

## 7. CONCLUSIONS AND IMPLICATIONS

### 7.1. *Introduction*

This chapter starts with a brief overview of the framework and findings of the study. The resultant contribution to knowledge in the different domains is then identified based on the outcomes of the empirical work. Implications for both theory and practice are thus drawn out. Finally, the limitations of the study are discussed, along with the implications for further research.

For clarification, the research questions identified for this study were:

*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?*

Based on the study undertaken to answer these questions described in previous chapters, the following conclusions have been reached.

HEIs are loosely-coupled systems in which coherence is achieved through the interpretation of structures and processes, and as such are highly political organisations internally. Within this context, administrative departments are however dominated largely by structural sources of power due to their role in the centralised bureaucracy. The power of the Personnel department is thus tightly bound to this context. It has an important central role to play, however its influence is affected by the highly autonomous professional workforce and collegiate environment of committee-based decision-making. Top management philosophy determines to a large extent the role that is afforded to the department.

Based on the evidence presented from both interviews and questionnaire responses, the Personnel department in this HEI context is perceived as having lower levels of power than other administrative departments. In general, a lack of involvement is an issue particularly impacting on how Personnel is perceived. The rating of the Personnel department is also lower than that of other administrative departments on its ability to cope with uncertainty and centrality, and second lowest on its non-substitutability. Particularly, the lack of operational efficiency of the Personnel department is leading to a low level of perceived organisational contribution, and potential opportunities to increase its perceived value and non-substitutability are not being fully utilised.

The relationship between an institution's historical status and the power of the Personnel department is more diverse. For example, 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 further that a more informal role in corporate decision-making is having more of an impact in smaller institutions. Conclusive evidence of a relationship between organisation history and Personnel department power based on the three types of institution identified (pre-1992 universities, post-1992 universities and HE colleges) is thus lacking. Power appears to have different sources in different types of institution.

The professionalism of the Personnel department in HEIs has been found to be impacting on power, however it is not determined so much by the general trait criteria for the professionalisation of an occupation, but more by perceptions of the professional ethic the department displays. The implication therefore is that it is 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 look to broader measures of professionalism accepted within the community.

The sophisticated use of information systems by Personnel departments is very limited in HEIs. From both the questionnaire and interview data, it has become apparent that the majority of institutions are all using IS to the same low level of sophistication. It is

therefore difficult to see any patterns of relationships with power where sophistication is higher. Interviewees implied that this was an area to explore over the coming period as a number of systems are currently in the process of being upgraded.

Following on from this broad overview of the findings of the study, the following section concentrates in detail on the specific domains of knowledge to which these findings are contributing.

## **7.2. Contribution to knowledge**

It is recognised that if research is to be useful, it must meet two fundamental criteria: the outcome must contribute to theory and the body of knowledge; and the outcome must facilitate practitioners' understanding of organisations and result in improved practices (Lawler, *et al.*, 1985). This study has aimed to improve both academic and practitioner understanding of how power is differentiated in organisations. This adds to the extant body of knowledge in this field and opens doors for new paths of research.

In academic terms, the study has involved the empirical investigation of propositions derived from the literature. The study combines existing theories and applies them in a new context. Although not making a substantive contribution to the organisation theory field through theoretical argument alone, as extant theories explored here have been applied in a new environment rather than suggesting new theories, the importance of the organisation's context has been emphasised. Three fields of literature have thus been addressed in particular: the context of Higher Education institutions, intra-organisational subunit power, and the power of the Personnel department. The contribution made to each field is summarised in Table 50 and described below in the following sections.

**Table 50: Domains and extent of contribution**

<i>Domains of Contribution</i>	<i>Extent of Contribution</i>		
	<b>What has been supported?</b>	<b>What has been developed?</b>	<b>What has been found which is new?</b>
<b>Theoretical knowledge</b>	Structural intra-organisational subunit power is a separate and complementary field of study to the more common political models of power.	A broad framework of subunit power theory has been developed incorporating strategic contingencies theory and institutional theory.	It is important to explore structural sources of power to understand Personnel department power in HEIs, rather than adopting the political model applied more commonly to academic departments.
<b>Empirical evidence</b>	Strategic contingencies theory: there is a positive relationship between determinants and levels of power. Institutional theory: institutionalised intra- and inter-organisational characteristics impact on power structures. Professionalisation: importance of tightness of organisation to impact on power.	The HEI context from the perspective of administrative departments has been described. Differentiating characteristics of HEI types based on organisational history have been highlighted.	An understanding of current power levels of Personnel departments in HEIs in the UK. The importance of adopting a broad definition of professionalism in terms of its impact on power when examining a loosely-coupled occupation. IS sophistication level must be sufficiently differentiated and high to show an impact on power.
<b>Methodological approaches</b>	The value of qualitative support for quantitative analyses when the concepts being explored have multiple potential indicator measures.	A 2D realist approach to studying intra-organisational subunit power.	The study showed a lack of support for best practice approaches to questionnaire targeting (mailing and re-mailing alone is most effective).
<b>Knowledge of practice</b>	Personnel departments have low levels of power.	A complementary view of the current status of Personnel departments in HEIs has been presented compared to the 2002 HEFCE study.	The Personnel functional label is insufficient alone to provide the department with intra-organisational power.

Source: developed from model produced by Professor David Tranfield, Cranfield School of Management.

### 7.2.1. Higher Education institutions

There has been very little empirical exploration of differences between types of Higher Education institutions since 1992 when the status of institutions was changed by the Higher Education Act. There were clear previous differences in HRM practices, particularly bargaining arrangements, and in funding and control mechanisms operated by the government. However, the impact of these differences on the role of the Personnel department and the power and governance structures of institutions has all but been ignored. Given that post-1992 universities are the largest institutions on average, HE colleges the smallest, and pre-1992 universities the most diverse in size, we would expect to see at least some impact of the type of institution on modes of organisation due to size factors alone. In this study, existing data available from the Higher Education Statistics Authority, plus data gathered from the questionnaires and interviews have shed light on how historical differences in the founding of institutions are impacting on current day practices.

Firstly, it has been highlighted how there is a stronger form of traditional academic governance in pre-1992 universities than in other institutions. This implies a more strongly institutionalised pattern of decision-making machinery, with the rules of the game well-established. The scope of potential power of the Personnel department is thus limited by the collegiate academic environment in which complex decision-making structures are constructed to meet the demands for participation (Hickson, *et al.*, 1986). The newer universities have adopted models more akin to private sector practices, perhaps creating a different set of rules in which departments can gain power and influence the activities of the institution. Evidence of this was found in particular when considering formal involvement in strategic decision-making structures. In the pre-1992 universities there was most evidence of the Personnel department having a formal role within this structure, whereas in the smaller institutions the informal processes seemed to predominate.

This is, however, a sector undergoing change, with an active review of the sector currently being undertaken by the government. On a different dimension highlighted by

this review, there is already evidence of differences in power structures in those institutions that have a stronger research tradition compared to other institutions focusing more on teaching or a mix between the two disciplines. The controlling element of administrative departments, implementing procedures required by the state to meet the requirements of the spending of public money, is limited by the autonomy of academics in the research-led environment. These academics are winning research money for specific projects, rather than being allocated funding through government sources, and as such demand more freedom in the spending of such monies. The power of the Personnel department in this environment was described by interviewees as severely constrained, leading to the department being perceived as standing in the academics' way. This environment is thus dominated by professional workers, diminishing the Personnel department's controlling role (Hope-Hailey, *et al.*, 1997).

The loosely-coupled organisation structure of universities has been widely covered in previous studies of the academic environment (Hickson, *et al.*, 1981; Julius, *et al.*, 2000; Pfeffer, 1978). However, there has been much less attention paid to the position of administrative departments. In line with Hackman (1985), this study has shown that the administrative departments form the centralised bureaucracy of the institution, tightly coupled to achieving organisational goals. Power in this environment is demonstrated through functional, structural sources in parallel to the political sources more predominant amongst academic departments. This results in a competitive stance between academic and administrative departments, playing the power game with different rules, as highlighted by interviewees.

In summary, the study has facilitated an improved understanding of the Higher Education context in the UK. Differentiating characteristics of types of HEIs based on their organisational history have been discussed. It has shown the importance of exploring structural sources of power when investigating Personnel department power in this context, despite the broader political model of power more commonly associated with universities. A description has thus been established of how administrative departments operate in the academic world. In the following section, attention is turned

to the contribution which the study has made to extant knowledge on intra-organisational subunit power looking at the evidence gathered in the HE sector.

### **7.2.2. Intra-organisational subunit power**

Given the setting of administrative departments in HE institutions, and the centralised bureaucracy model of power which this involves, this study has placed the emphasis on a structural analysis of power which focuses on the possession and control of power sources. This approach is different to observing the application of power through the will and skill of individuals in exercising power sources. This differentiation has been highlighted by some commentators (Burt, 1977; Hardy, 1996; Pettigrew & McNulty, 1995), but often remains implicit in many studies.

In support of the original work on strategic contingencies theory carried out by Hickson and colleagues (1971) and Hinings and colleagues (1974), plus the multiple replications of the model discussed, this study has found substantial support for the positive correlation between the determinants of power and the level of power of organisational subunits proposed by the theory.

First tested amongst academic departments in the university context in the US by Saunders and Scamell (1982), this current study complements these supportive findings, reporting significant canonical correlations ( $\text{sig.} = .000$ ) between the determinants of power and the level of power indicators for the four types of administrative departments in HEIs included. Looking specifically at the Personnel department, the theory found further support, although weaker with the smaller sample size, of statistically significant correlation ( $\text{sig.} = .098$ ) between the determinant of power and level of power indicators. Also in line with the Saunders and Scamell (1982) study, the centrality of administrative departments was found to carry the most weight in the HE context out of the determinants of power, compared to the finding by Hinings and colleagues (1974) that the ability to cope with uncertainty was more influential in the manufacturing context.

Expanding strategic contingencies theory, two other areas impacting on subunit power were explored in this study. The issue of the institutionalisation of power was examined in depth and the contribution which this study makes to extant knowledge is described below. The other area touched upon in this study is the impact of individual power on subunit power. The effect of the head of the Personnel department on the collective power of the department has been raised by various commentators (Balogun, *et al.*, forthcoming; Hall & Torrington, 1998; Ulrich, 1997). Although strategic contingencies theory focuses on structural sources of power rather than political models at the micro-level, the issue of the impact of key individuals within the Personnel department was raised a number of times by interviewees in the study, and as such cannot be ignored. Certainly senior individuals believed that the head of the department's credibility largely reflected the credibility of the department as a whole. The interpersonal skills and relationships which this individual builds can impact on the structural sources of power then available to the department, as equally the structural sources of power can create openings for individuals to build their own political sources of power.

Looking at the institutionalisation of power, extant theory tells us that the history of organisations in terms of the impact of key events and individuals plays a role in setting current power structures (Selznick, 1957). The rules of the power game are also institutionalised across organisations as these organisations adapt to mimetic, coercive and normative forces to ensure their legitimacy for survival (DiMaggio & Powell, 1983). Examples of both sources of the institutionalisation of power have been found in this study.

Founding conditions and organisational history were considered in relation to types of institution: pre-1992 universities, post-1992 universities and HE colleges. Until 1992, these different institutions were subject to different mimetic, coercive and normative forces due to different sources of government control and interest groups, such as trades unions and other professional bodies. The power indicators significantly related to institution type were found to be the size of the Personnel department (sig. = .000) and its level of involvement in corporate strategic decision-making (sig. = .088). On the latter point, from further interviews it became clear that formal involvement in strategic



decision-making was more prominent in larger universities, whereas smaller institutions appeared to place more emphasis on informal participation. Further factors of institutionalisation and their impact on power are discussed in the following section looking specifically at the Personnel department in HEIs.

In summary, in terms of theoretical development, a broad framework of subunit power theory has been developed incorporating strategic contingencies theory and institutional theory. Through the empirical work, the propositions of strategic contingencies theory have been supported: there is a positive relationship between structural determinants and levels of power. Likewise, institutional theory propositions have been applied and it has been shown how institutional characteristics impact on structural sources of power.

The study has emphasised that structural intra-organisational subunit power is a separate and complementary field of study to the more common political models of power. Structural sources of power may not be as sexy an approach for studying power as perhaps politics is today. More often than not it is classed as an old-fashioned view of organisations and is either ignored or dismissed in more political studies of power. However, this study has shown that structural sources of power are significant at the centralised departmental level of organisations in particular and as such should not be ignored. However, when studying the structural sources it is also important not to completely dismiss the more political aspects of power and the way in which power becomes institutionalised in organisational systems. The key point of learning from this confusion of approaches is that these multiple perspectives are complementary and not competing, and should be considered as such in future studies.

How the framework of subunit power developed here helps to explain Personnel department power in the HEI environment is now considered in the following section.

### **7.2.3. Personnel department power**

The status of the Personnel department, its power, influence and credibility, is a constant theme in the occupation's literature. This is nonetheless so in the HE context,

with a keynote speech of the annual national Universities Personnel Association (UPA) 2002 conference being entitled: 'Power and Influence: Managing the HR function'. There was therefore great support and interest found amongst practitioners for this current study, more so also because of the recent and ongoing initiative by the HEFCE funding council raising awareness of HRM issues in institutions across the HE sector. In the general Personnel department literature, there is a great deal of discussion about the lack of power of the department. Certain factors for this situation have been suggested in previous studies. These are considered here for their relevance to the current situation across HEIs.

The study, particularly through evidence from interviewees, supports the reality of a decline in industrial relations prominence and a rise in management accounting protocols affecting the role which the Personnel department can play (Armstrong, 1995; Gowler & Legge, 1983; Sisson, 1993). The previously dominant Employee Champion role (to use the terminology of Ulrich, 1997) of the department has been diminished by the current lack of influence of the trade unions within the sector. Although figures for trade union membership have shown a continued strong presence within the sector (see Table 1, page 18), interviewees reinforced other commentators in the literature (Legge, 1988; Sisson, 1993; Cully, *et al.*, 1998) in highlighting that the trade union influence has reduced.

Legge's (1978) argument that the institutionalisation of power structures and access to resources is diminishing the department's authority also certainly receives support in the HE context even after such a period of time. This point was particularly raised in pre-1992 universities with the strongest forms of collegiate style academic governance as discussed. Equally, poor perceptions of past performance of the department are said to undermine its position (Purcell, 1995). Again, in the HE context this is an ongoing issue, with interviewees pointing out that it is difficult to afford the department a more strategic role when service at the operational level is not reaching a desired standard. Related to this is the impact of top management's choice in deciding what role the department will play. It was recognised in a number of institutions during interviews that the power of the department depended largely on the Chief Executive's (or

equivalent person's) opinion towards the department, and on the priorities currently facing the institution.

The ambiguous role of the Personnel department, and hence its unclear organisational contribution are also said to impact on the department's centrality (Caldwell, 2003; Hope Hailey, *et al.*, 1997; Tyson, 1999). Within the HE sector, the interviewees were also highlighting this point, making it clear that they perceived the role of other administrative departments to be better defined than that of Personnel. The dichotomy of representation faced by the department being between management and employees was seen as particularly difficult and making the department's clients less certain of the role the department could play. In line with this, the lack of tangibility of the outputs of the department was expressed as a reason why the contribution of the department was difficult to evaluate. The primary cause of the lack of centrality of the department appeared, however, to focus less on the ambiguity of the role as suggested by Guest (1990), and more on a lack of operational efficiency. Predominantly small but important details of the department's task were described as letting the department down.

Board presence, or a lack of it, is also mentioned by commentators as hindering Personnel's contribution (Purcell, 1994). Defining a board position is difficult in HEIs as there are a multitude of committee structures alongside the formal Board of Governors or Council, and a number of forms of the executive top team. Although just over half of the questionnaire respondents had 'Director' in their title, the actual participation of the department in strategic decision-making was shown to be lower than for the other administrative departments questioned, with a statistically significant difference between levels of involvement of different departments (sig. = .004). This further supports other findings indicating that board presence alone is not necessarily an indicator of influence over decision-making (Wright, *et al.*, 1988). Personnel largely only plays a role in staff planning decisions at the corporate strategic decision-making level, whereas the Finance and Registry departments, for example, have an input into a broader range of issues facing institutions. The extent of Personnel's contribution is also often limited to only the provision of information rather than deciding on the action to be taken.

Another factor said to be diminishing the department's power is its lack of information systems ability (Martinsons & Chong, 1999). Information systems play a key role in institutionalising organisational power structures, formalising channels of communication, participation and controlling access to data (Hoogervorst, *et al.*, 2002). We would therefore expect departments to control information in their functional domain to enhance their value to the organisation (Barry, 1989). However, this does not appear to be occurring amongst Personnel departments in HEIs. According to the questionnaire responses, the vast majority of departments have unsophisticated Personnel information systems and an average rather than advanced level of competence in computing within the department. Systems were described by many interviewees as in need of upgrading, and the lack of functionality was impacting on the way the department was able to participate in organisational information flows. This was identified as impacting on service quality by interviewees, as also recognised in the literature (Lepak & Snell, 1998). Personnel departments do seem to be suffering from a lack of attention to their IS capability, still being given lower priority than financial and student systems as highlighted by McManus and Crowley (1995). The HEFCE initiative, 'Rewarding and Developing Staff in Higher Education', indicates this situation may be changing, but the impact of additional funding in this area is still to be seen.

Having examined the relationship between information system use and the power of the Personnel department, the expected relationships between sophisticated use and higher levels of power were not found. One obvious reason for this is that the level of sophistication is at a similar low level across institutions. It was thus not possible to observe the impact on power in a broad sense due to a lack of variation between cases in the field. This study concludes that IS use can only be seen to be making a difference where there is sufficient variation and where it is above a certain threshold of sophistication. There were however indications at the univariate level of positive significant relationships between IS sophistication and the following variables: the perceived overall level of influence of the department (sig. = .004); hierarchical position

(sig. = .047); and the Personnel department's centrality (sig. = .065). This is an encouraging basis to explore further in the future as systems become more developed.

The sources of power for the Personnel department are said to depend on the model of personnel management adopted (Tyson & Fell, 1986). Exploring this idea in the context of HEIs, there is still predominantly an Administrative Expert role (Ulrich, 1997) being carried out by the Personnel department, although the recent initiative by the HEFCE is perhaps starting to encourage a more strategic role. As yet however, other than in a small number of institutions, there is little evidence that this strategic role is taking precedence. There is more evidence, particularly presented by the interviewees for this study as well as being suggested in the literature (Purcell & Ahlstrand, 1994), that the department is only able to fulfil a role which an institution accords to it.

More often than not, what an institution wants is a professional and efficient operational service, as the most common complaints about the department are to do with speed and quality of service. Any strategic input capability above this baseline role is then seen as exceptional, and is more often associated with a particular individual at the head of the department than with it being the role of the department as a whole. As some institutions identified, the personal credibility of the head of the Personnel department in such situations went beyond the parameters of the functional role. The tight financial constraints upon institutions and hence the limited budget available to Personnel departments may be a contributing factor to the department finding it hard to develop strategic capabilities alongside its operational functions. Such a dilemma was frequently noted by interviewees when considering the impact of the HEFCE initiative.

The study has added to the work undertaken under this HEFCE initiative in a number of ways, providing a complementary review of the impact of the initiative following the official evaluation published in 2002 (HEFCE 02/17 & 02/18, 2002). The evaluation claimed that the initiative has increased the department's internal visibility, of which evidence was also found in this study amongst interviewees, as well as facilitating more strategic involvement of the department in planning processes. The initiative was also said to have improved the ability of the department to manage information through

funding for the upgrading of Personnel information systems. As discussed, little evidence was found that this has as yet had any impact on how the department is operating. More often, interviewees saw this as a potential future improvement for the department.

The data gathered from the questionnaires was also able to add further to the picture sketched by the HEFCE initiative evaluation. Although cross-sectional in nature and hence unable to show how things might have changed across the sector compared to prior to the initiative, it is able to give a yardstick measure of how the department is currently perceived. The interviewees and the evaluation both indicated in general an improving picture of how the Personnel department is perceived in institutions. However, the underlying reality shown by the indicators of power measured, demonstrates that the department is lagging behind its administrative counterparts, particularly the Finance department and Registry, in its involvement in strategic decision-making and its overall general influence across institutions.

Equally the Personnel department's perceived central contribution to the institution's mission and its role as a gatekeeper in protecting the organisation from environmental uncertainty are rated lower than those of other administrative departments. This is despite interviewees having suggested a number of ways in which the department is able to cope with uncertainty to the benefit of the organisation, for example, particularly through the control of processes. The department often builds a reputation on its ability to solve problems as they arise, and are as such valued for this resource. This is however a reactive role, whereas a more proactive gatekeeper role such as the regular provision of valued information is practiced by fewer departments.

Amongst the determinants of power, it is only in its non-substitutability that the Personnel department is ranked higher than the Estates department, though still lower than Finance or Registry. The data from the interviewees suggest that perhaps it is the ambiguity of the Personnel role that actually enhances its non-substitutability, as well as the increasing impact of the necessary knowledge of employment legislation.

In summary, although the picture of how the Personnel department is perceived in institutions may be improving, it is starting from a very low position of power. In order for improvements to be sustained, interviewees emphasised that institutions must be able to see tangible benefits arising from the HEFCE initiative in the longer term for the institution as a whole. Primarily, the immediate impact which the initiative is having is to present the Personnel department to the institution as a source of external funding, and in the HEI context such departments are highly valued (Lodahl & Gordon, 1973; Salancik & Pfeffer, 1974).

#### **7.2.3.1. Personnel professionalism**

Looking in detail at the specific impact of professionalism, increased professionalism is one means suggested by Legge (1978) to counter the marginality experienced by the Personnel department in general. Aspects of professionalism such as certification are said to provide practitioners with legitimacy in the workplace (Greenwood, *et al.*, 2002; Lounsbury, 2002; Tolbert, 1996). Professionalism is thus a means of institutionalisation of power structures in organisations, creating routines and standards by which professionals work (Oliver, 1997; Powell, 1991; Tyson, 1999). This study has therefore explored the extent to which professionalism is a valid source of power for the Personnel department in the HE context.

There is a strong sense of professional identity amongst Heads of Personnel departments across HE, with 80% of respondents to the survey being members of the CIPD professional body. Many practitioners remain within the Personnel profession for much of their career, often spending many years in a single institution. However, when exploring the impact of professionalism in the sense of the trait model of occupations, the Personnel occupation is very weak. The extant literature argues that there is a low level of organisation within Personnel (Abbott, 1988; Freidson, 2001), resulting in less legitimacy afforded by certification and association with the relevant professional bodies than for say the medical or accounting professions. This argument found support in this study: no multivariate significant correlation was found between the professionalism of the department (defined as the proportion of professional grade staff

and the extent of membership of the professional body, the CIPD) and the level of power indicators or the determinants of power. Despite the theoretical discussion, these findings uphold those of a previous study carried out ten years prior within another area of the public sector which found no relationship between the professional qualification of Personnel department members and the department's perceived effectiveness (Guest & Peccei, 1994).

Given that interviewees highlighted professionalism as being one of the desired qualities of their Personnel department, further questions were asked about what it therefore means to be professional in this context. It emerged that although being professionally qualified was perceived as a key baseline element, more importantly interviewees wanted to see the outcome of this qualification in terms of efficient and effective service delivery.

In summary, when exploring the meaning of professionalism both in terms of for the Personnel occupation and how professionalism is perceived within the Higher Education context, the importance of the extent of organisation has been emphasised if it is to impact on power. In other words, in an environment in which there are multiple types of professional workers competing for scarce resources, the credibility and legitimacy of each individual profession is crucial. This study has shown that the Personnel occupation does not have this strength of organisation, and as such professional qualification and identity alone are insufficient in the HE context to be a source of power for the department. The importance of adopting a broad definition of professionalism has been shown to be more significant in this situation, where professionalism is about being perceived to be capable to work at a professional level, and demonstrating this in the way in which a department carries out its tasks.

Having explored the contribution to theory which this study has made, in the following section aspects of the methodology of the study are explored to demonstrate what has also been observed.



#### **7.2.4. Research methodology**

In reaching the conclusions for theory described above, the study has also addressed certain methodological issues. These include highlighting the value of multiple respondents when dealing with perceptual measures, of qualitative support for quantitative analyses and of considering good practice methods of research design. These issues are discussed below in further detail.

On the subject of the value of multiple respondents for a study, as often encouraged particularly following role theory methodologies, commentators looking at how the Personnel department perceives its power or effectiveness have reached the conclusion from their findings that the department often ranks itself higher than others perceive it should be ranked (Buller, 1988; Guest, 1991; Guest & Peccei, 1994; Legge, 1988, Marginson, *et al.*, 1993). This phenomenon was again exhibited in this study, with the Personnel department in particular consistently rating itself higher than others rated it on its overall level of power and the determinants of power. In a number of quantitative analyses the effect of the department's own opinion of itself was therefore removed to reduce perception bias.

The study has also emphasised the value of qualitative support for quantitative analyses when the concepts being explored have multiple potential indicator measures. As power is a latent variable that cannot be measured directly, there must be a discussion of issues behind the results being observed. The interviews in this study were thus highly illuminating in understanding why Personnel department power levels are perceived to be so low. This was also a facet in developing the study from a pure observation of behaviour (a 1D-study of power) to the second dimension whereby the institutional aspects of a particular context are considered to understand how current power levels have come about. In realist terms, the study has provided a methodology for studying intra-organisational subunit power capable of addressing both the empirical and actual realms of reality. Table 2 (page 71) has summarised how different epistemological approaches can be taken to exploring the different domains of power and reality.

At a research design level, the study showed a lack of support for some of the techniques advocated as best practice approaches to working with questionnaires. In both the pilot and main studies it was found that the most effective way of increasing response rates was to mail and then re-mail questionnaires by post. Additional efforts of sending reminders and chasing people by telephone or email did not increase the response rates to any great extent. This may of course however have been due to peculiarities related to the study, for example, because interest in the study was high, or that people within the Higher Education sector are most likely to respond to written requests for information.

In summary, based on the contribution to theory and the contribution to methodology discussed here, overall the study has contributed to the ongoing debate in the literature on Personnel department power. It has provided new insights in a particular context that has not previously been explored in this depth. It has improved our understanding of how administrative departments in HEIs operate alongside their academic counterparts. It has also highlighted the value of studies of structural sources of power in this context, but in doing so it has emphasised the importance of considering both what current levels of power might be, and how this situation has arisen. In the following section, the implications of these findings for practice and policy are now considered.

### **7.2.5. Implications for practice**

For practitioners, particularly members of Personnel departments within Higher Education institutions, the study has benchmarked current levels of power, auditing Personnel departments across the sector. This benchmarking information has previously been lacking. The yardstick measures for the management of the Personnel department also gathered include its size, the extent of outsourcing, and the degree to which activities are currently decentralised and devolved to line management. Each is discussed here based on the findings of the study.

The average ratio of Personnel department staff to the total headcount of employees in an institution across the sector is currently 1:94. This ratio was highest in pre-1992

universities at 1:110, lowest in post-1992 universities at 1:75, and with HE colleges having an average ratio of 1:85. In this context, outsourcing of personnel management activities is very rare, and only used occasionally for specific funded projects or bringing in external trainers. The decentralisation of the department is also rare, and is only really prevalent in particularly complex or geographically diverse institutions. The devolution of HRM responsibilities to line managers is generally avoided, largely due to a fear that line managers have insufficient training, knowledge and skill in the field to carry out the roles necessary. In contrast to Oswick and Grant's (1996) study, in which they identified increased devolution of HRM responsibilities to line management across the public sector, this study has not observed the same phenomena within the HE context alone.

In addition to providing benchmark data, the study has also explained more about the HEI context in which Personnel departments are working. In doing so it has identified the sources of intra-organisational subunit power that may prove beneficial in the development of departmental strategies for acquiring power and improving the department's status. These findings may also be of interest to those leading HEIs in understanding the interaction between administrative departments and organisational power structures. It has highlighted the role that the Personnel department is perceived to be playing and the constraints it is facing in carrying out its tasks.

At the level of practice, there have been a number of enablers of power identified. The Personnel department has a role to play in organisations in controlling processes if not resources, as say the Finance department is more likely to have. By the production and implementation of effective HRM policies and practices across institutions, the department is able to show its ability to cope with the uncertainty that the organisation is facing in terms of the demands of employment legislation, trade unions and accepted good practice across the sector. When this uncertainty is at its highest, the strategic involvement of the Personnel department is most likely to be appreciated. Equally, an enduring source of power for the Personnel department is its ability to act as a problem solver. This may not be the role the department most desires, but it is often the role it is allocated, dealing with people management issues when things have already gone

wrong. Many line managers rely on Personnel for precisely this role. This brings into question the constant quest for improved professionalism and strategic involvement when this might not necessarily be the best strategy to adopt to achieve the organisation's goals. It is important to ensure appropriate levels of professionalism for the best fit with the organisation's needs (Lepak & Snell, 1998; Tyson, 1997).

The department's centrality, the extent to which it is perceived to be contributing to organisational goals through its allocated role, is currently being seriously undermined in many institutions by the fundamental act of making mistakes at the operational level. The reasons for this suggested in the study include a lack of professionalism amongst the lower grades of staff in the department, and the department being too stretched in terms of its resources to be able to carry out the full range of its tasks effectively. However, whatever the cause, until the operational level glitches are removed, the opportunity for a more strategic role for the department is being undermined. This appears to be contributing to some opinions that the department is therefore substitutable, as the speed and quality of the service the department provides is being questioned.

The extent to which the Personnel department is perceived to be involved in decision-making and acting as an essential source of information in institutions is also varied. It appears that the ultimate level of involvement for the head of the Personnel department is to have an active role at Council (Board of Governors) level as this is where the HRM agenda is set in many institutions. It then follows that having a position on the key decision-making bodies at executive level is essential to being able to progress strategy development, not only on HRM planning but across a broader range of institution-wide issues which require a consideration of HRM issues. A position on these bodies alone is not enough though: the extent of participation once given a position is a crucial factor in actually impacting on intra-organisational power. For example, if the only opportunity for participation is through the provision of information for others to make the final decisions, the impact of the department is going to be limited.

The quality of information provided is a key factor in the extent to which it is appreciated, and hence also the potential future extent of participation in the decision-making arena. This is where the low level of sophistication of use of information systems is proving to be a stumbling block for the Personnel department. Both the quality of computerised systems and the skills of the people using the systems are limiting the contribution the department can make in this arena in many institutions. This opens the way for other members of institutions (line managers and other administrative departments) to become the source of information for decision-making instead of Personnel.

Ultimately, the current situation indicates that the overall level of influence of the Personnel department is not insignificant, yet it scores very low on a range of indicators of power. If, as this study has suggested, present power is determined by past performance, this is going to be a hard cycle to break. The department needs to win the confidence of its colleagues and senior managers through professional level performance that is seen to contribute to the successful survival of the organisation. Professionalism does not necessarily mean higher levels of qualifications or a stronger occupational identity; it means meeting the expectations of the department's clients.

In summary, the study has confirmed that Personnel departments in HEIs have low levels of power. This provides a complementary view of the current status of Personnel departments in HEIs compared to the evaluation study of the HEFCE initiative, 'Rewarding and Developing staff in Higher Education', carried out in 2002. Arguably some of the policy implications arising from this current study would question the extent to which a more strategic approach to HRM is actually meeting the needs of institutions. Many institutions were impressed with the way in which the initiative was allowing the department to become more involved in wider corporate issues, but at the same time this was undermining its ability to perform its operational tasks due to the strain on resources. It will be interesting to observe over a longer period of time the impact of the initiative, and whether Personnel departments are able to balance these two demands which are currently seen as competing forces within the department.

The Personnel functional label is thus insufficient alone to provide the department with intra-organisational power. There are a number of structural sources of power to which the department has access, however there are also a number of factors in the HEI context that may be acting either as constraints or enablers to accessing these sources of power. A particularly significant factor is thus the reputation of the department based on its past performance. Currently, across the sector that reputation is of low intra-organisational power.

Having explored the contribution being made both to theory and practice, further consideration is now made of the limitations applying to this study before also considering the implications for further research.

### **7.3. *Limitations of the study***

There has already been a discussion of some of the limitations of this study in methodological terms in the *Methodology* chapter. This highlighted that there will always be alternative approaches to addressing a research problem, and that one may be perceived better than another at a given point in time or in a given context. However, the methodology adopted here has provided answers to the research questions set. It has developed a broad-based cross-sectional picture of Personnel department power in Higher Education institutions today. Beyond the specific methodological approach, there are also broader limitations to the current study that can be identified despite the contributions it has made.

Although it has been argued that the combined theory proposed in this paper for investigating structural sources of intra-organisational power is more comprehensive than extant theories in the literature, it is still limited methodologically and conceptually by its focus on overt and covert sources of power, ignoring latent sources. As discussed, there are other dynamic processes at play, such as individual and group dynamics and politics within the organisational context that are not included in the model. In particular, the role of individuals within departments has been shown to be perceived by others as a factor of current levels of power. A study of structural sources of subunit

power cannot address this issue in depth as it belongs to the realms of the enactment of power. It brings in an individual's level of skill and desire to use his or her power sources to bring about certain outcomes. This is outside of the scope of the current study but nevertheless would be an important factor for a complementary study. As Ferris and Judge (1991: 481) highlight: "*the very strengths of one perspective represent the limitations of another.*" The political perspective underemphasises rational processes and vice versa. The question has thus been not whether the structural model alone is sufficient to account for variations in power, but whether it can significantly contribute to our understanding of power. The latter has been achieved in this study.

The study has limited itself to looking at the department as a whole and how it fits into organisational operations. It does not address how the spectrum of HRM policies and practices impacts on intra-organisational power, nor how the Personnel department implements these policies and practices. For example, no consideration has been given to whether pursuing staff development as a specialism of the department will impact on how the department is perceived as opposed to focusing more effort on say recruitment activities. Such issues could be addressed in further developments of the theoretical framework.

A strength but yet at the same time a shortcoming of the study is its broad scope. The aim of the study was to gain a broad-based snapshot of Personnel department power levels generalisable across HEIs. It has achieved this through the application of a questionnaire survey, but in doing so it has skimmed over the surface of so many issues that are potentially worthy of deeper investigation given the complexity of the topic. For example, a very limited number of variables were used in particular to test the impact of the institutionalisation of power. Organisational history was based on the type of institution along one dimension, professionalism was based on the grading of staff and membership of the CIPD, and the sophistication of use of information systems looked at the functionality of the system and the skill level of the user. To understand these factors more thoroughly, more variables could be explored. Likewise, the strength of statistical support found for measuring departmental power indicate that much variation

in power remains unexplained, indicating as one might expect that other factors are at work.

Already in the limitations presented here there are hints of where this research may lead in the future. The implications of the study for further research are therefore summarised in the following section.

#### **7.4. *Implications for further research***

Due to the broad nature of this study as described, there are a number of directions in which future research could be taken. Potentially the most important direction is to understand more at the individual institution level about just how structural sources of power are perceived to operate. A longitudinal case-study approach would be particularly illuminating in learning how the more institutionalised elements of intra-organisational power impact on existing power.

This level of research could also delve into the next level of reality: a 3D approach to studying power which considers the willingness to use power sources in addition to their existence. This would place greater emphasis on the role of individuals within the Personnel department and across the institution in managing intra-organisational power. Case study research could also explore in further detail the generalised findings of this study in more specific contextual circumstances, for example, in more research intensive institutions where administrative department control is said to be most limited; in post-1992 universities where the characteristics of power appear most diverse; or perhaps in smaller institutions where informal power sources appear to have increased prominence.

As people issues become increasingly important in organisation survival, the uncertainty that these issues throw up is the domain of the Personnel department (Schuler, 1990). Schuler suggests that the issues that will arise include: a sufficient supply of people; retaining and motivating a diverse workforce; ensuring necessary skills, knowledge and abilities are available; and encouraging appropriate employee



behaviour for the organisation to prosper. An alternative higher-level study could thus address these issues in the HEI context in relation to how coping with these sources of uncertainty are related to the department's power. It could explore the extent to which an increased emphasis on strategic HRM policies and practices in HEIs affects the department's standing. This would turn the emphasis to the role and function of HRM rather than how the Personnel department itself is structured and operates as in this current study.

Finally, there are multiple contexts in which this research could be advanced. It would be interesting to know the extent to which what has been observed in this study is specific to the context of the UK, or whether it is a phenomenon across the Higher Education sector as a whole across national cultures. Alternatively, it would be interesting to explore whether the situation of Personnel described here is specific to HE or whether it also applies to other public sector organisations in the UK, for example.

There are many questions still remaining that this study has uncovered as well as having answered others along the way. Hopefully this research will have raised the level of interest and discussion in the fields that it is addressing to encourage others also to continue this work.