Cranfield University

Elaine Farndale

The Intra-organisational Power of the Personnel Department in Higher Education in the UK

Cranfield School of Management

PhD Thesis

Cranfield University Cranfield School of Management, People and Organisations

PhD Thesis
Academic Year 2003-2004

Elaine Farndale

The Intra-organisational Power of the Personnel Department in Higher Education in the UK

Supervisors

Professor Veronica Hope-Hailey, Cranfield School of Management Dr Rachel Asch, School of Engineering, Cranfield University

February 2004

© Cranfield University 2004. All rights reserved. No part of this publication may be reproduced without the written permission of the copyright holder.

Abstract

Personnel departments in general have a poor reputation for power and influence, although little is known empirically about their position in Higher Education institutions (HEI). There are various factors in the HEI context that suggest that the department should be important but not necessarily powerful. Therefore, by applying existing theory (strategic contingencies theory) to examine the determinants of power and the perceived level of power of the department, a more detailed view of the power of the Personnel department in Higher Education (HE) can be observed. The strategic contingencies theory model proves to be a reliable approach to apply in this context, and demonstrates clearly how the Personnel department is consistently rated lower than other administrative departments on the indicator variables.

However, in order to go beyond the static picture of structural power sources sketched from strategic contingencies theory, institutional theory is drawn upon to try to understand how the current situation of low power has arisen. Particular elements of the institutionalised HEI context are explored to discover their effect on both the determinants and levels of power. These elements include the historical status of institutions, the extent of professionalism in departments, and the sophistication of use of information systems in service delivery; all factors discussed in existing institutional theory arguments.

Based on 144 questionnaire responses from a total of 73 HEIs across the UK, the quantitative analyses show differences in the power of Personnel departments in institutions with different historical characteristics, however professionalism and the use of information systems do not show clear relationships with power. Further qualitative data collection from seventeen interviews with HEI senior managers highlights how professionalism in the HEI context has a much broader definition than professional qualification and identity for the Personnel department. The use of information systems is also shown to be equally primitive across institutions in the current HEI context, preventing an evaluation of sophistication of use from yielding conclusive results.

Acknowledgements

My gratitude is extended to those individuals who gave their time to complete the questionnaires or take part in the interviews that have enabled this research to be undertaken. I am also grateful to my former colleagues and fellow PhD students at Cranfield School of Management for their contribution to discussions around the research topic. In particular, I would like to thank Dr Tim Mills for his support through interesting statistical discussions.

I would like to thank my supervisors, Professor Veronica Hope-Hailey and Dr Rachel Asch, for their very valued contributions as the study has progressed. They provided my anchor point when my thoughts were straying and were a great source of support when continuing the research away from Cranfield overseas. Thanks go to both of them for giving me the confidence to produce this thesis.

Finally I would also like to thank my initial supervisor, Professor Chris Brewster, for his instrumental contribution at the start of this study. Professor Brewster gave me the opportunity to undertake this research and I learned a great deal from him both in terms of theory and personal development.

Contents

1.	INT	RODUCTION	1
	1.1.	Background	1
	1.2.	Defining the research objectives	3
	1.3.	Justification of research problem	6
	1.4.	Methodology overview	8
	1.5.	Definition of terms	10
	1.6.	Scope of the research	12
	1.7.	Outline of chapters	13
	1.8.	Summary	14
2.	LIT	ERATURE REVIEW	15
	2.1.	Introduction	15
	2.2.	Personnel departments in HEIs	15
	2.2.	1. The HEI context	15
	2.2.2	2. The Personnel department	22
	2.3.	Strategic contingency theory perspective on power	29
	2.3.	1. Structural sources of power	32
	2.3.	2. Dependency and power	33
	2.3.	3. Previous studies applying strategic contingencies theory	36
	2.3.4	4. Sources of power for Personnel	38
	2.4.	Intra-organisational power and institutional theory	47
	2.4.	1. Organisational history and power	51
	2.4.	2. Professionalism as power	54
	2.4.	3. Information as power	61
	2.5.	Research propositions and conceptual model	67
	2.6.	Summary	68
3.	ME'	THODOLOGY	69
	3.1.	Introduction	69
	3.2.	Philosophical approach	69
	3.3.	Ontology and epistemology	69
	2 /	Danagrah Stratagy	7/

3.4	.1. Choice of particular approach	74
3.4	-2. Unit of analysis	75
3.4	-3. Exploratory interviews	78
3.4	.4. Research validity and reliability	80
3.4	.5. Operationalisation of variables	83
3.4	.6. Pilot study	91
3.4	.7. Questionnaire design	96
3.4	.8. Qualitative data strategy	98
3.5.	Methodological limitations	106
3.6.	Ethical issues and researcher bias	108
3.7.	Summary	110
4. DA	ATA COLLECTION	111
4.1.	Introduction	111
4.2.	Questionnaire sample	111
4.3.	Exploratory data analysis	115
4.3	.1. Tests for representativeness	116
4.3	2.2. Assumption testing for statistical analysis	122
4.4.	Summary	131
5. DA	ATA ANALYSIS	132
5.1.	Introduction	132
5.2.	Respondent profile	135
5.3.	Testing strategic contingencies theory in HE	136
5.3	2.2. Qualitative analysis in the HE context	143
5.4.	Investigating the propositions	152
5.4	.1. How much power does Personnel have?	152
5.4	.2. Interview data on perceived power	162
5.4	.3. Organisational history and power: a quantitative analysis	177
5.4	.4. Interview data on organisational history	186
5.4	.5. Professionalism and power: a quantitative analysis	190
5.4	.6. Interview data on professionalism	197
5.4	.7. Information systems and power: a quantitative analysis	202
5.4	.8. Interview data on information systems	206

	5.5.	Sum	nmary	208
6.	DIS	CUS	SION	209
	6.1.	Intro	oduction	209
	6.2.	The	HEI context	210
	6.2.	1.	Higher Education institutions	210
	6.2.	2.	Personnel departments	213
	6.3.	Stra	tegic contingencies theory explored	218
	6.4.	Perc	reptions of Personnel department power	221
	6.4.	1.	Indicators of level of power	222
	6.4.	2.	Determinants of power	229
	6.5.	Insti	itutional theory and power	234
	6.5.	1.	Organisational characteristics: a function of history	235
	6.5.	2.	A professional occupation	238
	6.5.	3.	Information systems and the Personnel department	242
	6.6.	Sum	nmary	246
7.	CO	NCLU	JSIONS AND IMPLICATIONS	248
	7.1.	Intro	oduction	248
	7.2.	Con	tribution to knowledge	250
	7.2.	1.	Higher Education institutions	252
	7.2.	2.	Intra-organisational subunit power	254
	7.2.	3.	Personnel department power	256
	7.2.	4.	Research methodology	264
	7.2.	5.	Implications for practice	265
	7.3.	Lim	itations of the study	269
	7.4.	Imp	lications for further research	271
8.	REI	FERE	NCES	273
9.	API	PENE	DICES	288
	A. E	xplor	ratory interviews: interview schedule	289
	B. V	'ariab	eles in previous studies exploring the strategic contingencies model	290
	C. P	ilot le	etter and questionnaire for Personnel departments	292
	D. S	urvey	letter and questionnaire for Personnel departments	297
	E. S	urvev	letter and questionnaire for other departments	303

F.	Main study interview schedule	. 307
G.	Coded interview transcript	. 308

List of Figures

Figure 1: Power sources, application and outcomes	11
Figure 2: Shared responsibilities for Personnel roles	25
Figure 3: Contrasting perspectives on sources of intra-organisational power	49
Figure 4: A conceptual model of Personnel department power in UK HEIs	67
Figure 5: Histograms of sample and population distributions (y-axis = $no.$ of cases).	117
Figure 6: Histograms of characteristics of respondents (y-axis = no. of cases)	118
Figure 7: Normal probability plots of all metric variables (y-axis = no. of cases)	125

List of Tables

Table 1: Trade union membership in Higher Education institutions in the UK
Table 2: The three domains of power and reality
Table 3: Variables to include in the study90
Table 4: Variables used in the coding of interview transcripts
Table 5: Questionnaire mailing to UPA institution Personnel departments
Table 6: Questionnaire mailing to non-UPA institution Personnel departments 113
Table 7: Breakdown of sample responses by UPA membership and HEI status 113
Table 8: Sample representativeness of UPA and HEI status populations
Table 9: Questionnaire mailing to Estates, Finance and Registry departments 115
Table 10: Characteristics of different types of institution
Table 11: Distribution characteristics: testing for skewness and kurtosis
Table 12: Distribution characteristics: testing for normality
Table 13: Distribution characteristics: remedies for non-normal distributions
Table 14: Intercorrelation of participation in decision-making variables on key issues
Table 15: Intercorrelation of level of power variables
Table 16: Intercorrelations of determinants of power variables
Table 17: Intercorrelations of determinants of power variables (continued)
Table 18: Intercorrelation of professionalism variables
Table 19: Intercorrelation of information system variables
Table 20: Canonical correlation results for determinants of power and level of power
variables in HEIs
Table 21: Canonical correlation results for determinants of power and level of power
variables for the Personnel department
Table 22: Correlation of determinants of power and level of power variables for the
Personnel department
Table 23: Intercorrelation of determinants of power and influence variables
Table 24: ANOVA of responses to involvement in decision-making by department 153
Table 25: Post hoc ANOVA tests for responses to involvement in decision-making by
department

Table 26: Mean ratings of department involvement in corporate decision-making on
nine key issues
Table 27: Percentage of Personnel departments involved in the different stages of
corporate decision-making on nine key issues
Table 28: Mean ratings of overall level of influence of all administrative departments
Table 29: Kruskal-Wallis test of overall level of influence of each department by
department
Table 30: Kruskal-Wallis test of determinants of power by department
Table 31: Mean ratings of ability to cope with uncertainty of departments
Table 32: Median and mean ratings of centrality of departments
Table 33: Median and mean ratings of non-substitutability of departments
Table 34: Comparative statistics of power level variables for Personnel departments in
three types of institution
Table 35: Post hoc ANOVA tests for Personnel resource proportion by status 180
Table 36: Key statistics of Discriminant Function Analysis for status variable based on
metric level of power variables
Table 37: Comparative statistics of resource and involvement variables for misclassified
and correctly classified Personnel departments in pre-92 universities
Table 38: Comparative statistics of resource and involvement variables for misclassified
and correctly classified Personnel departments in post-92 universities
Table 39: Comparative statistics of resource and involvement variables for misclassified
and correctly classified Personnel departments in HE Colleges
Table 40: Comparative statistics of determinant of power variables based on Personnel
departments in the three types of institution
Table 41: Logit summary model of determinant of power variables by institution type
Table 42: Correlation of level of power variables and professional staff proportion for
the Personnel department
Table 43: Comparative statistics of power level variables for Personnel departments
dependent on CIPD membership of head of department

Table 44: Logit summary model of non-metric level of power variables by CIPD	
membership194	
Table 45: Correlation of determinant of power variables and professional staff	
proportion for the Personnel department	
Table 46: Comparative statistics of determinants of power for Personnel departments	
dependent on CIPD membership of head of department	
Table 47: Correlation of IS sophistication and level of power variables for the Personnel	
department	
Table 48: Percentage of Personnel departments with different levels of sophistication of	
IS use and computing skill by type of institution	
Table 49: Correlation of determinants of power variables and IS-sophistication for the	
Personnel department	
Table 50: Domains and extent of contribution	

Notation

The following list explains the notation used in the presentation of the statistical analysis of the quantitative data.

Symbol	Description
α	Significance level set for a test to avoid a Type I error
n	Number of cases from the sample included in a test
df	Degrees of freedom for significance tests
F	F-statistic for the ANOVA test
χ^2	Chi-square statistic for the Kruskal-Wallis test
t	t-statistic for the t-test
U	U-statistic for the Mann-Whitney test
r	Pearson correlation coefficient
ρ	Spearman correlation coefficient
Z	z-score for skewness and kurtosis calculations
L^2	Likelihood ratio for logit analysis
λ	Wilks Lambda statistic for canonical correlation and discriminant function
	analysis
Sig.	Significance of a particular statistic in a test (probability of finding a given
	result due to random sampling error alone)
SD	Standard deviation
\mathbb{R}^2	Sample variance explained by variables under consideration used in tests of
	statistical power