of the non-substitutability of the Personnel department (sig. = .000). Post-1992 universities scored lowest on this measure, hence being perceived as being the most substitutable. However, contrary to this, in the interviews it was the larger universities (which post-92 universities predominantly are) that indicated that their Personnel department was less substitutable than did respondents in smaller institutions. This could be due to random sampling error, or due to other factors in the institutional environments not covered in this study.

In summary, the relationship proposed in proposition 2a between an institution's history and the power of the Personnel department is noticeable at some levels, but weak at others. The allocation of resource to the Personnel department is lowest in pre-1992 universities, yet it is in these institutions where the formal involvement in decision-making is highest. Interview data suggest that a more informal role in corporate decision-making is having more of an impact in smaller institutions. With regard to the relationship between organisation history and the determinants of power, proposition 2b receives very little support. In general, based on the factors measured in this study, it is clear that organisation type based on historical status does have a role to play in power structures, though its impact is not as consistently observable as the propositions for the current study proposed.

Here the first aspect of institutionalisation of the organisational environment, its history, has been explored. In the following section the study moves on to consider another factor of institutionalisation proposed to dominate activities across organisations: professionalism.

6.5.2. A professional occupation

We have seen that institutional theory proposes that an organisation is dominated by the need for survival and achieves this through conforming to isomorphic pressures that provide legitimacy for organisational actions. In the external environment of organisations, professional bodies work to set the standards and rules by which their members will work once inside these organisations. They are therefore taking an element of control away from the organisation, and giving it to practitioners in the professions.

Here we explore the impact of professionalism in the HEI context and look at what this means for the Personnel occupation. The study sets the proposition that the extent of power that the Personnel department has is related partly to its professional element, defined here as a combination of professional identity and professional grading of department members:

3a: The Personnel department will be perceived to have more power where it has a larger professional element than Personnel departments in other institutions with a smaller professional element.

3b: The Personnel department will be rated higher on its ability to cope with uncertainty, its centrality, and its non-substitutability where it has a larger professional element than Personnel departments in other institutions with a smaller professional element.

Professionals and professional bodies create routines and standards for organisations (Oliver, 1997; Powell, 1991; Tyson, 1999), spreading practice throughout an occupation (Dobbin, *et al.*, 1993), institutionalising power through perceived legitimacy (DiMaggio & Powell, 1983; Greenwood, *et al.*, 2002). However, the extent of this legitimacy is highly dependent on the extent of organisation within an occupation (Abbott, 1988; Freidson, 2001).

The trait model of professionalism specifies the generally accepted criteria of being classed as a profession, whilst the control model focuses on an occupation controlling strategic accessories or having a transcendental value. Neither model is fully met by the Personnel occupation according to commentators in the literature (Brewster, *et al.*, 2000a; Freidson, 2001; Timperley & Osbaldeston, 1975; Tyson, 1979, 1983; Watson, 1977). Returning to Weick's (1976) terminology, the Personnel occupation may thus be referred to as loosely-coupled in that it only has a limited amount of organisation. This lack of organisation gives it little support in an environment in which professions need to be strong to hold power over other competing groups. Others have suggested that is perhaps more appropriate to refer to the 'professional ethic' for Personnel than to professionalism (Tyson & Fell, 1986; Hendry, *et al.*, 1988).

The apparent weakness of Personnel professionalism is upheld when examining the data collected from the questionnaire survey. There is no multivariate overall significant relationship between the extent of professionalism in Personnel departments in HEIs

and the combined level of power indicators. The way in which professionalism was measured in this survey was the proportion of professional grade staff in the Personnel department (predominantly being those with professional qualifications), and whether or not the respondent is a member of the CIPD. This is a limited definition, which may be impacting on the results observed as will be discussed. For this reason, the individual relationships as well as multivariate relationships between all the variables measured were explored further.

There was a significant relationship (sig. = .077) between the proportion of professional grade staff in the department and whether there was a direct reporting line between the head of Personnel and the head of the institution. This is a negative correlation however, indicating that the more professional Personnel staff there are, the less chance there is of a direct reporting line and hence less power. Whether there is a direct reporting line between the head of Personnel and the head of an institution is also significantly different (sig. = .008) depending on whether the head of Personnel is a member of the Personnel professional body, the CIPD. However, again contrary to the proposition, there is more likely to be a direct reporting line where the head is not a member of the CIPD.

The results are thus contradictory and relatively weak in relation to the proposition that the Personnel department will be perceived to have more power where it has a larger professional element. When exploring the relationship between professionalism and ratings on the determinants of power for the Personnel department, no significant relationship was found at either the multivariate or univariate level in the questionnaire data. This again does not support proposition 3b.

Given this weak link identified in the statistical analysis, the debate in the literature as to what extent Personnel can actually be called a profession, and the vague definition of professionalism itself (Larson, 1977), the interviews with respondents in HEIs tried to uncover more about what it means to be classed as professional in the HE context beyond the narrow definition adopted for the questionnaire. Two categories of factors of

professionalism were uncovered: the characteristics of individual department members, and the way in which the department carries out its role.

Being professionally qualified is seen as a primary requirement for being accepted as professional in the HEI community, particularly in the larger universities. As one Pro Vice Chancellor put it: *“I think at the level of the managers there’d be an assumption that they were professionally qualified. I don’t think they’d have any kind of street credibility really if they weren’t.”* However, another Pro Vice Chancellor pointed out that having a qualification is not everything; it is also a question of being perceived to be professionally competent: *“People will judge much more on whether people in Personnel can get things done and how they do it than the formal qualification.”* The actual ability of the CIPD qualification, for example, to equip individuals with the necessary skills for operating in Personnel departments in HEIs was brought into question by a couple of interviewees, arguing that management skills and the ability to analyse and present data were not sufficiently developed. Significant work experience post-qualification was thus highlighted as a further indicator of professionalism. It was also pointed out frequently that the CIPD qualification was perceived to be considerably easier to achieve than a qualification in Finance, for example.

Keeping up-to-date with developments in the specialist area of expertise through continuous professional development is also seen as a key indicator of an individual’s professionalism. However, again some interviewees questioned whether this is as active in terms of external input into the Personnel profession as in other administrative areas of expertise. For Personnel professionals, a sound knowledge of employment legislation is a fundamental requirement to enable an institution to rely on them to keep it out of trouble. As one Pro Vice Chancellor commented, it is about: *“being able to give a good summary of the legal position, to be able to think on your feet really.”*

In terms of whether the Personnel department is perceived as operating professionally, this primarily comes down to administrative competence, in one Pro Vice Chancellor’s words: *“i.e. not making mistakes all the time.”* Frequently, it was suggested that problems occurring at the more junior levels of the department were having a very

negative impact on the work of the department as a whole, and particularly on how others in the organisation perceived it. This was a particular point of discussion in pre-1992 universities interviewed. At the end of the day, professionalism is about delivering what the customer wants in terms of both speed and quality of service. More specific aspects of professional service delivery raised by interviewees included: providing judgement and risk assessment, particularly in working around problems; facilitating staff management; providing information; and having a broader business understanding beyond the limits of Personnel. The Head of Organisational Development and Change in one institution explained: *“I measure that [professionalism] through service delivery in terms of how the unit sees its role in supporting business objectives, so being closer to what the institution wants to provide, the direction in which the institution is going.”*

In summary, the definition of the professionalism of the Personnel department in HEIs is very broad. This may be a primary reason why the relationships in the questionnaire data provided very little and largely contradictory evidence against the propositions presented at the start of this section. The results of the interviews indicate the need for a much broader and subjective approach to exploring the relationship between professionalism and power, largely because the Personnel occupation does not meet a number of the accepted trait criteria for being a profession. This implies that it is therefore inappropriate for Personnel departments in the HEI context to rely on the legitimacy or credibility afforded to them by their grading or professional body membership, and must seek other sources of departmental power.

Organisational history and the impact of the professions have thus been explored so far as part of the institutionalised context of HEIs. The final remaining area for exploration is the use of computerised information systems as part of the power structures created by information flows in organisations.

6.5.3. Information systems and the Personnel department

The final factor in the institutionalisation of power structures discussed here is the use of information systems (IS) in organisations. Information systems can formalise

channels of communication and control access to data of fundamental importance to the operating of institutions (Hoogervorst, *et al.*, 2002; Meyer, 1972; Zeffane, 1989). Here, the importance of information to how the Personnel department operates is discussed. The final propositions for this study propose that the extent of power that the Personnel department has is related partly to its ability to manage information flows through the use of computerised information systems:

4a: The level of power of the Personnel department will be perceived to be higher where there is more sophisticated use of Information Systems to support service delivery, compared to Personnel departments in other institutions using IS in a less sophisticated manner.

4b: The more sophisticated the use of Information Systems to support service delivery, the higher the Personnel department will be rated on its ability to cope with uncertainty, its centrality, and its non-substitutability compared to Personnel departments in other institutions where IS is used in a less sophisticated manner.

The management of information is widely acknowledged as a source of power. Previous attempts have therefore been made to include the computerised management of information as a moderating variable in the strategic contingencies theory of departmental power (Crawford 1997, 1998; Crawford & Rice, 1997; Hedberg, *et al.*, 1975; Saunders, 1981, 1990). In this current study, this is approached from an institutional theory perspective, seeing IS as a dominating and controlling element of organisational power.

Information feeds into decision-making structures (Hoogervorst, *et al.*, 2002; Markus & Pfeffer, 1983). By computerising this process, information systems can increase the power of departments providing information which is valued due to the data's comprehensive, immediate and relevant nature (Kouzmin & Korac-Kakabadse, 2000). Such systems lead to existing decision-making processes and hence power relationships being perpetuated (Bariff & Galbraith, 1978). The effects of IS are therefore multiple and complex, including altering communication and participation patterns and creating

linkages and dependencies among subunits (Pfeffer & Leblebici, 1977; Williams & Wilson, 1997). Departments are thus expected to control the supply of information that enhances their own value in organisational decision-making, whilst maintaining their non-substitutability (Barry, 1989).

The Personnel department in its Administrative Expert role relies considerably on the processing of information within the organisation (Buyens & De Vos, 2001; Lundberg, 1985). Information systems have been shown to improve information sharing and service quality, leading to improved satisfaction with the department (Lepak & Snell, 1998). However, Personnel is not known for its innovative use of IS, and is perhaps better known for its lack of involvement in technological developments (Legge, 1993). In HEIs, Personnel systems are known to have been given a lower priority than financial and student systems (McManus & Crowley, 1995). Perhaps this slow development of usage of IS is one of the factors impacting on the perceived lack of speed and accuracy of day-to-day Personnel work in HEIs highlighted earlier. Likewise, a lack of sophisticated data may be reducing the impact that the department is able to make in corporate decision-making arenas.

It appears that the relevance in general of IS and the impact it can have on intra-organisational power has been overlooked by the Personnel department. The level of sophistication of IS use in HEI Personnel departments is low, with only around a quarter of institutions surveyed having a system that allows managers to access their employees' data, whereas almost all of them (around 90%) perform the more basic task of running off standard or ad hoc reports. Departments vary very little in terms of their perceived level of computing skill, with the vast majority (84%) believing they are competent but not expert in this area. This indicates that within the HEI sector, there is a general low level of sophistication of use of IS across all types of institution.

Perhaps due to the lack of sophistication of IS, or many departments being at the same average level of usage and skill, the questionnaire survey results showed limited significant relationships between the sophistication of use of information systems by Personnel departments in HEIs and the level of power indicators and determinants of

power. The sophistication of use was defined for the questionnaire survey as a combined measure of the IS functionality available to a department and the level of computing skill of members of the department.

There is a positive significant correlation (sig. = .004) between the more sophisticated functionality of the Personnel department's information system and the general perception of the overall level of influence of Personnel. There is also a positive significant relationship (sig. = .047) with the position the department holds in the hierarchy, meaning where sophistication of functionality is high, there is more likely a direct reporting relationship between the head of the Personnel department and the head of the institution. One further weaker but significant positive correlation (sig. = .065) is found with the centrality of the Personnel department, indicating that higher sophistication of Personnel information system functionality is correlated with a higher perception of the level which the department contributes to achieving the organisation's mission. All of these factors individually do suggest that there is a relationship at this univariate level between factors of information system use and intra-organisational power.

Further evidence of the low level of IS sophistication of use across institutions was also uncovered during the interviews with HEIs for this study. The majority of institutions described their systems as ineffective and in need of renewal, with a general cry being heard from all types of institution as expressed by one Principal: "*We need a better computerised personnel system!*" In the small sample interviewed for the initial exploratory stage of this study, the fact that most systems in place were only being used as simple systems for looking up information and printing out routine reports was already becoming clear. This is seen in institutions as undermining the capacity of the department. As the Secretary of one institution put it: "*Certainly it's a cause of HR not being perceived in the community as being very professional.*"

In HEIs, there is however some indication that there is increasing attention being paid to the use of IS by Personnel particularly as a result of the HEFCE initiative discussed earlier (HEFCE 02/18, 2002). In one institution, the Rector highlighted that an effective

HR database was now in place, and that this was having positive consequences for how the department operated in terms of raising its profile and the quality of data it provided. The key advantage of such a system was that it was integrated with other systems throughout the organisation, hence all departments were working from the same base data. This data is an important management resource, which can create a source of dependency between line management and the Personnel department, according to one Pro Vice Chancellor: *“What we’re trying to do is get much better and more immediate information available to line managers to help them manage.”* However, appropriate technology and skills are necessary requirements to achieve this aim.

In summary, the statistical support for the first proposition that the level of power of the Personnel department will be perceived to be higher where there is more sophisticated use of IS to support service delivery receives partial univariate level support. From both the questionnaire and interview data, it has become apparent that a likely cause for these limited findings is that the majority of institutions are all using IS to the same level of low sophistication. It is therefore difficult to see any patterns of where sophistication is higher impacting on power levels, although this was implied during the interviews with HEIs. There is currently much talk amongst HEIs of upgrading existing information systems, hence this may be a factor to explore in the future, particularly when the impact of the additional HEFCE funding for such resources has had time to emerge. As one Pro Vice Chancellor suggested with regard to factors impacting on how the Personnel department is perceived: *“We’re just changing [our Personnel information system] so I can’t say about that at the moment. If you asked somebody in six months’ time, that one may well be very high on the list.”*

6.6. Summary

This chapter has discussed in detail the findings of the current study against the backdrop of the existing literature. It has addressed each of the propositions for the study in turn, highlighting where confirmatory, contradictory or inconsistent evidence has been found, and has started to discuss some of the implications for theory, practice and further research, as well as the limitations of the study. These issues are now

covered in further detail in the following chapter, focussing on the contribution of the study to extant knowledge.