THE EMERGING ROLE OF HR PRACTITIONERS: EXPECTATIONS, CHALLENGES AND TRENDS

by

SONJA PAINE

A thesis submitted in partial fulfillment of the requirements for the degree of

Master of Business

Unitec New Zealand

2009

Declaration

Name of candidate: Sonja Paine

This Thesis/Dissertation/Research Project is submitted in partial fulfillment for the requirements for the Unitec degree of **Master of Business.**

CANDIDATE'S DECLARATION

I confirm that:

This Thesis/Dissertation/Research Project represents my own work;

- The contribution of supervisors and others to this work was consistent with the Unitec Regulations and Policies.

- Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and has fulfilled any requirements set for this project by the Unitec Research Ethics Committee.

Research Ethics Committee Approval Number: 2007.775

Candidate Signature: ……….……………………………….Date: …………………

Student number: **1103970**

Acknowledgement

The completion of this thesis would not have been possible without the support and assistance from several dedicated people. I would like to take this opportunity to extend a sincere thank you to my supervisor Dr Andries du Plessis, Senior Lecturer and Acting Head of Department of Unitec Business School. His professional guidance and continued encouragement throughout the research process has been greatly appreciated. He unlocked the drive in me to work through this degree at times when I could not see the light at the end of the tunnel.

Special thanks must also go to Debbie Bridge, Manager HR Careers and Education, Human Resources Institute of New Zealand Incorporated, as well as all the questionnaire respondents who willingly took time out of their busy schedules to participate in my research.

I am also in debt to many other Unitec members such as Dr Deepa Marat, Dr Simon Peel and Cynthia Almedia, the always cheerful and friendly Postgraduate Administrator. I would also like to thank my peers at Unitec for their encouragement, support, advice and friendship.

It seems fitting to save the best for last. I would like to acknowledge the part that my family have played in this work. My two beautiful daughters Alice and Bianca and my husband Ian have over the years of my study experienced first hand all the highs and lows that a student's life brings and their understanding, positive attitude and encouragement has amazed me over and over again. I love you and dedicate this work to you!

Abstract

To sustain a competitive advantage organisations rely not only on technology, patents or strategic positions but also on how their workforce is managed. This emphasis on 'people' as a source of competitive advantage increases the interest in how HR practitioners in New Zealand organisations manage their employees since the extent to which the employees are managed is a critical element in sustaining and improving overall organisational performance. Competing in today's turbulent global economy provides additional challenges in the HR function and adapting themselves to those changes has become an occupational reality for HR practitioners in New Zealand organisations. Hence, the aim of this study was to establish if HR practitioners in New Zealand organisations are equipped with the capabilities that can increase HR effectiveness.

A quantitative approach to research was followed with the objective of gathering data on a large scale of participants self identified opinions regarding core capabilities currently inherent and/or needed to increase HR effectiveness. This put the researcher in a strong position to identify possible shortfalls in HR practitioner's capabilities and therefore addressing the research question and aim of this study. The data was collected via a survey questionnaire, which was specifically designed by the researcher for this study. Data was collected from 364 members of the Human Resource Institute of New Zealand (HRINZ) who had 'opted' in to participate in any forthcoming HR research requests. The return rate of the survey was 41 percent.

In assessing the current state of HR practitioners' capabilities the researcher decided to chose five HR themes which were closely related and widely cited by researchers/authors in HRM literature. The first two themes focused on the HR practitioner's role as a change agent and strategic partner since the complexities of change in the modern New Zealand business environment require the right capabilities to initiate and implement the necessary programmes and practices to support organisations in gaining or maintaining their competitive edge. The three remaining themes focused on HR practitioner's responsibility of improving relations in the organisation with the goal of balancing the internal complexities. The pressure of forces such as skill shortages, the increasingly multi cultural

society as well as accommodating life outside workplaces compels HR practitioners to implement new practices and/or changes and therefore requires certain capabilities.

Findings of the study show medium to high positive results in self identified HR capabilities in all of the HR themes. This signifies that HR practitioners in New Zealand organisations possess capabilities that potentially can increase HR effectiveness. Moreover, the study profiled HR practitioners in NZ organisations regarding multiple demographic issues e.g. highest educational level, number of years of experience, job classification and so forth. Findings suggest medium to strong positive relationships between number of years of experience in job/occupation and all of the five HR themes.

TABLE OF CONTENTS

List of Tables

List of Figures

C h a p t e r   1

1. Introduction

1.1. Overview

A company's workforce represents one of it's most potent and valuable resources and according to Rennie (2003), people are the lifeblood of organisations. Consequently, the extent to which a workforce is managed is a critical element in enhancing internal effectiveness and improving the organisation's competitiveness. HR practitioners play an increasingly vital role in maximising the efficiency of the organisation's human resources since HR practices support employee behaviour that is critical for accomplishing key organisational processes, thus advancing organisational success (Patrick M. Wright & Boswell, 2002). It becomes evident that individuals performing in those HR roles need to be equipped with distinct capabilities that support the expectations, challenges and requirements of their roles and responsibilities.

New Zealand, as any other country, has been exposed to challenges and opportunities initiated by the increasing change and complexity of the business environment. The emergence of globalisation, development in technology and telecommunications, the shift towards a knowledge-based workforce and intensifying competition for skilled labour create new competitive realities for organisations. Increasing tightening of competition implies that, regardless of the country in which they operate, organisations are all under pressure to react to these changing conditions by cultivating a competence in human resource management (Horgan, 2003).

For decades HR practitioners have been tagged as administrators, however organisations are now looking to the HR function to go beyond the delivery of cost effective administrative services and provide expertise on how to leverage human assets (Jamrog & Overholt, 2004). Simultaneously the role of HR practitioners as strategic business partners and leaders of change has also received considerable

attention (Rennie, 2003; Walker & Stopper, 2000). Ultimately, the competitive forces that organisations face today create a new mandate for HR and this necessitates changes to the structure and role of the HR function.

In today's global economy HR practitioners must be prepared to meet the considerable challenges posed by the continuing evolution of their role and show how their function is creating value. As recognised by Ulrich and Brockbank (2005) HR should not be defined by 'what it does' but by 'it's contribution to achieve organisational excellence' (p.134). Therefore adapting to a rapidly evolving role, which is an occupational reality for HR practitioners in New Zealand organisations (Massey et al., 2004), is crucial in order to support future competitive endeavours.

1.2. Objectives of the study

To sustain a competitive advantage organisations rely not only on technology, patents or strategic positions but also on how their workforce is managed (Nel, 2004; Nel, Marx, & Burchell, 2004). Central here is the resource-based perspective that collectively a company's human resources are believed to have implications for organisational performance and provide a unique source of competitive advantage that is difficult to replicate (J. Barney, 1991). This emphasis on 'people' as a source of competitive advantage increases the interest in how HR practitioners in New Zealand organisations manage their employees since the extent to which the employees are managed is a critical element in sustaining and improving organisational performance.

The purpose of this study is therefore to discover if HR practitioners in New Zealand organisations have moved in response to the changes in the business environment and possess knowledge, skills and capabilities which go beyond the boundaries of a simple functional role.

With the growing emphasis being placed on the emerging role expectations of HR practitioners in New Zealand organisations and on HR capabilities as a means to increasing HR effectiveness (Ramlall, 2006), this study aims to answer whether HR practitioners in New Zealand organisations have the right capabilities to increase HR

effectiveness. If as recognised by Losey, Meisinger and Ulrich (2005) HR practitioners can make a difference between success and failure in an organisation, the objective of identifying possible shortfalls in the capabilities of HR practitioners supports the rational for this research. The objective of increasing the understanding of what capabilities are needed to fulfill the role expectations of HR practitioners can expand organisations' understanding of the profession as a whole and positively advance the way employees are managed.

1.3. Research statement

Reviewing the literature on this subject, surveying HR practitioners in New Zealand organisations to capture their perceptions on inherent capabilities and analysing the survey data obtained, should enable the researcher to answer the following research question:

"To what extent are HR practitioners in New Zealand organisations equipped with the capabilities that can increase HR effectiveness?"

Resolution of this research question was addressed through paying particular attention to five HR themes. In order to provide a more holistic picture of HR practitioners in New Zealand organisations the researcher deemed it necessary to address a number of HR themes rather then focusing on one theme.

The themes are closely related and widely cited by researchers/authors in the HR literature. The first two themes are focused on the HR practitioner's role as a change agent and strategic partner because the complexities of change in the modern New Zealand business environment requires the right capabilities to initiate and implement the necessary programmes and practices to support organisations in gaining and maintaining their competitive edge. The three remaining themes are part of the HR practitioner's responsibility of improving relations in the organisation with the goal of balancing the internal complexities. The themes are focused on recruitment and retention, work/life balance and diversity management because the pressure of forces such as worldwide skill shortages, the increasing multi cultural society, as well as accommodating life outside work compels HR practitioners to implement new practices

and/or changes. The researcher established that the identified HR themes are all linked to organisational performance and increasing in importance globally.

In order to obtain a more accurate indication of the factors that influence the extent to which HR practitioners in NZ organisations are equipped with the capabilities that can increase HR effectiveness, the following issues were considered:

Determine how capabilities vary by gender, position classification, number of years of experience, highest educational attainment, industry sector, and/or organisational size.

Establish which capabilities are positively associated with increasing HRM effectiveness in the areas of change management, strategic HRM, recruitment and retention, diversity management and work/life balance.

Identify the relationship amongst the five HR themes and gender, position classification, number of years of experience, highest educational attainment, industry sector, and organisational size.

The empirical survey was executed between the 24th of January 2008 and the 25th February 2008 and distributed to 364 members of the Human Resources Institute of New Zealand (HRINZ).

1.4. Background: HRM in the New Zealand context

Over the past 100 years the HR profession has been continuously evolving and changing, adding more and different roles and responsibilities. When one traces the HR profession one finds that out of the Industrial Revolution labour unions and the industrial welfare movement arose, as well as groundbreaking research in scientific management and industrial psychology. This led to the establishment of the first personnel departments during the 1920s. During the 1930s, 1940s, and 1950s the profession was enhanced by the human relations movement as well as the academic disciplines from the behavioural sciences and systems theory (Macky & Johnson, 2003; Rudman, 2002; Storey, 2001, 2007). By the 1960s, despite the growing body of knowledge, the personnel professional was still often regarded as little more than a glorified clerk (Lipiec, 2001).

4

New Zealand organisations were not exempt from this view and personnel management as a profession evolved very much with emphasis on administrative functions rather than emphasis on the welfare of employees (Personnel Management Association, 1968). Social, demographic, technological and economic changes in the environment caused personnel management to be seen as a clearly identified specialist function. This was largely due to the establishment of large overseas owned organisations (Personnel Management Association, 1968). In the 1970s a personnel management survey of New Zealand organisations established that, even though the personnel practices carried out were still mainly administrative, some more progressive HR practices, such as job evaluation, performance appraisal, performance counselling and development programmes had emerged (New Zealand Institute of Personnel Management, 1979). The study also reported that almost half of New Zealand's organisations in the private and public sector did not have anyone working fulltime on personnel activities.

In the 1980's climate of anxiety over prospects for economic growth, it became apparent that there was a need for the HR function to become more 'proactive' and human resource problems needed to be anticipated and prevented or at least minimised (Gilbertson, 1984). The movement towards these changes was caused by economic pressures such as the increasing need for competitiveness, unprecedented levels of economic uncertainty and a shift from manufacturing to service-based industry. Nevertheless, this decade also saw the HR profession faced with criticism and questions regarding its validity, which subsequently resulted in a significant body of research that linked HR practices to organisational performance (Stewart, 1996).

In the years from the 1970s to the 1990s New Zealand experienced a dramatic rise in the number of statutory requirements requiring personnel staff to involve themselves with an abundance of complaints and contract negotiations (Macky & Johnson, 2003). These major developments in legislation impacting on employment relations, along with more economic restructuring and radical shifts in the labour demand and supply, enforced a growing awareness of the importance of the 'human asset' (Gilbert & Jones,

2000). The emphasis away from collective bargaining and a move from the collective to the individual created a new void in the personnel function that needed to be filled.

A generally harsher business environment and increasing competitive pressures caused the HR function to be increasingly seen as a 'specialist' role (Macky & Johnson, 2003). This made it necessary for HR practitioners to recognise that they had the potential to play a key part in maximising the efficiency of the organisation's human resources. At the same time the role of HR practitioners in New Zealand organisations was becoming more strategic in orientation (Boxall, 1995; Stablein & Geare, 1993). HR practitioners started to depict themselves as 'strategic' HR professionals who divided their roles into operations and strategy (Ulrich, 1998).

A decade later, at the start of the new millennium, a study by Cleland, Pajo and Toulson (2000), surveyed the human resource profession in New Zealand organisations. Their results indicated that organisations in New Zealand typically had a centralised HR department, dealing with policy, operational issues and activities. Study results clearly indicated that the HR function in New Zealand, instead of being streamlined and downsized, was growing in size (Cleland et al., 2000). The profile of the New Zealand HR practitioner had also changed dramatically over the years. After World War II the typical New Zealand 'personnel manager' was male, middle aged, with limited experience in management and little or no training in personnel management (Gilbertson & Fogelberg, 1991; Macky & Johnson, 2003) whereas by the late 1990s the majority of HR professionals (60%) were well educated women with a degree or postgraduate qualification and a previous career in HR (Institute of Personnel Management New Zealand, 1997; Macky & Johnson, 2003; Rudman, 2002).

1.5. Outline of thesis

This thesis is divided into six chapters.

Chapter One provides an introduction to the study. It covers the objectives of the study, justifies its purpose and aim, and outlines the research statement. The chapter also

provides the historical background of human resource management (HRM) in the New Zealand context.

Chapter Two analyses the literature, so as to clarify and critique the existing state of knowledge in the field.

Chapter Three presents the research methodology and design approach which the researcher decided upon. It then goes on to elaborate on the data collection and analysis method, and considers ethical implications of the research.

Chapter Four presents the findings and results of the study.

Chapter Five provides an in-depth interpretation of the results.

The thesis concludes in Chapter Six and includes the conclusion, limitations of the study, topics for further research and a closing statement.

2. Literature Review

2.1. Overview

This chapter explores the existing literature dealing with the field of human resource management (HRM) within organisations. This review aims to assist in answering the research question by identifying literature specifically related to the activities and responsibilities of human resource (HR) practitioners and the capabilities required to implement effective HR practices. Discussion is based on interpretations of findings from relevant research and previous studies and any challenges, implications and emerging trends that are introduced by the authors. Particular attention is paid to key HR themes, which cover relevant and important HR issues. In order to identify areas requiring further investigation the gaps in the knowledge base around the outlined themes, the activities related to the HR function and the role of HR practitioners (in particular within the New Zealand setting), are highlighted.

Whilst reviewing the literature it was found authors consistently used a number of the same terms. In order to avoid any misinterpretation a number of the most commonly used terms are defined for clarification.

Human Resource Management (HRM)
Definitions of HRM vary, but follow a consistent pattern. Perhaps the most widely used definition of HRM was coined by Beer, Spector, Lawrence, Mills, and Walton (1984) who say "HRM involves all management decisions and actions that affect the relationship between the organisation and its employees – its human resources" (p.1). Härtel, Fujimoto, Strybosch, and Fitzpatrick (2007) define HRM as "the formal part of an organisation responsible for all aspects of the management of human resources" (p.5). The term also refers "to all the processes and activities aimed at utilising all employees to meet organisational ends" (Macky & Johnson, 2003, p. 6). Nel et al. (2008) elaborate on these simple definitions by saying that "HRM is the efficient delivery of customised quality assured human resource management services to the

internal customers of the organisation through highly efficient knowledge assets to enhance the organisation's global competitiveness" (p.9).

New Economy

The business environment has been changing dramatically over the past two decades. Harrison and Kessel (2004) highlight, in their definition of the 'new economy', some valuable concepts that can be directly linked to the HR themes that are outlined in this review. Included in the definition are issues such as 'rapid change is a constant', 'work is to be independent from location', 'communication technology creates and sustains global competition' and 'innovation becomes more important than mass production' (p.205). This requires organisations to 'learn fast and think smart', 'adapt continuously', show 'speed, flexibility and knowledge productivity' as well as to 'implement strategies that develop the skills, knowledge and competencies needed to drive the organisation to success' (Harrison & Kessel, 2004, p. 206). In the new economy knowledge workers become a key source of competitive advantage for many organisations and this has important implications on their management (Drucker, 2006).

Competitive Advantage

Competitive advantage is often referred to as the ability to do something unique that competitors cannot easily copy (Ulrich & Brockbank, 2005). Within the discipline of HRM the terms 'human assets' or 'human resources' are often proposed as being the vital influence in achieving competitive advantage (Johnson, 2000, 2002; McKeown, 2002). Competitive advantage, according to Storey (2007), can be achieved through the organisation's internal human capital resources as they fit the criteria of being able to add value, uniqueness, rarity, are difficult to imitate and are non-substitutable, which are all qualities that offer ongoing sustainable advantage. Yet the relationship between the individual and the organisation must be strong so that the individual may be considered a valuable resource offering the organisation a means to gain competitive advantage (Boxall & Purcell, 2000).

HR Practices

In defining HR practices for this literature review no distinction will be made between the 'best practice' approach (Macky & Johnson, 2003; Noe, Hollenbeck, Gerhart, & Wright, 2006; Rudman, 2002; Stone, 2005, 2008; Storey, 2001, 2007), systems of HR practices (Patrick M. Wright & Boswell, 2002), HR practice configurations (Lepak, 1999) and other functional HR practices. Throughout the literature, authors have taken different stances when referring to HR practices, but there was a consistent focus on the contribution of HR practices to enhancing human capital. Shared assumptions of a number of authors result in the definition that 'HR practices are a set of activities that actively contribute to achieving organisational objectives (Macky & Johnson, 2003) and have the ability to gain competitive advantage over other firms (J. B. Barney & Hesterly, 2006)'.

HR practices, or in other words, the programmes, processes and techniques that direct the management of an organisation's human resources (Patrick M. Wright & Boswell, 2002) can complement, substitute for, or even conflict with other organisational practices (Delery, 1998) and at times arise from reactive and ad hoc choices made by HR practitioners in response to circumstances (Macky & Johnson, 2003). HR practitioners are perceived to be an active element in the implementation of HR practices because of their command of professional and business acumen. It is suggested that the quality and extent of their knowledge and experience, and their level of training and education, combined with a belief in their ability to achieve set objectives has a significant impact on the successful implementation of HR practices (Murphy & Southey, 2003).

2.2. HR Themes

Change Management

Organisations that effectively manage change by continuously adapting their bureaucracies, strategies, systems, products and cultures in response to the impact of the complex, dynamic, uncertain and turbulent environment of the twenty-first century, are identified as masters of renewal (Nel et al., 2008). New Zealand businesses are not exempt from this trend and for the past decade organisations have been facing the need to change in order to remain competitive in the global market (Du Plessis, 2006). Consequently the HR function has become more multifaceted over the years as the

pace of change quickens, requiring a transition towards more value-added roles, such as the role of a change agent (Holbeche, 2006).

Unquestionably HR practitioners have a critical role to play to ensure that the change process runs smoothly, as change in itself causes a high level of turmoil in organisations (Nel et al., 2008). In the new economy HR practitioners, as organisational facilitators to change, have to have the capacity and discipline to make change happen and need to be skilled in the management of employee resistance to change (Macky & Johnson, 2003). The focus on the behaviour of employees is important as change has a way of scaring individuals into 'inaction', hence change facilitators need to possess the skills and tactics to modify employees' perceptions and replace any resistance with motivation and excitement to make change more appealing and seemingly more likely (Dibella, 2007). Managed change is proactive, intentional and goal-oriented behaviour and in order to reduce the likelihood of failure, HR practitioners, in change agent roles, need to develop competencies that enable them to identify and anticipate possible problems that may arise (Cleland et al., 2000; Macky & Johnson, 2003; Ulrich & Brockbank, 2005; Ulrich & Smallwood, 2003).

HR practitioners face a tough challenge in anticipating the effect of internal and external changes because, as mentioned above, the change process occurs in business environments that are themselves changing, resulting in unpredictable outcomes (Nelson, 2002). As companies develop integrated systems that address both operational and organisational changes, the HR function has to be more proactive and HR practitioners must avoid impassiveness and create new initiatives to assist organisations and their employees to cope with change (Martocchio, 2006). This is also noted by Nel et al. (2008) who say that human resources expertise is vital in the quest to ease organisational change by actively endorsing and proactively engaging with organisational development.

The findings of the Management Agenda 2005 Survey, covering trends relating to organisational change in UK organisations, portray the HR function as being too reactive (61% out of over 600 respondents) and out of touch with change initiatives (Holbeche & McCartney, 2005). According to the survey one of the key challenges for organisations

is to manage change since failure to do so can cause increase in stress and conflict at work.

The focus on the 'partnering' role, rather than on the 'administrating' role of HR, includes the role of acting as a change agent, which also requires broader, more business-focused skills (Ulrich & Smallwood, 2003). A lack of understanding of how the business operates, leaving HR within a functional vacuum, is seen as an 'Achilles heel' for some HR practitioners (Holbeche, 2006). Fundamentally, if HR practitioners want to act as change agents and be successful in implementing organisational changes, they will need to get committed support from top management (Macky & Johnson, 2003). In order to gain this commitment HR practitioners must demonstrate that they can operate outside the realm of the HR function and that they are comfortable with change and the uncertainty that comes with it (Ulrich & Smallwood, 2003).

Overall, there is clear indication that change happens and the need to 'change' is inevitable. Research findings indicate that the majority of organisations are good at initiating change, but bad at consolidating change, maintaining momentum and reviewing and learning from the change process (Holbeche & McCartney, 2005). As appropriately noted by Ulrich and Brockbank (2005), the primary difference between winning and losing in business will be the organisation's ability to respond to the pace of change. Winning organisations will be those that are able to create conditions for seamless change. Therefore HR practitioners need to facilitate organisational change and implement the necessary HR practices to ensure success (Joerres, 2006). This requires them to develop change management skills which include the capability to think strategically, engage employees, facilitate change and exceed expectations (Hayward, 2006).

Strategic role of HR practitioners

The current normative view of a strategic HR practitioner is depicted as a professional who is able to develop, plan and implement a wide range of organisational activities which are directly linked to organisational performance (Murphy & Southey, 2003). HR practices and policies have strategic implications on organisational performance and in making decisions about any employment related structures HR practitioners must be

able to make strategic choices (Boxall & Purcell, 2000). To be seen as truly strategic, important decisions have to be made with a long term perspective (in contrast to day-to-day operational decisions) as changing business conditions, and the organisation's response to those conditions, influence organisational success (J. B. Barney & Hesterly, 2006).

This view fits well with the suggestion by Raich (2002) that there is a clear shift in human resource management from a 'service provider' to a 'business partner'. Companies have even retitled their HR generalist as 'Business Partner' in an attempt to connote a closer and more strategic working relationship between the HR department and other operating units (Jamrog & Overholt, 2004). As pointed out by Ulrich and Brockbank (2005) the capability of providing direct support to the organisation through the knowledge of the business will allow the HR professional to join the management team. This brings an increase of new responsibilities, possibilities and opportunities for the HR function. Consequently if HR practitioners want to become key players in the management team they need to have the relevant capabilities to do so (Raich, 2006).

The debate about the changing roles and responsibilities of the HRM function and its associated terrain, including a greater emphasis on the transformation of the function into strategic decision-making, is not just a product of the twenty-first century. Morley, Gunnigle, O'Sullivan and Collings (2006) refer in their writings on transitions in HRM in the 1990s specifically to the function's changing characteristics from that of the traditional operational role of personnel specialists, to the strategic role of the HR practitioner. They postulate a shift away from a preoccupation with industrial relations to a broader concern with the strategic impact of the HR role. This new approach to design HR practices which develop the strategic value of the organisation's human capital is termed 'strategic human resource management' (SHRM) (Boxall, 1995; Kane, Crawford, & Grant, 1999). Changing the focus of HR also requires a conscious effort to expand the HR role in order to design policies and practices that maximise the alignment of current HR practices with the business objectives (Guest, 1990; Huselid, Jackson, & Schuler, 1997; Ulrich, 1998). In this role HR practitioners must be able to provide the expertise on how to leverage human resources to create true marketplace differentiation and able to

determine how the company's current culture, competencies, and structure must change in order to support the organisation's strategy (Cabrera, 2003).

A survey of New Zealand organisations in 1994, examining the perceptions of all members of the New Zealand Institute of Personnel Management (NZIPM) concerning the development of the human resource profession, provides interesting findings. In 1994 it was predicted that by 2000 the role of HR would be 'strongly strategic'(Burchell, 2001). However, more recent figures indicate this has not been realised (Burchell, 2001; Johnson, 2002). The Boston Consulting Group (BCG), in conjunction with the World Federation of Personnel Management Associations (WFPMA), and the Society for Human Resource Management (SHRM), conducted a global study in 2007 capturing the view of more than 4,700 executives on 17 topics in HR. Transforming HR into a strategic partner role was one out of eight particularly critical HR challenges in the near future. As established through the 2007 global Web survey, key to success will be to ensure that HR professionals have the operating experience and business acumen to add value through the strategic partner role (Strack et al., 2008). Possessing business acumen denotes an understanding of the dynamics of the industry in which the business operates, as well as day-to-day activities performed by different functional units (Jamrog & Overholt, 2004).

As previously mentioned the move towards a more 'strategic approach' requires the HR function to evolve from a merely administrative role to becoming a 'strategic partner', responsible for contributing to the achievement of business objectives (Macky & Johnson, 2003; Storey, 2001; Ulrich & Brockbank, 2005; Ulrich & Smallwood, 2003). This new focus of HR has nevertheless been linked to a number of role ambiguities which confront HR practitioners. One such is the tension in sustaining an ethos of mutuality given the opposing interests of employees and management (Morley et al., 2006). Considering that the role of strategic partner deals with processes rather than with people, one can concur with the view that HR managers could be neglecting the basic role of 'enhancing employee well-being' (Renwick, 2003) or, in other words, they could be accused of 'ignoring employees' (Redman & Wilkinson, 2001).

Recruitment and Retention

Organisations like to promote the idea that employees are their biggest source of competitive advantage. Yet, interestingly enough, too many organisations are unprepared for the challenge of finding, motivating and retaining skilled and talented individuals in today's labour market (Härtel et al., 2007). Attention has been drawn to an imminent shortage of capable workers by a number of global studies. According to two global surveys, conducted by McKinsey Quarterly in 2006 and 2007, finding talented people is the single most important challenge for organisations worldwide (Guthridge, Komm, & Lawson, 2008).

The 2007 global Web survey, conducted by BCG, established that 'managing talent', which involves attracting, developing and retaining all individuals with high potential, was one of the HR challenges demanding the most immediate action and greatest attention (Strack et al., 2008). The intensifying competition for talent and the increasingly global nature of the competition, makes recruitment and retention a strategic priority and it becomes vital for HR practitioners to rethink the way their organisations plan to attract, motivate and retain employees (Guthridge et al., 2008).

HR practitioners have a key role to play in ensuring that organisations have a continuous supply of suitably qualified and trained employees. Nevertheless it has been suggested that it is not only their expertise in selection, recruitment and training that is critical in this process but it's success is also influenced by contextual factors, i.e. the structure and culture of the organisation, the quality of leadership and even the position of the HR function itself (Oltra, 2005). Reaching the best candidates in the market, particular in a market short of skills, requires an advanced approach to sourcing talents. Venturing outside the norm to make the organisation stand out in a crowded market place does not always require replacing traditional methods, but there is a need to complement them with new and emerging technologies (Jacobs, 2007). In other words there is a need to 'renovate' current recruiting and staffing processes and HR practitioners need to work closely with other departments and pay special attention to staffing issues (Strack et al., 2008).

Despite the abundance of texts offering a variety of techniques for the recruitment and selection of employees it is found that HR practitioners are often overwhelmed by the literature and fail to adopt the most appropriate methods (Heneman, Judge, & Heneman, 2006). Regardless of the fact that New Zealanders pride themselves on being early adopters of technology in the area of e.g. recruitment, NZ organisations are 'way behind' US and UK trends (Kendrick, 2007). If, as alleged by Kendrick (2007), "Human capital is a key resource for most companies" (p.6), it is vital to recruit and select the 'right' people. It also makes business sense to make recruitment an ongoing 'process' and not just an 'event' (Banks, 2007). This requires the skill to build a system whereby talent can be tapped into at any time rather than starting from scratch each time a vacancy arises (Jacobs, 2007).

While organisations seek to identify, appoint and select quality people in a labour market where particular skills are sought after and personal commitment to organisational life is decreasing in favour of life-style needs, non-standard forms of recruitment (e.g. using recruitment agencies to locate the most appropriate individual) are on the increase (Fish & Macklin, 2004). This trend, on the one hand, gives HR practitioners additional time to deal with the variety of other HR activities that are inherent in their role. Nevertheless, it also has the potential to have negative implications such as loss of control of the recruitment process and extra costs associated with recruitment agencies. As also noted by Fish and Macklin (2004) recruitment agencies tend to adopt a relatively passive recruitment strategy involving advertisements and 'on the books' clients. From a strategic HRM perspective HR practitioners can help to support the sustainability of an organisation through identification of capabilities specific to sustainability and by seeking to align recruitment and selection practices to these capabilities (Gloet, 2006).

An important issue in the new economy is staff retention because without employees who are well integrated into the organisation and contributing to their best ability, success is short-term (Losey et al., 2005; Rennie, 2003). Problems, particularly with employees, have incidental effects causing further issues with training, planning and strategic decision-making. When set in a global context, this becomes even more complex and the selection and retention of a stable and committed pool of talent takes careful consideration (Rennie, 2003). As noted earlier, the management of knowledge

workers has become a major concern in the new economy. Knowledge workers are known to be more demanding in their work - life and, in some cases, are more likely to be committed to their profession rather than to a particular organisation (Murphy & Southey, 2003). As a result this requires more effort in implementing HR practices that can attract, maintain and motivate these employees (Drucker, 2006).

Employers in New Zealand's tight labour market are increasing wages and utilising benefits to motivate and retain staff (Thomson, 2006). The central conclusion of the Fortune Magazine's survey of the 'world's most admired companies' summarised the expressed views of the CEO's stating: "The ability to attract and hold on to talented employees is the single most reliable predictor of overall excellence" (Storey, 2007, p. 9). McKeown (2002) recognises the link between retention and the employee and manager relationship by saying: "Get it right and acceptable retention is almost assured; get it wrong and everything else will count for naught" (p.152).

Work - Life Balance

Finding the 'balance' between work and non - work, with neither of them intruding into the other in terms of time, resources and emotional energy (Macky & Johnson, 2003) could be an elusive goal for more and more employees as the twenty-four hour, seven day working week gains ascendancy (Taylor, 2002). From an HR perspective, this issue causes significant concerns for organisations. The difficulty for employees to maintain a 'balanced' life between the paid work they perform and increased responsibilities, such as looking after the elderly or dealing with financial pressures, can cause stress which can translate into decreased productivity and retention issues as employees will look for better working conditions (Härtel et al., 2007). According to Barratt (2007) employers will need to get serious about work - life balance and go beyond lip-service because: "While organisations talk the talk of work - life balance, the majority are struggling to make it a reality" (p.5).

Findings from a New Zealand Institute for Management survey, reported by Gautier (2002), established that having sufficient time for personal and family life was seen as the second most important attribute of an ideal job for many managers. Similar results were found from a study carried out by the recruitment company Pohlen Kean, who

surveyed 1187 employees in 25 New Zealand organisations on work - life balance issues (Campel, 2002). Company representatives (HR practitioners) were questioned about staff turnover and policies and practices on achieving work - life balance and employees gave their perceptions of stress, work - life balance and their intentions to stay in the job. Constant overload, stress related health issues, as well as decreased performance were some of the negative effects reported by the employees (Campel, 2002). However, having flexible work schedules, such as ability to control start time, length of workdays and/or days in the workweek, was perceived to be valuable by employees. Research findings indicate that when employees have satisfactory levels of work - life balance, organisations will see a return in terms of retention ("Playing to win in a global economy," 2007/2008). The previously mentioned study by BCG, which addressed HR challenges worldwide through to 2015, identified the management of a work - life balance as a possible action to retain the organisations best employees (Strack et al., 2008).

The organisation's response to employees needs may range from family responsive programmes, which may include components such as leave programmes, dependent care and health/wellness programmes (Macky & Johnson, 2003; Stone, 2008). Offering flexible work arrangements, which are the cornerstone of almost all work - life balance initiatives, can have significant beneficial results (Strack et al., 2008). One of the reasons for this may well be the fact that the one factor that helped employees achieve 'balance' was something in the control of every employer -- that the company was actively helping to achieve a work - life balance for their employees (Campel, 2002).

Many younger employees tend to have new and non-traditional expectations about work. A particular demographic challenge comes from generation Y (people born after 1980). As observed by Guthridge et al. (2008) these individuals demand, among other things, a better work - life balance. It becomes evident that these employees, who operate in positions based on their perception of the organisations commitment to work - life balance, need to be managed differently. Andrew Dyer, global leader of BCG, claims that employees, especially the most talented ones, often make career choices based on factors such as flexible work hours (Strack et al., 2008). Ultimately employees are interested in having both a good job and a life beyond work and there is a need for HR

practitioners to implement policies and practices that will increase employee commitment (Du Plessis, 2006). This is also noted by Johnson (2000), who states that offering employees work - family balance appears to symbolise an employer's concern for employees, leading to greater commitment to the organisation.

Diversity Management

Managing people from different cultures and backgrounds has become the norm for HR practitioners in New Zealand organisations because the face of the country is changing continuously. New Zealand is becoming an increasingly multi-cultural society (Jones, Pringle, & Shepherd, 2000). A study, which amongst other issues also looked at the most significant changes in HRM in New Zealand organisations, indicated that the management of diversity is an 'emerging challenge' for HR practitioners (Cleland et al., 2000; Institute of Personnel Management New Zealand, 1997). According to Ulrich and Brockbank (2005) worldwide immigration patterns have sharply internationalised the labour force and there is a need for organisations to move beyond intellectual diversity and formally ingrain diversity into their culture (Ulrich & Brockbank, 2005). HR as a profession therefore has to recognise and espouse the value of diversity because diversity management has been identified as an emerging strategic necessity for survival in a globally diverse environment (Nel, van Dyk et al., 2004).

Finding ways to identify potential employees or to tap into existing talents, regardless of their background, gender, religious beliefs and so forth, and developing them to address skill shortages can be regarded as a conscious effort to improve diversity management (Jayne, 2005). Härtel et al. (2007) believe it is the responsibility of HR practitioners to manage diversity and to teach other managers and employees what their role in 'diversity' is. This is especially important for organisations in New Zealand because, like many other developed countries, New Zealand is experiencing skill shortages in many industries and at the same time this also makes recruitment and retention concerns more acute (Reed, 2004). In this context, valuing diversity takes on a new urgency.

New Zealand has some very well qualified immigrants coming into the country and therefore the need arises for HR practitioners to let go of the image of what constitutes the ideal worker and to make the best use of the skills and abilities of all current and

future employees (Reed, 2004). Immigrants want to retain their cultural and linguistic identity even though they live in New Zealand (Rudman, 2002). This is creating further challenges to the HR practitioner's ability to manage a diverse workforce. The existence of diversity itself is not the main concern in organisations in New Zealand, because, in a way, all employees are different from one another. The challenge is to overcome stereotypes and prejudices and to welcome dissimilarities and differences because diversity management should, above all, view employees as 'unique individuals'. Recognising that the varying cultural experiences and perspectives of the individual are a natural source of variety, which is a condition for learning, is even seen as indispensable for organisational success (Rijamampianina & Carmichael, 2005).

It also needs to be noted that New Zealand has the unique existence of biculturism, which refers to the influence that both Maori and European culture are meant to have on society and in workplaces (Jones et al., 2000). Introducing Maori cultural aspects, such as whanau interviews, which is a cultural sensitive selection and promotion method, enables individuals to stay true to their heritage and culture (Macky & Johnson, 2003). Nevertheless there is not enough evidence that shows that New Zealand organisations are presenting initiatives to welcome Maori into the largely European dominated workplace society (Jones et al., 2000). Nevertheless, by accommodating and integrating individual differences, an appreciation of the uniqueness of individuals or groups develops and this can be referred to as 'diversity openness' (Härtel, 2004).

In addition to this biculturalism, there is also a growing number of Pacific Island people, Asians, Indians and many other ethnic groups that can have implications on workplace diversity. The trend towards teamwork in organisations is increasing and employees are compelled to work together in a variety of different ways (Rijamampianina & Carmichael, 2005). Different interest, backgrounds, competencies, skills and talents, if harnessed properly, can be beneficial to productivity and successful teamwork. This is recognised by Ely and Thomas (2001) who say that diverse groups and organisations have performance advantages and the recurrent aspect among high performing groups or teams is the integration of that diversity.

Given that there is a conscious awareness of the value of diversity, the predominantly homogenous group of HR practitioners in New Zealand organisations is a major concern as it fails to provide a role model for espousing this value (Cleland et al., 2000; Macky & Johnson, 2003; Rudman, 2002). Diversity management also involves conscious efforts to actively recruit members from ethnic minorities (Cleland et al., 2000) and one has to question the imbalance that is present in the membership of HR professionals in New Zealand organisations. Demographic trends in New Zealand clearly indicate that diversity is here to stay and HR practitioners need to be able to go beyond legal mandates and first and foremost recognise the uniqueness of each individual and the varied perspective and approach to work that they bring to the organization (Rijamampianina & Carmichael, 2005). Organisations that develop a reputation for effective diversity management are able to attract skilled and talented individuals from all groups of society (Härtel, 2004) and this, as mentioned earlier in the review, is paramount in today's scarce labour market.

2.3. Summary

It can be concluded from the literature that the rise of the so-called 'new economy' has had a major impact on the role and function of HRM in organisations. The traditional focus on 'managing people' has broadened to management and integration of specific HR practices to support competitive advantage (Gloet, 2006). To meet the increased expectations of the organisation HR practitioners need to focus more on 'deliverables' of their work, rather than 'just getting their work done' and to develop the skills required to work from a base of 'confidence' and earn what they too often lack, which is 'respect in terms of the value they create (Ulrich & Smallwood, 2003)'. Of critical importance is the view that employees represent the 'hidden wealth' of an organisation and organisations with more talented employees will 'win' over time (Losey et al., 2005).

It is the key responsibility of HR practitioners to improve employees' performance because, as claimed by Rennie (2003), only people can sustain the competitive advantage of a company. The key HR themes depicted in the literature review clearly indicate that the HR function has evolved over the years and a more proactive approach to the way the workforce is managed is required for organisations to survive in today's

competitive business environment (Johnson, 2002). The review clearly suggests that those HR practitioners, who possess the relevant capabilities, have the potential to be a potent determining contributor to organisational success.

3. Research Methodology

3.1. Overview

This chapter sets out the method of data collection employed in this research. It provides an outline of the chosen approach to collect the relevant data needed to answer the research question outlined in Chapter 1. Firstly attention is given to the two main research paradigms, leading on to consideration of the methodologies employed by other, similar, HRM studies. The chapter describes the data collection used in this work, including the sample selection, online survey tool design, survey process and the analysis techniques applied. A brief discussion pertaining to the limitations of the study is provided and finally, ethical implications are considered.

The issues discussed in this section reflect a very important decision taken, namely which research design to use. Several methods may be considered appropriate for this study, however it is essential to determine which is the 'most' appropriate. A discussion of the strengths and weaknesses of both paradigms, particularly in the light of the specific research objectives, provides the rationale to select one particular research paradigm over the other. Although the choice to use either a quantitative or qualitative methodology, or a combination of both, is often subsumed to suit the research question, a particular philosophy can be subject to the personal preference of the researcher (Hammersley, 2006). Furthermore, for a student research project to be feasible it must be both cost efficient and executed quickly, as the total time and resources available for conducting the study are strictly limited. These factors additionally influence the choice of which methodology to employ for this research.

3.2. Philosophies or research paradigms

Researchers in social science use a set of particular philosophical assumptions in order to improve the knowledge of phenomena, and those assumptions can be termed 'paradigms' (Davidson & Tolich, 2003). Despite the fact that the term paradigm is often

used loosely in academic research and can mean different things to different people, key methodologies are associated with the two main research paradigms (Collis & Hussey, 2003). The term methodology refers to the chosen approach which is applied to the entire research process, or in other words provides the framework for the research strategy (Weber, 2004). Thus, methodology is concerned with the theoretical underpinning of the why, what, from where, when and how data is collected and analysed, the method used for this refers to a specific research technique (Collis & Hussey, 2003). Whilst there is considerable blurring of terminologies, many authors refer to the positivistic paradigm as quantitative, objectivist, scientific, experimentalist or traditionalist; and to the phenomenological paradigm as qualitative, subjectivist, humanistic or interpretivist (Creswell, 2003; Maxim, 1999; Poon, 2005; Saunders, Lewis, & Thornhill, 2003). To avoid misinterpretation, this study will refer to the two philosophies as quantitative and qualitative approaches or methodologies.

Quantitative and qualitative methodologies are viewed by some as mutually exclusive because of their fundamental differences in philosophy, suggesting that they sit on opposite ends of a continuum of philosophical assumptions (Onwuegbuzie & Leech, 2005). Yet viewing the two paradigms as competing techniques seems counterproductive because both paradigms have the same goal of trying to understand a phenomenon, just different strategies to reach these goals. Research, as believed by Gummeson (2006), is rarely exclusively either qualitative or quantitative. For example qualitative research can bring quantitative information to life and a quantitative study can be coloured by qualitative elements, such as observation (Gummeson, 2006). Similarly, Hyde (2000) claims that both quantitative and qualitative research involves deductive (general to particular) and inductive (specific to general) reasoning, yet this is often not recognised by the researchers. In order to overcome the complexities to take either a qualitative or quantitative path, characteristics of the two main research paradigms are examined.

The phenomenological paradigm or qualitative research approach takes the view that the world is socially constructed and is subjective as it is concerned with understanding human behaviour (Neuman, 2003). The data tends to be referred as being 'rich', as the researcher observes or studies a small population, and with a high level of detail

(Alvesson, 2002; Collis & Hussey, 2003; Delahaye, 2005). As noted by Creswell (2003) a qualitative approach is used where there is a concern for understanding how things happen and how they are related, rather than only measuring the relationship between variables. This methodology is considered less scientific and therefore less rigorous than a quantitative methodology and attempts to understand the nature of social reality by examining and reflecting on perceptions (Collis & Hussey, 2003). Nonetheless, irrespective of the paradigms advantage of accumulating rich and complex data, striving for multiple reality renders qualitative research to criticism for being subjective and biased (Neuman, 2003).

The premise to keep the data free from bias takes issue in both paradigms however data obtained by objective forms, as in a quantitative research method, is perhaps easier to keep free from researcher bias than data generated implicitly from interaction between the researcher and the participant. For instance researcher bias frequently stems from the fact that most qualitative studies predominantly use the researcher as a 'research tool', filtering data through the eyes of the data collector (Goulding, 2002). While it is argued that generating 'verbal' data by capturing what people say provides meaning through people's narrated experience, this also has the inclination of providing multiple, and often conflicting meaning (Morgan & Drury, 2003; Vignali & Zundel, 2003). This is a stance compatible with Paley's (2005) assertion that data gathered for example through interviews, is being subjected to criticism as generalising interview responses from only a small sample to the whole population may lead to untrustworthy findings. Similarly, Collis and Hussey (2003) claim that methods used to collect qualitative data has a lower level of reliability as it leaves room for misunderstanding, consequently making it difficult to make similar interpretations on different occasions. Considering that researchers in theory should be able to repeat a study within a reasonable period of time and achieve similar results, this raises a valid point when employing a qualitative research paradigm.

Quantitative research is often defined as the collection of numerical and statistical data and claimed to be objective in nature and built upon the positivism paradigm (Collis & Hussey, 2003). A standardised method, as applied in quantitative research, allows for a broader study, involving a greater number of subjects and is thought to enhance

generalisation of results (Morgan & Drury, 2003). Thus in order to generalise about social and human phenomena, or in other words to come to conclusions about one thing (population) based on information about another (sample), it is necessary to have samples of sufficient size, which in turn allows inferences to be made about a defined population (Poon, 2005). Business research, which is commonly positivistic in nature, considers a quantitative method the most legitimate approach used for explaining phenomena as the data is obtained by objective forms of measurement (Morgan & Drury, 2003). This view is also in accordance with Vignali and Zundel's (2003) standpoint that business research calls very much for an approach whereby knowledge claims are attributed to direct products of observation and designed to provide verification and replication, rather than studies that proceed on 'gut' feeling and 'embark on a journey of discovery' (Goulding, 2002) as suggested in a qualitative paradigm.

Methods used to collect quantitative data include models, surveys, theories and samples, all of which can be tested and generalised (Eldabi, Irani, Paul, & Love, 2002). A survey questionnaire is a favourite methodology and the vehicle to uncover statistically significant results for a quantitative study. Nevertheless interpreting the data in order to 'say anything' remains in the expertise of the researcher as it cannot be assumed that Xs put in small squares by respondents make it possible to find a 'single reality' (Alvesson, 2002) as pursued in a positivist paradigm. It is also difficult for the researcher to determine whether a question was misinterpreted or ambiguous because researchers are seen to be independent of the research they are conducting (Collis & Hussey, 2003). Additionally once the questionnaire is made available online it is at the mercy of the respondent as to whether they decide to complete it, interpret the questions as intended and/or answer the questions honestly. This essentially highlights that it is erroneous to consider that such a research design produces the most reliable form of knowledge due to it's objectivity, as all research methods are subject to inaccuracy because of the complex nature of conducting comprehensive scholarly studies (Gummeson, 2006).

A hybrid methodology, also referred to as methodological triangulation, is a research approach that provides insights from a variety of perspectives and data is collected through a quantitative and qualitative process (Collis & Hussey, 2003; Creswell, 2003).

Hybrid methodologies are characterised by multiple data sources and this requires for example, to firstly gather qualitative data to explore any issues at hand, and then to survey a larger sample to 'test' the qualitative findings. This mixed method approach has the potential to generate valuable knowledge, and as a result yielding a broader view of the research problem or issue (Collis & Hussey, 2003). Thus care should be taken when combining techniques because if such studies are not carefully designed there is a risk that the results under one or both of the methodologies may become contaminated (Hantrais, 2005). According to Jack & Raturi (2006) it is quite a common mistake for researchers to use a second methodology to verify the validity of the first findings – and that in fact it should only define the first findings.

Even though Collins and Hussey (2003) point to difficulties in mixing methodologies, methods which consist of interviews and questionnaires are commonly employed by researchers. For example the case study method, whereby researchers gain access to one or more organisations for the purpose of studying phenomena, is a method very suited to a mixed method approach and exploratory in nature. While the greatest strength of such methodology is that it allows an elaborate investigation and in-depth interviewing (Horgan, 2003), it requires considerable time and resources on both, the researcher and the participants. Consequently, a research design based on methodology triangulation is too time and resource consuming for it to be feasible for this particular study.

Previous HRM research

When considering methodologies in the context of this research, it is valuable to look at previous HRM studies. As mentioned earlier in this chapter, studies conducted in business related topics commonly employ quantitative methodologies to collect data. Of the leading HRM research that has been carried out in NZ organisations, researchers frequently employed quantitative methodologies. Survey questionnaires were used for gathering data on issues such as, the HR function in NZ organisations, an examination of the evolving role of the HR profession in NZ, the management challenges regarding the future of work, the capabilities and future requirements in HRM, HR priorities for competitive advantage, professionalism of HR personnel, as well as future directions for HR in NZ organisations (Burchell, 2001; Cleland et al., 2000; Du Plessis, 2006; Du

Plessis & Nel, 2006; Institute of Personnel Management New Zealand, 1994, 1997; Johnson, 2002; Nel, Marx et al., 2004; New Zealand Institute of Personnel Management, 1979).

The rational for employing a survey questionnaire in the relevant previous studies was predominantly the fact that a broader study enhances generalisation of results. Greater generalisability is regarded as beneficial as for example, comparing results across countries is valuable as the advent of globalisation brings a whole new set of considerations for HR practitioners. Survey questionnaires used in the previous HRM studies replicate research conducted by other large international studies. Of those the more prominent studies that have been carried out are IBM and Towers Perrin, examining HRM issues in twelve countries and the Cranfield Network on European HRM survey or otherwise called the Cranet –E project. IPMNZ (Institute of Personnel Management New Zealand, 1994) compiled a comprehensive survey questionnaire in NZ and Australia and the same questionnaire was modified, refined and used again in 2000 by Burchell (2001) in association with HRINZ. The questionnaire was also used by Du Plessis and Nel after permission and with minor editorial modifications, to survey members of the Institute of People Management (IPM) of South Africa in the last quarter of 2002 (Nel, Marx, & Du Plessis, 2005).

3.3. Methodology selection

In choosing a research methodology for this study, a first logical step was to reiterate and reflect on the research question "To what extend are HR practitioners in New Zealand organisations equipped with the capabilities that can increase HR effectiveness?"

It is important to keep in mind that the ultimate objective of this study is to determine to what extent the current levels of capabilities of HR practitioners in NZ organisations match the expectations, challenges, trends and requirements of their roles and responsibilities. Capturing contextual data in order to gather opinions on a large scale can aid in identifying possible shortfalls in their capabilities, hence addressing the stated research question. When examining the research problem, taking into account the

broader focus on five key HR themes, one can see that there was a need to consider an approach which put the researcher in a strong position to collect data from a sufficiently large number of organisations to generalise to the national population of organisations in NZ. Therefore it was concluded that an optimum way to achieve this was by the means of a quantitative approach. It was also decided that using a survey questionnaire, as the research instrument, would be best suited for this study.

The main reason for this decision is that of all the methods discussed, it is the most efficient and economical way to gather opinions from a large number of HR practitioners in NZ organisations and moreover, to obtain generalisable conclusions. In addition, the strength of this cost-effective and fast to execute approach is that it is unbiased and objective (Creswell, 2003). This implies that it is therefore possible to collect valuable information from many respondents within a relatively short space of time, and as aforementioned, allowing inferences to be made to the national population of organisations in NZ as a whole. Furthermore, this method is claimed to be respondent friendly as it is less time consuming than other methods. Completing a survey is also associated with a reduced amount of 'intrusion', consequently reducing ethical issues related to access into organisations, confidentiality and anonymity (Iarossi, 2006).

3.4. Data collection

The quantitative methodology adopted was an e-survey, which was a questionnaire containing structured closed questions. This involved the selection of a sample of people (drawn from the HR practitioner population in NZ) to ascertain how factors differ, and to make inferences about the population, in this case HR practitioners in NZ organisations, or in other words generalising from sample to population. Reliability of the study was seen as high as previous leading HRM studies conducted in NZ proved successful using a quantitative methodology and furthermore, the method of conducting this study can be replicated by other researchers (Collis & Hussey, 2003; Neuman, 2003).

When a quantitative methodology is adopted, the validity of the study tends to be low, as the data collected may not reflect the phenomena the researcher claims to be investigating (Collis & Hussey, 2003). Every effort was made to try to minimise the effect

of factors such as research errors, poor samples, inaccurate or misleading measurement and non-response bias, which are generally problematic with respect to validity issues.

Sample selection

For the purpose of this research it was proposed that the study focused on HR practitioners in New Zealand organisations who are registered as members of the Human Resources Institute of New Zealand (HRINZ). HRINZ represents the interest of 3600+ individual members who are involved in the management and development of human resources in private and public sector organisations throughout NZ. General members are supported by the institute to develop their professional skills and knowledge as HR practitioners and key decision makers in their organisations. Professional members must be able to demonstrate knowledge, skills and experience in generalist or specialist roles in the field of HR to meet the criteria set out in the rules of the institute.

The target population was limited to HRINZ members that had registered to participate in any forthcoming HR research requests that HRINZ provided links to. The reason why only this group was targeted was because members that registered themselves to a 'dedicated research survey option' displayed a genuine interest in external HR related research being undertaken by universities. The other criterion was that members that 'opted in' were emailed an invitation to participate in the survey directly from HRINZ. It was hypothesised that participants would be more likely to respond if the study was presented by an intermediate party, who in their formal capacity communicate a credible and professional image. The reputation of the institute would, at least in part, help to overcome the problem of lack of familiarity. It is argued that obtaining support from legitimate representatives, such as for example HRINZ, is helpful for gaining trust from the respondents, confirming the purported use of the surveys, and increasing the probability of returning the questionnaire (Dillman, 2000).

As of February 8th, 2008, the total number of HRINZ members in this category was 364. It was decided this sample size was sufficient for the purpose of this study because as

recognised by Leedy and Ormrod (2005) the "larger the population, the smaller the percentage one needs to get a representative sample" (p.206). More importantly this was to ensure that sampling error was at a tolerable level and confidence level was acceptable for certainty of the generalisations from the sample (De Vaus, 2002)

Questionnaire development

The questionnaire was deployed for the purpose of firstly providing background information about the sample. This included identifying HR practitioners that came from larger organisations i.e. 500 or more employees. Larger organisations in New Zealand traditionally follow a more organised and sophisticated approach to HR management and the researcher's aim was to make more valid inferences from the sample (Du Plessis, 2006). Secondly, the questionnaire was a source of valuable information about HR practitioner's perceptions of core HR capabilities.

The instrument was developed specifically for this study by the researcher. The six-part questionnaire (see Appendix 1) was developed into an e-survey, and made available on the survey tool site http://www.surveymonkey for respondents to access electronically. Particular effort was made to standardise both the format of the questions and the response categories throughout the questionnaire. Here the intention was to reduce complexity of the questions and thereby maximise appeal and ease of completion. As the survey also involved a self-report on perceptions, careful wording of instructions on how to answer the questions was made to guide the participants to answer as accurately as possible.

The questionnaire consisted of six sections with 40 questions (this number was made up of main questions and sub questions). Section one was a letter of introduction explaining the study and the benefits it would deliver should recipients participate. The purpose here was to ensure that recipients could relate to the researcher and consider the aim of the study worthwhile. Confidentiality of the completed survey was guaranteed to all respondents.

Section two served to provide data firstly on the HR priorities of the HR function, and secondly ratings on the HR function in a variety of areas. The next section required the respondent to indicate the percentage of time spent on any or all of three organisational activities (e.g. admin, operational and/or strategic input). This information was required to set a context for the opinions that would follow.

The questions in sections four and five were designed to gain an overall impression of the participants thoughts, opinions and perceptions regarding core capabilities currently inherent and/or needed to increase HR effectiveness. Section four measured respondents' attitudes and opinions by turning each question into a statement and therefore capturing individuals' opinions (De Vaus, 2002). Each statement was a separate variable and respondents indicated their level of agreement or disagreement (by indicating strongly agree to strongly disagree). Section five also made use of a five-point Likert rating scale anchored by 'significant need for improvement' and 'major strength'. The Likert response format, as noted by Creswell (2003), is easy and fast allowing for more items than other types of surveys, is easier to tabulate and can be used for scaled responses.

Several sub-questions were formed to adequately explore each of the five HR themes. Grouping the sub-questions under the HR themes to survey a particular concept formed a theoretical scale and this scale was used by the researcher to measure the theoretical construct of this study (Delahaye, 2005). Researchers are encouraged to use such scales as the concept or theme under investigation is more fully represented and the resultant measurement is more reliable.

The last section served to gain information on demographics such as gender, position classification, occupational category and so forth. It was also seen necessary to ascertain whether number of years of experience in the HR profession and/or educational attainment was an indicator of current HR capabilities inherent in the respondents or otherwise. There is some debate regarding the best location for the classification questions i.e. to either place them at the beginning or at the end of the questionnaire. Collis and Hussey (2003) believe that placing demographic questions at the beginning of the survey could be seen by respondents as personal intrusion, which

may deter them from continuing the completion of the survey. For this reason the demographic questions were included in the last section.

All the questions in the questionnaire were closed questions. Closed questions are regarded as more suitable for large scale surveys as they are less complex, quicker for respondents to answer and usually easier to analyse, since the range of potential answers is limited (Lewin, 2005). Only one of the questions was a dichotomous question (i.e. 'male' or 'female') and as aforementioned the majority of questions were compiled making use of a five-point Likert scale. A five-point rating scale typically gives sufficient discrimination and is easily understood by participants (Iarossi, 2006).

Pilot Study

Eight fellow students and colleagues without any prior knowledge of this survey instrument were invited to do a pilot test of the online survey prior to the link being sent out the actual respondents. It was important to conduct the pilot as it gave the opportunity to test all aspects of the survey including the wording. The wording in a questionnaire can have a huge impact on the results of a study (De Vaus, 2002) and thus the eight postgraduate students that took part in the pilot study were therefore asked to check whether the wording of the questions was confusing or could be misunderstood or misinterpreted.

As also noted by Lewin (2005) piloting a questionnaire before it is distributed is essential as it could highlight ambiguities and potential pitfalls. This also helps to overcome one of the major problems associated with questionnaires, namely non-response bias (Collis & Hussey, 2003). For example if there are a large number of non-responses to a particular question (also called item non-response) the question may have been faulty. Non-response also has the potential for biased sample increase and thus making it not representative of the population (Iarossi, 2006).

The pilot participants were asked to give feedback on the following questions:
How long did it take you to complete the survey?
Did you feel the survey was too long?

Did you spot any spelling mistakes?

Did the progress bar encourage you to complete the survey?

Did you find the instructions given prior to each section to be clear and explanatory?

Do you have any suggestions on how the instructions could be improved?

Participants spent on average 15 minutes to complete the pilot survey. The survey was only slightly altered following the pilot test. The questionnaire was then finalised and prepared for distribution at the end of January 2008.

Questionnaire data collection

The data was collected via the e-survey, which was specifically designed for this study. On the 24th January 2008, Debbie Bridge (HR Careers and Education manager at HRINZ) emailed invitations directly to the participants on behalf of the researcher. The invitation included the link to the online survey and recipients were asked to complete the survey no later than 25th February 2008. The invitation went to 364 members of HRINZ that had 'opted in' to participate in any forthcoming HR research requests. 179 participants responded to the survey questionnaire. A total of 151 completed questionnaires were usable i.e. no missing values, giving a response rate of 41 per cent.

The original completion date (25th February) as stated in the invitation was upheld. The reason was that prolonging the cut-off date made a large number of additional responses highly unlikely as the majority of responses were received by the end of January 2008. The last response was received on the 22nd February 2008.

Data analysis

Upon receiving all completed questionnaires, responses were directly downloaded into Excel spreadsheet format. Downloading data directly helps to eliminate data entry errors, which may occur in paper surveys or studies whereby data has to be entered manually (Iarossi, 2006). The data was then exported to a programme called Statistical Package for Social Science (SPSS) and subjected to quantitative analysis.

This programme was chosen as it aids in analysing large amounts of quantitative data and enabled the researcher to conduct a range of statistical tests quickly and accurately, whilst being able to present the findings in the form of tables and graphs. As recognised by Collis and Hussey (2003) graphical presentation is a useful technique for presenting basic descriptive statistical data that has been extracted in a way that enables patterns and relationships to be discerned and which are otherwise not apparent in raw data. Survey results were analysed using descriptive statistics such as frequency distributions, standard deviations, mean, percentages and t-tests. Analysing the data also required the researcher to draw conclusions from the whole population, which is termed inferential statistics. The researcher made use of a number of tests e.g. Chi-square, gross tabulation comparisons, Cronbach's alpha test, as well as Spearman's and Pearson's correlation coefficient, in order to analyse data in more detail.

Ethical considerations

The research project adhered to Unitec New Zealand's ethics process, and gained ethical approval from the Unitec Research Ethics Committee (UREC) for the time period from the 14th January 2008 to the 14th January 2009 (file number 2007.775). Furthermore, the Research & Publication Sub Committee of HRINZ granted permission for this study and for the HRINZ database to be used to distribute the survey questionnaire (letter appendix 3). Debbie Bridge (HR Careers and Education manager at HRINZ) emailed HRINZ members directly on behalf of the researcher.

The application for ethics consisted of completing the necessary forms that included specifying who the researcher was, the full details of the research, the aim of the study, details of the participants, how the data was to be collected, and how the data was to be stored. Other documents that were attached to the application were the questionnaire, the letter to HRINZ to ask for permission for the research, a synopsis on how participants were invited to participate and confirmation from HRINZ to conduct the study.

No consent forms from the participants were required for this survey, as respondents gave their consent upon choosing to complete it. Moreover, the completed thesis makes no direct reference to any HR practitioner or organisation, and all data collected remains

totally confidential. Participants completed the questionnaire in an anonymous manner and they were not required to fill in their names nor provide any personal information that could identify them, eliminating the identification of respondents.

Participants were also ensured that the results of the survey would only be used for the particular study. No monetary or non-monetary incentives were offered to participating HRINZ members.

In considering any concerns participants may have, section one of the survey included a paragraph which invited participants to contact the researcher or research supervisor directly if they had any questions regarding the nature of the survey or the conduct of the study. No issues arose and no comments were made by any participants during the 4 weeks the survey was active.

3.5. Summary

This chapter describes the methodological approach taken for this research. After reviewing various methodologies the researcher decided that a quantitative approach, using a survey questionnaire, was most suitable to answer the research question. Using this type of methodology is also in keeping with similar studies conducted previously in the field of HRM. Furthermore, the techniques of data collection and data analysis are highlighted and any efforts that have been made to circumvent a low response rate are reflected upon.

As this study involved human subjects, ethics approval was sought and obtained from Unitec Research Ethics Committee. The questionnaire was piloted and slightly modified before being distributed and made available online. The survey sample consisted of 364 HRINZ members and the return rate of the survey was 49 per cent of which 41 per cent were usable.

The next chapter presents the detailed results from the data analysis and an interpretive synthesis of the findings.

4. Findings

4.1. Overview

This chapter provides a description and analysis of the data collected in this research. The purpose of this study is to establish if HR practitioners in New Zealand organisations have moved in response to the changes in the business environment and are equipped with the capabilities that are needed to increase HR effectiveness. It is the aim of the researcher to present the questionnaire responses in such a manner as to gain an accurate picture of the respondents' demographic characteristics, positional information, work environment and their opinions in regards to the key HR themes identified for this study.

The results and findings are presented and divided into the same sections as the questionnaire. However, the first section outlines the general demographic information regarding the participants. Although this information was requested at the end of the questionnaire it enables the reader to get an overall view of the respondents at the beginning of the chapter.

4.2. Demographic Data

A number of questions were asked in the last section of the survey regarding individual demographic characteristics of the respondents and the position that they held. Individual demographics were collected on: gender, position classification (job title), number of years experience and highest educational level. Other information in this section was gathered regarding industry sector classification of the organisation that they worked for and the size of the company.

Figure 1: Respondents by gender

Respondents by Gender
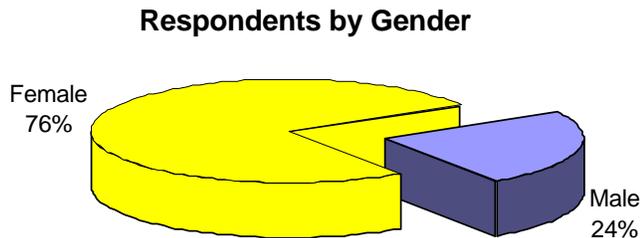
Female
76%

Male
24%

As outlined in the previous chapter usable responses were received from 151 of the 364 participants giving a response rate of 41 percent. Of the 151 responses, three quarters (76%) were female and almost a quarter (24%) were male. This was not unexpected given that there has been a marked turnaround in the representation of women in the HR profession in New Zealand since the late 1970s (Cleland et al., 2000).

Figure 2: Position classification

Job title

ER manager
3%

Other
7%

HR director
9%

HR generalist
6%

HR consultant 3%

HR coordinator 5%

HR administrator 3%

HR advisor
27%
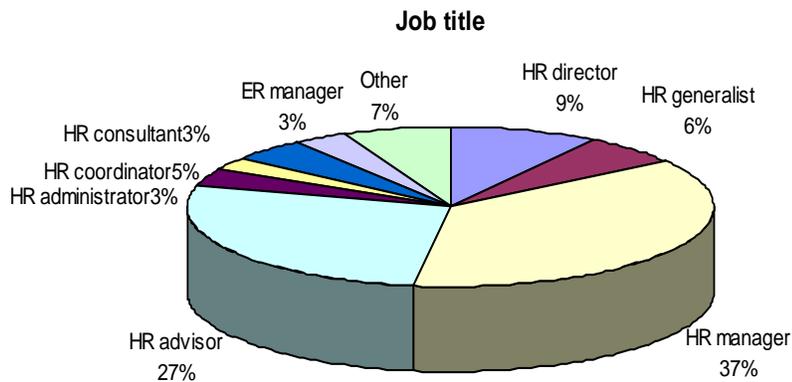
HR manager
37%

The data in Figure 2 presents a summary of title variations and by percentage. The most frequent title was HR Manager (37%), and the next most common title was HR Advisor (27%). Those two titles accounted for 64 percent of the reported titles. The

remaining titles were HR Director (9%), HR Generalist (6%), HR Coordinator (5%), HR Administrator (3%), HR Consultant (3%), and Employment Relations Manager (3%). The category 'others' (7%) included titles such as Recruitment Consultant, Research Officer, People Development Manager, Chief Human Resources Officer, Sales & Marketing Capability Leader, Talent Management Consultant and Senior Lecturer HRM. Figure 3: Years of experience by job title

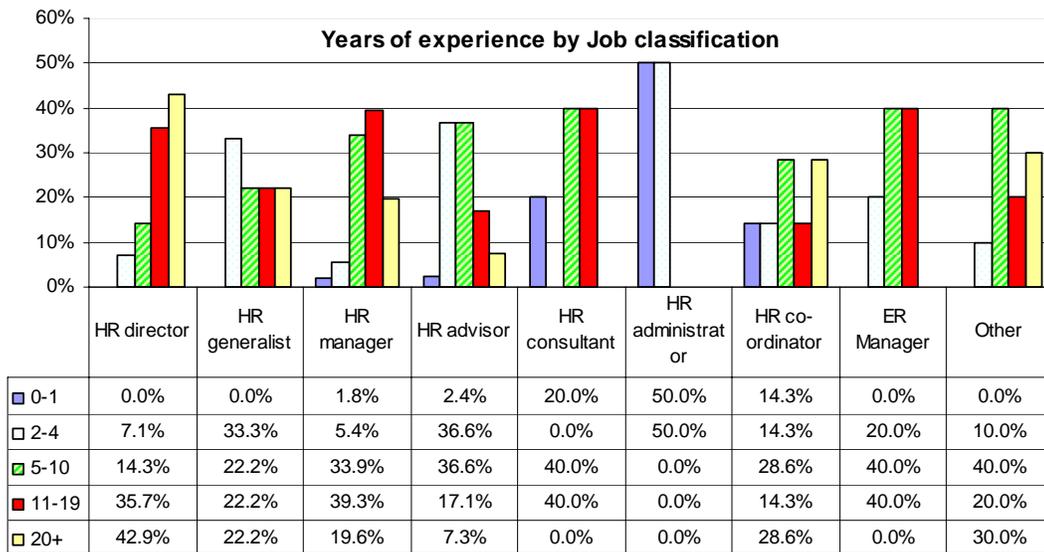|	HR director	HR generalist	HR manager	HR advisor	HR consultant	HR administrator	HR co-ordinator	ER Manager	Other
■ 0-1	0.0%	0.0%	1.8%	2.4%	20.0%	50.0%	14.3%	0.0%	0.0%
□ 2-4	7.1%	33.3%	5.4%	36.6%	0.0%	50.0%	14.3%	20.0%	10.0%
■ 5-10	14.3%	22.2%	33.9%	36.6%	40.0%	0.0%	28.6%	40.0%	40.0%
■ 11-19	35.7%	22.2%	39.3%	17.1%	40.0%	0.0%	14.3%	40.0%	20.0%
□ 20+	42.9%	22.2%	19.6%	7.3%	0.0%	0.0%	28.6%	0.0%	30.0%

Not surprisingly HR directors had the highest years of experience, with almost half (42.9%) of them showing 20 plus years experience. Almost all of the HR managers had 5 plus years experience (33.9% with 5-10, 39.3% with 11-19, and 19.6% with 20+). HR advisors on the other hand showed a higher percentage in the 2-4 years experience range (36.6%) and a lower percentage in the 20 plus range (7.3%). HR administrators showed the highest percentage out of all respondents in the 0-1 (50%) and 2-4 (50%) years of experience range, with no percentage falling above this range, as illustrated in Figure 3.

Figure 4: Gender emphasis on job classification

Gender emphasis on job classification
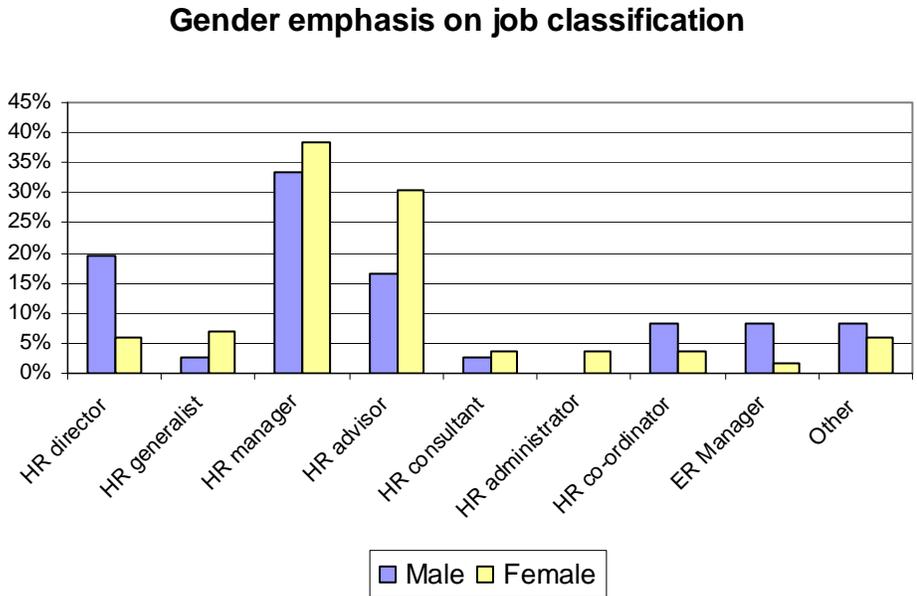
The HR director job classification leaned heavily towards the male respondents (19.4% compared to 6.1% female respondents). This was in contrast to the HR administrator job classification, which had no male respondents that belonged to this category. The category HR manager was almost equal, with female respondents exceeding the male respondents' percentage by only five percent (33.3% male and 38.3% female respectively). The category HR advisor had almost twice the percentage of female respondents (30.4% female and 16.7% male respectively) and the remaining categories showed no significant differences, as shown in Figure 4.

Table 1 reflects the percentage of respondents within their gender, gross tabulated with the number of years of experience in their occupation/profession. The 20+ years experience category was noticeable higher in the percentage of male respondents (36.1% male and 12.2% female respectively). Findings also indicate that none of the male participants fell into the 0 - 1 year experience, compared to 5.2 percent of females. In the 2 - 4 years of experience category female respondents showed double the percentage of male (20% female and 11.1% male respectively).

Table 1: Gender emphasis on years of experience

| | Number of years of experience in your occupation/profession? | | | | |
	0-1	2-4	5-10	11-19	20+
Male	0.0%	11.1%	25.0%	27.8%	36.1%
Female	5.2%	20.0%	33.9%	28.7%	12.2%

Information regarding the highest educational level attained by respondents was also collected as part of the survey. As illustrated in Figure 5 the largest group of respondents had received Postgraduate education (37.1%), with other responses ranging from certificate/diploma to PhD degrees.

Figure 5: Overall educational attainment

Highest level of education achieved
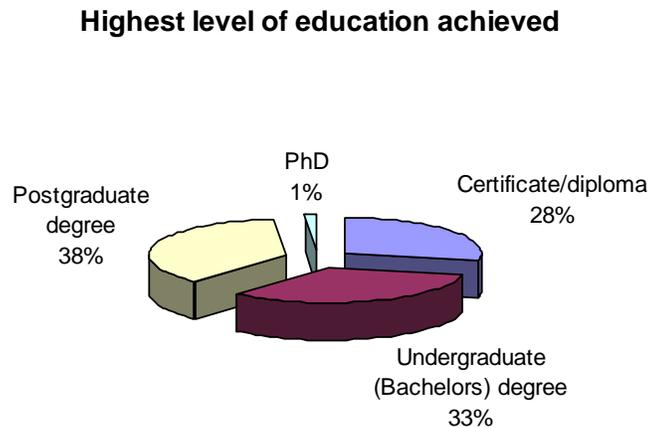
Patterns of educational attainment of HR practitioners in New Zealand organisations have changed dramatically over the last few decades (Cleland et al., 2000) and findings in this study established this to be a progressing trend. This is illustrated in Table 2, where educational levels of this study are compared to those of respondents with earlier surveys of HR practitioners in New Zealand organisation conducted in 1968 (Personnel Management Association, 1968), 1978 (New Zealand Institute of Personnel Management, 1979), 1990 (Stablein & Geare, 1993), and 1997 (Cleland et al., 2000). As can be seen in the current survey 98.7 percent are tertiary qualified (with two participants only achieving a 6th Form Certificate as their highest educational

attainment), compared to 85 percent in 1997, 37 percent in 1990, 34 percent in 1978 and a mere 13 percent in 1968.

Table 2: Educational qualifications of HR practitioners

	1968 (n=243)	1978 (n=2310)	1990 (n=369)	1997 (n=657)	2008 (n=151)
No tertiary qualifications	87%	66%	63%	15%	1.3%
Tertiary qualifications	13%	34%	37%	85%	98.7%

Figure 6: Highest educational attainment and position classification

Highest educational level by job title
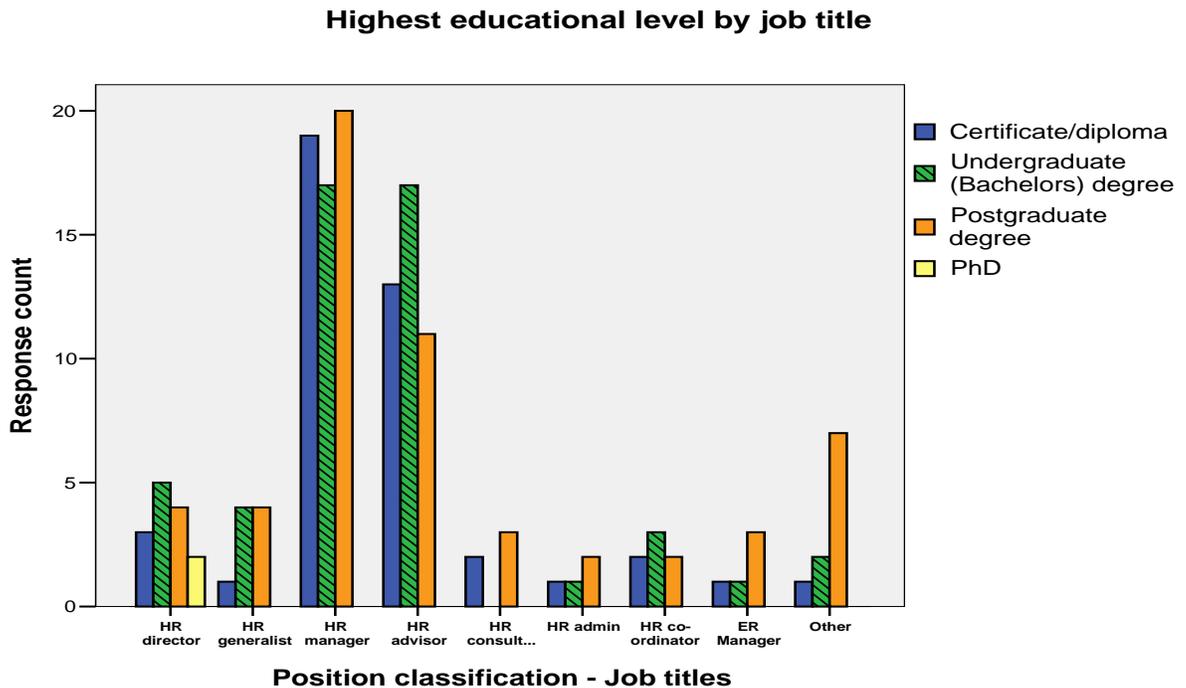
When education was cross-tabulated with job titles (Figure 6) it was established that HR directors were the only category that had a PhD as the highest educational attainment. Of the 14 (9.3%) HR directors, four (2.6%) had a postgraduate degree, five (3.3%) had a bachelors degree, and the rest (2%) had a certificate/diploma. Among the 56 (37.1%) HR managers, 20 (13.2%) had earned a postgraduate degree, 17 (11.3%) a bachelors

degree and 19 (12.6%) a certificate/diploma as their highest educational attainment. The 41 (27.2%) HR advisors had similar results in the certificate/diploma and bachelors degree level (8.6% had a certificate/diploma and 11.3% a bachelors degree), however only 11 (7.3%) of the HR advisors had a postgraduate degree compared to HR managers (14.6%).

A further cross-tabulation by gender showed that female respondents had a marginally higher percentage in post graduate qualifications (38.3%) to male respondents (33.3%), whereas the two PhD's were attained by the male respondents. Bachelor's degrees were leaning in favour of females (34.8%, female and 27.8% male respectively) and at the certificate level it was the opposite (33.3% male and 27% female).

Figure 7: Profile of survey participants by segment

Respondents by segment
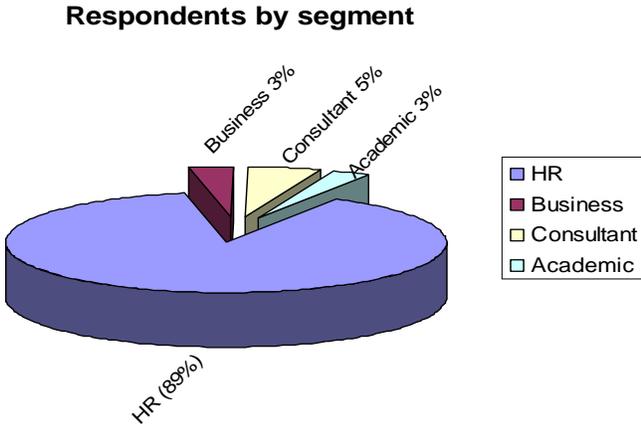
A profile of the survey participants by the segment or occupational category is presented in Figure 7. Nearly all of the respondents belong to the HR category (88.7%), five percent were consultants, three percent business (line) managers, and the remainder (3%) academics. A gross-tabulation of occupational category and gender reflected that no significant differences emerged within the HR category (86.1% male participants and 89.6% within the female gender). Within the business, consultant and academic segment, male participants showed a higher percentage within their gender in the

business and academic category, whereas female respondents were noticeable higher in the consultant role (6.2% female compared to 2.8% of male).

Figure 8: Industry to which the organisations are connected
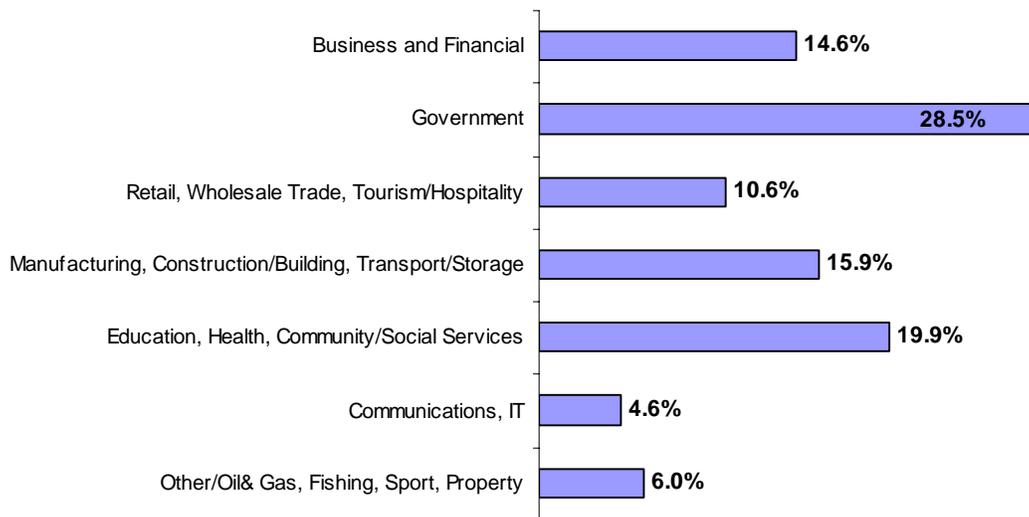
Figure 8 presents a profile of the organisations in which respondents were employed. The industry classification used is based on the 2006 Australian and New Zealand Standard Industrial Classification, which provides a framework for organising data about businesses - by enabling grouping of business units carrying out similar productive activities (ANZSIC, 2008).

The most common, in which 28.5 percent of the sample worked, was the industry category government (Figure 8). Education, health, community and social services followed with 19.9 percent. The manufacturing sector, which includes construction/building, transport and storage, represents 15.9 percent, with the business and finance sector following closely with 14.6 percent. The retail sector was represented by 10.6 percent of survey participants and a small number of respondents (4.6%) represented the communications and IT industry. The category 'other', which included oil/gas, fishing, sport and property, was represented by 6 percent of respondents. Industrial classifications such as agriculture and mining had no responses and therefore none of these are included in the presentation of the findings.

The survey participants came from different sized organisations. For the purpose of this study the following groupings were compiled for analysis: small includes organisations with fewer than 100 employees (0-99), category medium includes 100 to 499 employees, and category large is organisations that employ 500 or more employees. It should be noted that New Zealand is predominantly a country of small businesses, with 93.3 percent of enterprises employing 19 or fewer people ("SMEs in New Zealand: Structure and Dynamics," 2006).

If, as conventionally believed, larger organisations have a more organised and sophisticated approach to HR management, it would indicate that responses which came from such organisations would be more valuable and usable. Findings established that over half of the participants (52.3%) came from large organisations i.e. 500 or more employees. A total of 34.4 percent of participants represent medium size organisations and the rest (13.2%) came from small organisations. Thus, and perhaps surprisingly in a small country with a high percentage of small businesses like new Zealand, by far the majority of respondents (86.8%) were from organisations with more than 100 employees.

Figure 9: Industry classification by size of organisation
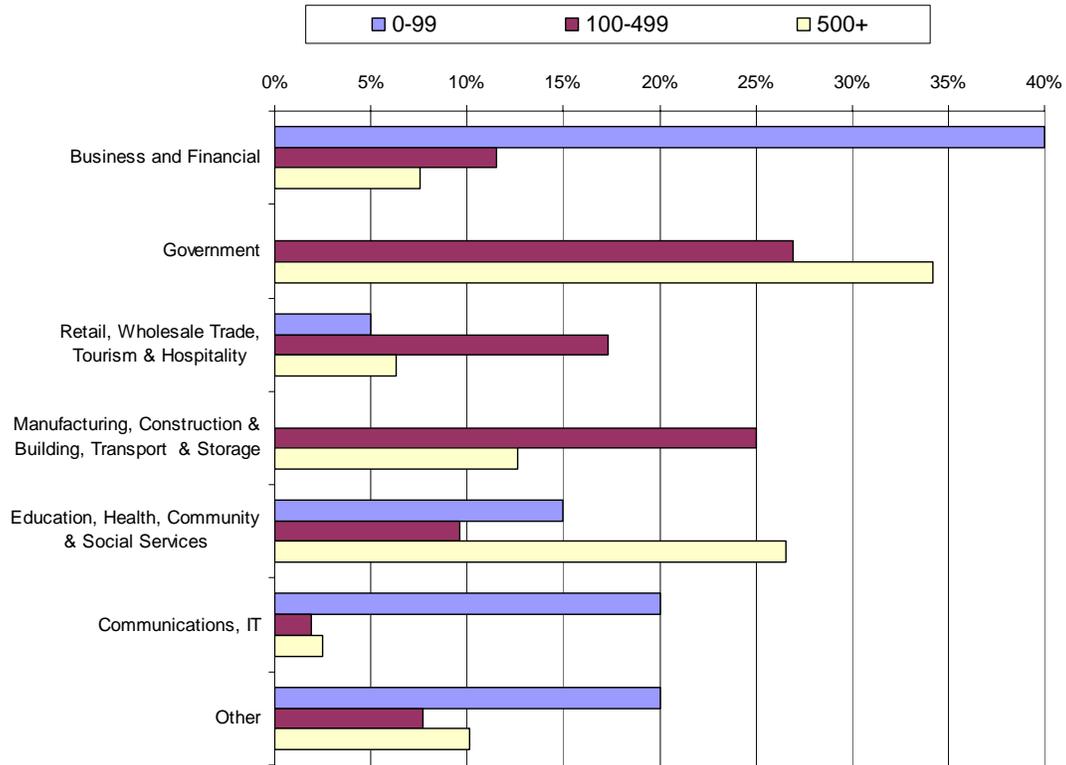
A cross-tabulation of industry sector by size of organisation is presented in Figure 9. As expected large organisations fall primarily into the government sector (34.2%), as well as the education, health and community services category (26.6%). The manufacturing industry classification and the government sector are evenly represented in medium size (100-499) organisations (26.9% and 25%), while the business and financial sector is largely represented by small size organisations (40%).

A further break down of the data resulted in findings related to the gender representation within the industries. Male and female participants were almost equally represented in the government sector (25% male and 29.6% female respectively). However in the manufacturing, construction/building and the transport/storage sector male respondents (22.2%) were much higher represented than female participants (13.9%). From this

information it can be deduced that females are under represented in the manufacturing sector. Other industry sectors were fairly evenly represented in the sample.

4.3. Questionnaire responses

The first section of the survey questionnaire included questions related to the top priorities that apply to the HR function, as well as a CEO rating of the performance of the department.

The findings of the first question of the survey are presented in Figure 10. Participants were asked to look at HR priorities within organisations and select the top priorities that apply for the HR function in their organisation. To answer this question participants' were encouraged to tick as many of the HR priorities that applied.

The results reveal a high degree of consensus among the respondents in the area of recruitment and retainment of key staff (91.6%). A slightly lower level of consensus is evident for the area of development of employee competencies to achieve key business goals (75.4%). On the other hand, the areas of involvement in managing global growth and competition and the creation of a more diverse work force are considered a top priority for the HR function for only 12.8 percent and 19 percent of respondents respectively.

Figure 10: Top priorities that apply to the HR function

In the second question participants were asked to assess the strength of the HR function within the organisation by indicating the extent to which they thought the CEO would rate the performance of the function. A 5-point Likert scale was used to rate the performance. The ratings were converted to numerical values – where one equals 'highly satisfied' and five equals 'very dissatisfied'. The mean score, which represents the numerical average of all the responses, is illustrated in Table 3. The mean scores identified ranged between 2.23 and 2.68 (where 2 equals 'satisfied' and 3 'neutral').

Nevertheless, the standard deviation in conjunction with the mean provides a better understanding of the data (Iarossi, 2006). Findings show a large standard deviation, indicating a wide disparity among responses. In order to illustrate the range of responses around the mean, two values are calculated (adding the standard deviation to the mean and next subtracting the standard deviation from the mean). As the values in Table 3 (below) reveal, responses in fact lie between 1.21 and 3.63, confirming the disparity among responses.

Further cross-tabulation with all of the demographic variables (gender, position classification, occupational category, number of years of experience, highest educational attainment, industry sector and size classification) enabled the researcher to observe differences between the participants' assessments of how they think the CEO would rate the performance of the HR function. A chi-square test was computed to see if any of the variables were associated and a level of significance was set on 5 percent ($p = < 0.05$). Test results found that the variables i.e. number of years of experience and the performance rating of the HR function, are indeed related because the significant level is less than 0.05 (Test statistics, table 3, see below). All other test results showed values above the significant level of 5 percent (0.05) verifying that the assessment of how the participants thinks the CEO would rate the performance of the HR function is not associated with any other demographic variable.

Table 3: Performance rating of HR function

Participants assessments * of how they think the CEO in their organisation would rate the performance of the HR function?

	Mean	StD	Value1**	Value2***
Closeness to business	2.36	0.990	1.37	3.35
Contribution to business performance	2.47	0.893	1.58	3.36
Meeting business strategies & goals	2.44	0.853	1.58	3.29
People management policies & practices	2.23	1.014	1.21	3.24
Caliber of people in function	2.28	1.008	1.27	3.29
Influence on board decisions	2.68	0.956	1.72	3.63
Quality of HR output	2.28	0.962	1.32	3.25
* 1 = 'highly satisfied', 5 = 'very dissatisfied'				
Value1**= Mean - Std, Value2***= Mean + StD				

Test statistics

Participants assessments * of how they think the CEO in their organisation would rate the performance of the HR function?

Cross-tabulation with number of years of experience in your occupation/profession	Pearson Chi-Square Asymp. Sig. (2-sided)
Closeness to business	0.001
Contribution to business performance	0.013
Meeting business strategies & goals	0.017
People management policies & practices	0.028
Caliber of people in function	0.086
Influence on board decisions	0.010
Quality of HR output	0.017
Significant level p = < 0.05	

The third question in the survey questionnaire required respondents to indicate the percentage of time assigned to administrative, operational and strategic activities. The response average out of the whole sample (n=151) in those particular areas is illustrated in Figure 11.

Figure 11: Overall time assigned to HR areas
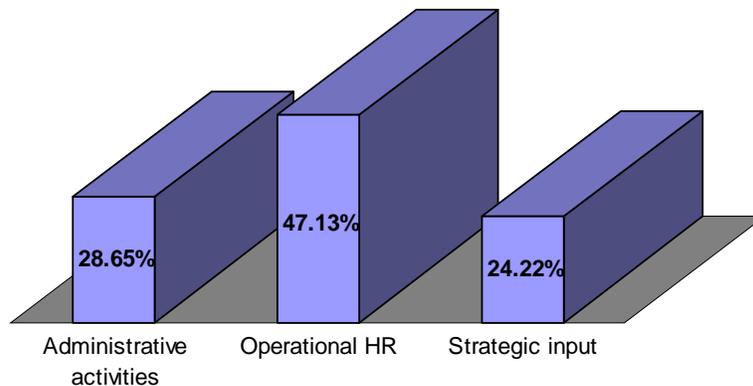
For the purpose of making the findings more relevant the percentage of time spent in the areas of administration, operational and strategic input was cross-tabulated with the job

titles category. HR managers and HR advisors (groups which are both highly represented) are given emphasis to. A total of 7.3 percent of HR managers (out of 37.1%) and 9.3 percent of HR advisors (out of 27.2%) spent between 30 and 50 percent of their time on administrative tasks. In the category of operational HR, 17.2 percent of HR managers and 10.6 percent of HR advisors spent between 30 and 50 percent of their time in this activity. Not surprisingly 19.9 percent of HR managers and 23.2 percent of HR advisors spent less then 30 percent of their time in strategic input. Thus, 4.6 percent of HR managers and two percent of HR advisors spent between 60 and 80 percent of their time on strategic input. Looking at individual responses it was of interest to note that only one survey participant (HR co-ordinator) indicated that 100 percent of his/her time was spent on strategic input. One HR advisor and two HR administrators indicated they spent all of their time (100%) on administrative activities.

To establish the degree of specialisation taking place in HR, question four asked participants to specify their level of involvement in a number of HR activities. A 5-point Likert scale was used to determine survey participants' level of involvement. The ratings were converted to numerical values – where one equals 'solely responsible' and five equals 'no involvement'. The mean scores identified (Table 4) ranged between 2.28 and 2.95 (where 2 equals 'great deal of involvement', 3 'moderate level of involvement, 4 'little involvement').

As previously established the standard deviation in conjunction with the mean provides a more accurate picture of HR practitioner's level of involvement. As the values in Table 4 reveal, responses in fact sit between 1.45 and 4.16, establishing that there was large disparity among responses.

Cross-tabulation with all of the demographic variables (gender, position classification, occupational category, number of years of experience, highest educational attainment, industry sector and size classification) and chi-square test results found that two of the variables i.e. position classification/job title (Test statistics A) and number of years of experience in profession/occupation (Test statistics B) show a significance level which is less than 0.05 (Test statistics A and B, Table 4). Findings therefore indicate that the variables are indeed related. All other test results showed values above the significant

level of 5 percent (0.05) verifying that the level of involvement in specific HR activities is not associated with any other demographic variable.

Table 4: Level of involvement in HR activities

Respondents level* of involvement in the following HR activities:

	Mean	StD	Value1**	Value2***
Change management	2.51	1.012	1.50	3.52
Strategic planning	2.71	1.087	1.62	3.80
Staffing & retention	2.28	0.836	1.45	3.12
Managing work-life balance	2.77	1.048	1.72	3.82
Managing diversity	2.95	1.202	1.75	4.16
* 1 = 'solely responsible', 5 = 'no involvement'				
Value1**= Mean - Std, Value2***= Mean + StD				

Test statistics A

Participants' level of involvement in HR activities:

Cross-tabulation with position classification/job tile	Pearson Chi-Square Asymp. Sig. (2-sided)
Change management	0.000
Strategic planning	0.000
Staffing & retention	0.003
Managing work-life balance	0.016
Managing diversity	0.024
Significant level p = < 0.05	

Test statistics B

Participants' level of involvement in HR activities:

Cross-tabulation with number of years experience in profession/occupation	Pearson Chi-Square Asymp. Sig. (2-sided)
Change management	0.000
Strategic planning	0.000
Staffing & retention	0.191
Managing work-life balance	0.059
Managing diversity	0.015
Significant level p = < 0.05	

The data associated with the above cross tabulations also enabled the researcher to look at the representation of individual job classification in relation to a 'great deal of involvement' in the specific HR activities (Figure 12). As established in the findings HR managers consider themselves having a 'great deal of involvement' in all of the HR activities equally. This is in contrast to other categories such as HR administrators, who only have a great deal of involvement in the area of staffing and retention and HR consultants who indicated a 'great deal of involvement' mainly in change management activities.

Figure 12: Areas of great deal of involvement by job classification
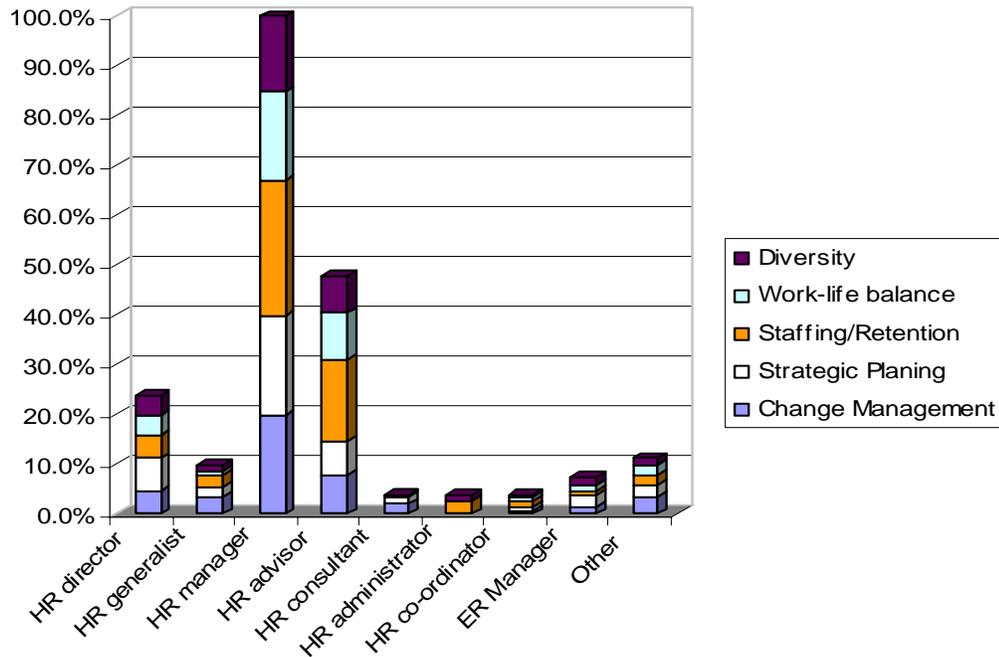
The next section provides an analysis of the participants self-reported level of capabilities in the earlier identified five HR themes. Listed in order of frequency, these included the following: change management, strategic HRM, recruitment and retention, work/life balance and diversity management. In order to measure that the items cluster together sufficiently to form a consistent measure of construct,or in other words to confirm internal reliability, a 'Cronbach's alpha' analysis was applied (Delahaye, 2005).

The alpha coefficient for the five constructs or HR themes is illustrated in Table 5. The intercorrelations among the items were considered good by the researcher.

Table 5: Internal reliability test

Construct	*Cronbach's Alpha
Change Management	0.777
Strategic HRM	0.873
Recruitment & Retention	0.804
Work-Life Balance	0.862
Diversity Management	0.827
*0-1, with 0 indicating no correlation among items, and 1 indicating very high reliability	

The aim of this section was to determine the extent to which practitioners are equipped with the capabilities that can increase HR effectiveness. Respondents were asked to hypothesize on a number of statements related to the HR themes, using a scale ranging from 'strongly agree' to 'strongly disagree'. Responses were coded in such a way that higher values indicated higher levels of perceived capabilities. The statements assess capabilities that are positively associated with HRM effectiveness in the areas of change management, strategic HRM, recruitment and retention, work/life balance and diversity management.

For analysis purposes the researcher added together the 'strongly agree' and 'agree' percentages of each question to get an overview of the positive results. This was referred to as 'agreed' when discussing the findings. Similarly, 'strongly disagree' and 'disagree' percentages were added together and referred to as 'disagree' to indicate negative results. Where applicable 'neutral' responses were reviewed separately since this may add value for interpretation purposes. For question six, seven and eight the researcher added together 'significant need of improvement' and 'need for improvement' to get an overview of the negative results. With positive results being formed by adding together 'strength' and 'major strength'. Neutral responses i.e. neither 'need for improvement' nor seen as 'strength', are analysed separately as aforementioned.

Table 6 illustrates the findings for question five in the survey questionnaire and gives an overview of the respondents' self-identified capabilities in the area of change management. A total of 86.1 percentage of respondents agreed on being capable of anticipating the effect of internal/external changes (29.1% strongly agree, 57% agree). Only 2.5 percent disagreed and 11.3 percent gave a neutral response. Similar positive results were received for the other statements for which respondents were asked to hypothesize with 84.7 percent, 87.4 percent, 80.1 percent and 86.5 percent respectively. Neutral responses were almost identical in the statements referring to capacity to facilitate support (13.2%), proactive role in change management initiatives (11.2%) and the ability to motivate others (10.6%), thus, 16.5 percent giving a neutral response for the ability to align HR systems with the expected reorganisation. Negative responses were very low (1.9%, 1.2%, 3.3%, 2.6%).

Table 6: Self-identified capabilities in the area of Change Management

5. Please hypothesize on the following statements indicating the extent to which YOU are currently equipped with the capabilities that can improve HR effectiveness in the area of CHANGE MANAGEMENT	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Capable of anticipating the effect of internal/external changes	29.1%	57.0%	11.3%	1.9%	0.6%
Capacity to facilitate support to those affected by the changes	37.0%	47.7%	13.2%	1.9%	0.0%
Ability to have a proactive role in change-management initiatives	47.0%	40.4%	11.2%	0.6%	0.6%
Ability to align HR systems with the expected reorganisation	35.7%	44.4%	16.5%	3.3%	0.0%
Ability to motivate others through the application of professional credibility & reciprocal trust	31.9%	54.6%	10.6%	2.6%	0.0%

Question six (Table 7) was designed to establish to what extent HR practitioners possess capabilities that can improve effectiveness in the area of strategic HRM. Results varied considerably between the statements. When queried on the ability to take part in framing business strategies and making key decisions 66.2 percent of respondents agreed, 17.8 percent showed a negative result, and 15.9 percent opted for neutral. When asked to indicate their ability to implement coherent HR strategies which are aligned to the business strategy, 78.9 percent agreed, 7.2 percent disagreed, hence,

14 percent remaining neutral in their response. Developing an achievable vision for the future, whilst envisaging its probable consequences was positively agreed upon by well over half of the respondents (64.2%), 25 percent gave a neutral response and 10.6 percent disagreed. The capability of providing direct support to the organisation via strategic input got the highest percentage of agreed responses (81.4%). Only 12.6 percent of respondents remained neutral and only a small percentage gave a negative result (5.9%). The last statement in question six had 73.5 percent of respondents agreeing, 19.9 percent giving a neutral response and 6.7 percent disagreeing.

Table 7: Self- identified capabilities in the area of Strategic HRM

6. Please hypothesize on the following statements indicating the extent to which YOU are currently equipped with the capabilities that can improve effectiveness in STRATEGIC HRM	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Able to successfully take part in framing business strategies & making key business decisions	23.2%	43.0%	15.9%	17.2%	0.6%
Ability to develop & implement coherent HR strategies which are aligned to the business strategy	31.2%	47.7%	14.0%	6.6%	0.6%
Capacity to develop an achievable vision for the future and envisage its probable consequences	20.5%	43.7%	25.1%	9.3%	1.3%
Capable of providing direct support to the organisation via strategic HRM inputs	39.0%	42.4%	12.6%	4.6%	1.3%
Ability to develop the relevant portfolio of competencies in order to achieve business objectives	20.5%	53.0%	19.9%	6.0%	0.7%

The next three opinion questions (Q7, Q8, Q9) required participants to rate the statements on a scale from 1-5, with 1 indicating a 'significant need for improvement' and 5 indicating a self-perceived view of 'major strength'. Thus, higher values indicated higher levels of perceived capabilities. Table 8 illustrates the findings for question seven which related to the area of recruitment and retention.

As identified in Table 8, 63.6 percent of participants viewed their ability to align recruitment and retention practices to support the sustainability of the organisation as strength/major strength. In contrast 8.6 percent of participants considered themselves as 'needing improvement'/'significant need of improvement' in the area of recruitment and retention practices and 23.8 percent gave a neutral response. For 46.9 percent of the

participants, identifying, analysing, forecasting and interpreting trends for organisational human resources needs were seen as strength/major strength.

At the other end of the spectrum, 20.4 percent viewed this capability in need of improvement/significant need for improvement. Almost a third (32.4%) of the respondents indicated neither a 'need for improvement' nor 'strength'. The last statement had almost identical results in the 'neutral' answer option (33.1%). Nevertheless a higher percentage of respondents (54.9%) identified the ability to ensure that the organisation has the skilled and engaged workforce it needs as a 'strength'/'major strength' and 11.9 percent indicated a 'need for improvement'/major need for improvement'.

Table 8: Self- identified capabilities in the area of Recruitment & Retention

7. RECRUITMENT & RETENTION					
Answer Options: Tick 1 for 'significant need for improvement' - tick 5 for 'major strength'	1	2	3	4	5
Align recruitment & retention practices to support sustainability of the organisation	3.9%	8.6%	23.8%	52.3%	11.3%
Identify, analyse, forecast & interpret trends in organisational needs for human resources	5.2%	15.2%	32.4%	39.0%	7.9%
Ensures that the organisation has the skilled, committed and engaged workforce it needs	2.6%	9.3%	33.1%	45.0%	9.9%

Findings from question 8 of the survey questionnaire are presented in Table 9. Developing and implementing policies in response to changing demographic trends and the capability to be proactive in the approach to overcoming barriers to implement work/life initiatives were identified by 54.9 and 53.6 percent of participants respectively as 'strength'/ major strength'. An unexpected high percentage (29.1%) gave a 'neutral' response in each of the two statements and negative results were indicated by 15.9 and 17.1 percent respectively of respondents. Statement three i.e. successful in benchmarking and measuring the effectiveness of work/life initiatives, was self-perceived as being a 'strength'/ 'major strength' by only 23.8 percent of respondents, with 33.6 percent giving a negative result. Thus, 42.4 percent giving a 'neutral' response.

Table 9: Self- identified capabilities in the area of Work/Life Balance

8. WORK/LIFE BALANCE					
Answer Options: Tick 1 for 'significant need for improvement' - tick 5 for 'major strength'	1	2	3	4	5
Develop & implement policies in response to changing demographic trends	3.3%	12.6%	29.1%	41.0%	13.9%
Proactive in the approach to overcoming barriers to implement work-life initiatives	5.9%	11.2%	29.1%	39.7%	13.9%
Successful in benchmarking & measuring the effectiveness of work-life initiatives	7.2%	26.4%	42.4%	17.9%	5.9%

The last opinion question was related to the area of diversity management. Results are illustrated in Table 10. When asked to self-identify the capacity to effectively implement diversity management programmes 28.4 percent gave a positive result (23.8% 'strength', 4.6% 'major strength') and 28.5 percent gave a negative result (23.2% 'need for improvement, 5.3% 'significant need for improvement'). Almost half of the respondents (43%) indicated a 'neutral' view regarding this capability. Higher positive results were shown in the next two statements of question 9. Competency in the ability to deal with the application of legislative issues of diversity management and the ability to effectively use the talents of people from various backgrounds were identified by 54.3 percent and 54.2 percent of participants as 'strength'/'major strength'. Neutral responses were 28.5 percent and 29.1 percent respectively.

Table 10: Self-identified capabilities in the area of Diversity Management

9. DIVERSITY MANAGEMENT					
Answer Options: Tick 1 for 'significant need for improvement' - tick 5 for 'major strength'	1	2	3	4	5
Capacity to effectively implement diversity management programmes	5.3%	23.2%	43.0%	23.8%	4.6%
Competent to deal with the application of legislative issues of diversity management	4.6%	12.6%	28.5%	38.4%	15.9%
Ability to effectively use the talents of people form various backgrounds, experiences and cultures	2.6%	13.9%	29.1%	41.0%	13.2%

For the purpose of this study, it was assumed that a higher level of self-perceived capabilities in the areas of change management, strategic HRM, recruitment and retention, diversity management and work/life balance was correlated with relatively more success in increasing HR effectiveness. In trying to establish if there were any relationships between the demographics i.e. gender, position classification, occupational category, number of years of experience, highest educational attainment, industry sector classification, size classification and the aforementioned HR themes a Spearman's correlation coefficient and Pearson's correlation coefficient was obtained. These statistical techniques are used to test for association between two variables, with Spearman's correlation test particularly useful when data is ranked i.e. Likert scale (Collis & Hussey, 2003). Where applicable the significant results of the correlation tests are presented below. Evaluation of results was done using the following criteria: < 20 slight or almost negligible relationship, 0.20-0.40 low positive, definite but low correlation, 0.40-0.70 medium positive, moderate correlation but substantial relationship (Poon, 2005). For simplicity, correlations among the variables which show slight or almost negligible relationships <20 to very high negative results -0.90 are not included in the tables. Results are discussed in more depth and analysed further in Chapter 5.

Test results (Table 11) show low positive (0.20-0.40) to medium positive (0.40-0.70) relationships between self identified capabilities in the area of change management and

the number of years experience in job/occupation. Chi square results show a significance level which is less than 0.05, therefore confirming that the variables are indeed related. No other demographic variables were statistically significant correlated.

Table 11: Relationship between self identified capabilities in the area of Change Management and number of years of experience in job/occupation

Test Statistics			
Number of years of experience in your occupation/profession?			
CHANGE MANAGEMENT	Spearman Correlation Value	Pearson's R	Chi-Square Tests
Capable of anticipating the effect of internal/external changes	0.460	0.477	0.000
Capacity to facilitate support to those affected by change	0.325	0.309	0.035
Ability to have proactive role in change management initiatives	0.395	0.343	0.000
Ability to align HR systems with the expected reorganisation	0.376	0.354	0.001
Ability to motivate others through the application of professional credibility & reciprocal trust	0.492	0.467	0.000

Statistically significant at the .005 level (Spearman's rho)

Statistically significant at the .005 level (Pearson's r)

Table 12 shows low positive (0.20-0.40) results in two statements in the area of strategic HRM. A medium positive (0.40-0.70) relationship between self identified capabilities in the area of strategic HRM and the number of years experience in job/occupation was established in the remaining three statements. Chi square results show a significance level which is less than 0.05, therefore confirming that the variables are indeed related. No other demographic variables were statistically significant correlated.

Table 12: Relationship between self identified capabilities in the area of Strategic HRM and number of years of experience in job/occupation

Test Statistics			
Number of years of experience in your occupation/profession?			
Strategic HRM	Spearman Correlation Value	Pearson's R	Chi-Square Tests
Able to successfully take part in framing business strategies & making key business decisions	0.426	0.458	0.000
Ability to develop & implement coherent HR strategies which are aligned to the business strategy	0.479	0.482	0.000
Capacity to develop an achievable vision for the future & envisage its probable consequences	0.406	0.440	0.000
Capable of providing direct support to the organisation via strategic HRM inputs	0.395	0.383	0.000
Ability to develop the relevant portfolio of competencies in order to achieve business objectives	0.386	0.379	0.000

Statistically significant at the .005 level (Spearman's rho)

Statistically significant at the .005 level (Pearson's r)

The low positive (0.20-0.40), or in other words a definite but small relationship between self identified capabilities in the area of recruitment and retention and the number of years experience in job/occupation is illustrated in Table 13. Chi square results show a significance level which is less than 0.05, therefore confirming that the variables are indeed related. All other demographic variables showed results varying between slight, almost negligible relationship (<20) and low negative (0 to -0.40).

Table 13: Relationship between self identified capabilities in the area of recruitment/retention and number of years of experience in job/occupation

Test Statistics			
Number of years of experience in your occupation/profession?			
Recruitment & Retention	Spearman Correlation Value	Pearson's R	Chi-Square Tests
Align recruitment & retention practices to support sustainability of the organisation	0.245	0.295	0.003
Identify, analyse, forecast & interpret trends in organisational needs for human resources	0.240	0.275	0.001
Ensures that the organisation has the skilled, committed & engaged workforce it needs	0.256	0.285	0.003
Statistically significant at the .005 level (Spearman's rho)			
Statistically significant at the .005 level (Pearson's r)			

Table 14 shows a slight, almost negligible relationship (<20) in two out of the three statements and a low positive (0.20-0.40) in the third statement regarding self identified capabilities in the area of work-life balance and the number of years experience in job/occupation. Chi square results show a significance level which is less than 0.05, therefore confirming that the variables are related, nevertheless only slightly to low when acknowledging Pearson's and Spearman's correlation coefficient. No other demographic variables were statistically significant correlated.

Table 14: Relationship between self identified capabilities in the area of Work-Life Balance and number of years of experience in job/occupation

Test Statistics			
Number of years of experience in your occupation/profession?			
Work-Life Balance	Spearman Correlation Value	Pearson's R	Chi-Square Tests
Develop & implement policies in response to changing demographic trends	0.222	0.259	0.002
Proactive in the approach to overcoming barriers to implement work-life initiatives	0.163	0.184	0.046
Successful in benchmarking & measuring the effectiveness of work-life initiatives	0.189	0.186	0.038
Statistically significant at the .005 level (Spearman's rho)			
Statistically significant at the .005 level (Pearson's r)			

Table 15 shows low positive (0.20-0.40) results, or in other words, a definite but small relationship between self identified capabilities in the area of diversity management and the number of years experience in job/occupation. Chi square results show a significance level which is less than 0.05, therefore confirming that the variables are indeed related. No other demographic variables were statistically significant correlated.

Table 15: Relationship between self identified capabilities in the area of Diversity Management and number of years of experience in job/occupation

Test Statistics			
Number of years of experience in your occupation/profession?			
Diversity Management	Spearman Correlation Value	Pearson's R	Chi-Square Tests
Capacity to effectively implement diversity management programmes	0.252	0.263	0.027
Competent to deal with the application of legislative issues of diversity management	0.295	0.344	0.007
Ability to effectively use the talents of people from various backgrounds, experiences & cultures	0.249	0.281	0.222
Statistically significant at the .005 level (Spearman's rho)			
Statistically significant at the .005 level (Pearson's r)			

4.4. Summary

This chapter presented an analysis of the data collected to establish to what extent HR practitioners in NZ organisations are equipped with the capabilities that can increase HR effectiveness. Data was collected from HR practitioners in NZ organisations through administration of the HRM effectiveness survey. This survey solicited data to analyse self identified capabilities related to five chosen HRM themes. The survey was designed to also profile HR practitioners in NZ organisations in order to determine any relationships between specific capabilities and demographics such as years of experience, educational background, job classification and so forth.

The findings presented in this chapter are discussed in more depth and analysed further in Chapter Five.

5. Discussion

5.1. Overview

To recap, the purpose of this study is to discover if HR practitioners in New Zealand organisations have moved in response to the changes in the business environment and possess knowledge, skills and capabilities that can increase HR effectiveness. The research question is "To what extent are HR practitioners in NZ organisations equipped with the capabilities that can increase HR effectiveness?"

This chapter considers the results of the survey questionnaire in light of the literature, and analyses of the findings in order to answer the research question. It aims to further examine the factors influencing the strength of the self identified capabilities. The discussion follows the sequence of the findings and as such relate to the questions asked in the questionnaire, designed to answer the research question.

5.2. Profile of HR practitioners

Findings indicate that the influx of women into HR has gained great momentum in New Zealand. A survey conducted in 1978 (New Zealand Institute of Personnel Management, 1979) of the HR profession in New Zealand revealed that only 22 percent of women represented personnel managers then. Similarly, in 1990, Stablein and Geare (1993) reported that women comprised 31 percent of HR personnel surveyed. However less than a decade later, women consisted of 59 percent of HR practitioners (Cleland et al., 2000). Consistent with this increasing trend this study established that 76 percent of HR practitioners in New Zealand organisations in 2008 are female.

What is not clear from the data is why this increase in female representation in the HR discipline is occurring. It may partly be attributable to the increase of women in the New Zealand labour market (McDonald & Kippen, 2004). However this alone would not account fully for the substantial number of females choosing a career in HR. It can be

deduced that contemporary HR is more closely aligned with female values and proficiencies. A further deduction is that the role of securing employee welfare through initiatives such as managing work/life balance, diversity management, family friendly policies, provisions of crèche facilities and so forth attracts more females to the profession. However the role of 'employee champion' or 'employee guardian' is in contradiction with the notion that HR practitioners adopt a strategic approach to HRM to advance their own interest and not those of employee wellbeing (Ulrich & Smallwood, 2003).

Of interest is the observation by Renwick (2003) that a strategic approach to HRM has a link to the historical role that personnel and industrial relations managers played, which was highly represented by male HR practitioners. A cross-tabulation of gender with job titles found that HR directors are predominantly male (19.4% compared to 6.1% females). It was also found that male respondents in the HR director job classification had noticeably higher experience in the 20 years plus range (36.1% compared to 12.2% of females). The reason for this may well be the fact that 'older' people in the profession are still in HR roles that go back to an era when HR was predominantly male.

Study findings clearly indicate the increasing value that is placed on education. HR practitioners in New Zealand organisations are highly educated. The data in Table 2 (p.42) highlights this trend. The results from this study suggest that HR practitioners with fewer years of experience are more likely to have started their careers in HR, in comparison to 'older practitioners' who may have started with a different job role and over the years up-skilled themselves. As established HR directors were the only category that had PhD's as their highest educational attainment. A gender related feature of the data showed a trend that bachelor degrees leaned more towards female participants of the study. Given that 98.7 percent of HR practitioners in this survey hold a tertiary qualification, it can be deduced that the majority of New Zealand organisations are most likely to seek tertiary qualified people to fill HR roles.

This growth in specialist HR employees indicates a desire on the part of the HR practitioner for a greater measure of professionalisation. However this does not necessarily lend itself to a more credible HR function and may even represent a vicious

cycle. As believed by Johnson (2000) to take on more status, practitioners have to show that HR contributes to organisational success, however to show how HR contributes, they need more status. Evidence in favour of convincing other managerial disciplines that HRM is a profession include, the existence of various professional associations at national level with certificate processes and ethical codes and the prevalence of numerous journals on HRM (Johnson, 2002). Perhaps the strongest indication for this is the development of tertiary degree specialisation in HRM and as this study found a high percentage of HR practitioners in New Zealand organisations possess a university degree, which certainly strengthens HRM's credence.

Given that the HR function is expected to contribute to strategic decision making within the organisation, a formal tertiary education plays an important role in the development of critical analytical skills (Sheehan, 2005). If this is the case, then one could assume that HR practitioners in New Zealand organisations are well placed to pursue a strategic role. Nevertheless, while it is clearly desirable to have people with higher education working in the field of HR, it is important to note that general business acumen, which is developed through work experience, is also an essential competency in today's environment (Raich, 2002).

As found by Wright, McMahan, Snell, and Gerhart (2001) the role of HRM seems to serve best in providing basic HR services but is not as capable as understanding the different perspectives of a business in order to contribute to the overall bottom line of the organisation. Nevertheless, as noted by Ramlall (2006) a formal tertiary education plays an important part in developing higher levels of HR competencies, with the benefit of understanding accounting, marketing and other different functional areas. HR practitioners that have experience in other areas of the business besides HR will be vital in ensuring HR is seen as a key business partner ("Playing to win in a global economy," 2007/2008). The challenge for today's HR practitioners therefore lies in achieving a desired blend of possessing requisite analytical and interpersonal skills, as well as general business acumen, to ensure success in their role.

5.3. Questionnaire responses

In the first question of the survey respondents were asked to select the main priorities of their HR function. The priority most commonly cited was to recruit and retain key staff (91.6%). A strong emphasis was also placed on developing employee competencies to achieve key business goals (75.4%). In other words HR appears to be focusing on its fundamental job of building human capital. Similar questions were asked in previous studies (Burchell, 2001; Cleland et al., 2000; Institute of Personnel Management New Zealand, 1997; Johnson, 2002; Ramlall, 2006). However comparison needs to be done with care as the options offered were slightly different. Nevertheless, results are equivalent with recruitment and retention of staff consistently being a key priority, as well as the development of employee competencies remaining important.

On the other spectrum, the lowest priority that applies to the HR function is the involvement in managing global growth and competition (12.8%). This is an unsatisfactory result as it can be assumed larger organisations have more involvement as global business enterprises. As findings established over half the participants (52.3%) came from larger organizations, indicating that more attention needs to be placed on this priority because all large companies face globalisation, as they either move into new global markets or face competition from them. Therefore it is essential for organisations in today's global marketplace to have HR departments that support them through HR activities such as increasing capabilities for managing international teams, transferring parent company personnel abroad, and formulating policies and practices for the entire organisation and its foreign operations (Rennie, 2003). One of the main HR challenges in managing globalisation is making sure that the right people are in place at the right locations and it should be the HR practitioners role to guarantee that there is effective cross-country and cross-cultural collaboration (Strack et al., 2008).

A similar proportion of HR practitioners (19%) rate 'creating a more diverse workforce' as a low priority for the HR function in their organisation. Yet, the management of diversity has been identified as an emerging strategic challenge for HRM (Härtel et al., 2007). This indicates that more weight needs to be given to this priority because as believed by Reed (2004) valuing and capitalising on diversity provides considerable

opportunities to improve competitiveness. The reason for this lack of involvement may partly be due to the fact that diversity initiatives do not necessarily get support from management. It is therefore incumbent upon the HR function to take steps to identify the reason for the lack of awareness of creating a more diverse workforce and to show how greater diversity will benefit the business. Diversity has many shades of meanings, depending on the company, industry and/or country, but with developments such as increasing globalisation organisations should espouse the value of people from diverse societal, cultural and economic backgrounds. An immediate question for future research is to examine whether systemic barriers exist to meet those needs of organisation in the new economy.

Participants were asked to provide an evaluative rating of the HR function in question two of the survey. Responses of how the participants presume the CEO would rate the performance of these functions revealed that it is in general viewed as positive (all the ratings were between highly satisfied to neutral). This suggests that all of the dimensions such as closeness to business, contribution to business performance, meeting business strategies and goals, people management policies and practices, calibre of people in the function, influence on board decisions, as well as quality of HR output are indeed seen as satisfactory. The survey of course reveal to the researcher directly what CEO's think and indeed the CEO's may even have doubts about the level of involvement of the HR function in the business. However, regardless of the potential criticisms of self-interest, HR practitioners responding to this survey are self-confident and positive about how senior colleagues regard the HR function. From this it can be deduced that in general a confident profession that believes it contributes positively to the business is likely to have more impact than a hesitant profession with limited ambitions. A question for future research would be to look at chief executive's evaluations of the HR function, their contribution to the business and the calibre of people in the function.

It is of critical importance to establish what activities HR practitioners are spending their time on. Respondents were asked in question three of the survey questionnaire to indicate the time spent on three main areas of HR, namely administrative activities, operational HR and strategic input. The single most time-consuming activity, taking

nearly half as much time again as the other two activities, is operational HR (47.13%). Within operational activities, the one most commonly recognised is providing support to line managers (Larsen & Brewster, 2003). It is followed by administrative activities (28.65%) and the least amount of time is spent on strategic input (24.22%). Those results suggest that, on average, HR practitioners spent most of their time with activities that are traditionally transactional rather than on transformational activities that have been proven to add more values. The reason for this may well be that 'urgent' matters notoriously drive out other activities that are more time consuming.

It comes as no surprise that despite the aspiration of HR practitioners to become more strategic, they still appear to be overwhelmingly preoccupied with transactional issues. However a further area to be considered is that, if the HR function is focused on the strategic input, who is undertaking the administrative work associated with managing the organisation's employees in a timely and effective manner? As believed by Morley et al. (2006) if the HR function is to survive, traditional HR activities such as administrative services do not have to reside within the HR function but can be downsized or outsourced. In others words this implies that within a strategic HR approach the function needs to be divided into operations and strategy in order for HR practitioners to depict themselves as strategic (Renwick, 2003). As cautioned by Beer (1997) over a decade ago, the administrative and strategic roles do not coexist effectively in the same function, and to make a successful transformation the HR function must shed its traditional compliance and services role. Survey results nevertheless indicate that HR managers and HR advisors (which represent 64% of the survey participants) spent most of their time on operational and administrative tasks (between 30 and 50% of their time on each) and less then 30 percent on strategic input. It can be deduced that HR practitioners in New Zealand organisations attempt to retain a traditional administrative, service oriented role while simultaneously trying to become more strategic in orientation.

Question four expected participants to specify their level of involvement in a number of HR activities. Findings essentially show that the various activities in the HR function are clearly distinguished by job classification and number of years experience in the profession. In other words the level of involvement in HR activities such as change management, strategic planning, staffing and retention, managing work/life balance

and diversity is determined by specific demographic variables. It is interesting to note that HR managers consider themselves as having a great deal of involvement in all of the above mentioned HR activities. How does this fit with the findings of question three in the questionnaire where it was established that HR managers spent less than 30 percent of their time on strategic input and most of their remaining time on administrative and operational activities? It appears that HR managers are largely preoccupied with managing standard processes. HR managers should be able to translate a business strategy into a detailed talent strategy (Guthridge et al., 2008). Therefore HR managers need to ensure that the administrative and operational aspects of their role are minimised and/or separated from their strategic role. This will allow them to concentrate as much as possible on value adding activities such as establishing what the company needs in regards to human resources to execute its business strategy, rather then trying to be 'jacks-of-all-trades'. It will also help them to simplify their career development tracks and develop distinct capabilities needed to meet organisational strategy and goals, which are identified as the most important driver of future people management skills ("Playing to win in a global economy," 2007/2008).

The next section discusses the findings from question five to question nine of the survey questionnaire. For the purpose of this study it was assumed that higher levels of perceived capabilities correlate with more success in increasing HR effectiveness, thus, answering the research question.

Change Management

It is one thing to recognise the need for change, however it is quite another thing to have the ability and discipline to implement and communicate changes in the organisation in such a way that they meet the needs of the organisation and support all the employees through the change process. As clearly established in the literature review, the radical changes in the contemporary business environment increase the need for HR practitioners to support the change process. Nevertheless, managing organisational and cultural change requires HR practitioners to have distinct capabilities in order to address both operational and organisational changes.

The focus on the behaviour of employees is vital in the change process as they are predominantly affected by the changes. HR practitioners may get into difficulties if they try to project their own perceptions of the desirability of change to others because a change perceived desirable by some participants or set of stakeholders is often perceived as undesirable by others. Essentially anyone who views change as undesirable is unlikely to help bring it about, or worse may even sabotage the effort of those trying to do so. HR practitioners therefore should posses the capabilities to manage or shape participant's perceptions because as established by Dibella (2007) participant's perceptions of change are more critical to successful change implementation than the nature of the change itself.

For the purpose of this study the researcher established that the following capabilities are associated with successful achievement and implementation of change initiatives and for the HR practitioner to be a key driver for the change:

- Capable of anticipating the effect of internal/external changes
- Capacity to facilitate support to those affected by change
- Ability to have proactive role in change management initiatives
- Ability to align HR systems with the expected reorganisation
- Ability to motivate others through the application of professional credibility & reciprocal trust

The results of the survey showed that the majority of the respondents self-reported their level of capabilities in the area of change management at a positive level. In addition, correlations were done among all of the demographic data and each of the HR capabilities used as measures to increase HR effectiveness in the area of change management. Based on these correlations, the ability to manage change had the most significant relationship with the number of years of experience in the profession. This result is not surprising as experience has long been considered as a possible determinant of the level of technical and professional skills an individual holds, the level of understanding of organisational context or industry characteristics, as well as the level of business related capabilities (Murphy & Southey, 2003). The level of experience possessed by HR practitioners will also influence their choices on which

HR activities to adopt. It can therefore be deduced that the extent and quality of a HR practitioner's experience, combined with a belief to have high levels of capabilities to achieve set objectives has a significant impact on their ability to increase HR effectiveness in the area of change management.

Strategic HRM

The increasing global nature of competition requires that organisations use all of their available resources to survive and to succeed (Sheehan, 2005). The emphasis on the alignment of all functional activities of an organisation toward the achievement of strategic objectives calls for a strategic role of the HR function. Nevertheless, most discussions of a strategic role focus on two major aspects. Firstly, that the HR practitioner should be able to align people with strategies to enable strategy implementation and secondly the HR function needs to ensure that the HR activities and practices are in place to effectively implement the strategy. Given this requirement, it is evident that HR practitioners must have the capabilities to be competent in strategy development, implementation and evaluation. An obvious extension of this line of inquiry concerns the issue of how organisations can maximise HRM effectiveness. That is, how can organisations increase the probability that they will adopt and then effectively implement appropriate HRM practices?

Based on an extensive review of the literature it was established that many authors argued that HR practitioners need to be more effective strategic business partners. Given that previous studies have shown a clear link between strategic HRM and firm performance, this study sought to identify the level of capabilities that HR practitioners in New Zealand organisations possess, to enable them to be successful in helping create sustainable competitive advantages.

The following capabilities were identified as being associated with increasing the likelihood of being able to provide significant input into the organisation's strategy:
- Able to successfully take part in framing business strategies and making key business decisions

- Ability to develop and implement coherent HR strategies which are aligned to the business strategy
- Capacity to develop an achievable vision for the future and envisage its probable consequences
- Capable of providing direct support to the organisation via strategic HRM inputs
- Ability to develop the relevant portfolio of competencies in order to achieve business objectives

The results of this study suggest a fairly high level of capabilities that are inherent in HR practitioners. As suggested by Che and Kumar (2006) it will enable them to design and implement a set of internally consistent HR policies and practices that ensure the organisation's human resources contribute to the achievement of the business objectives (Che Rose & Kumar, 2006). With self-identified positive results in all of the above capabilities, HR practitioners in this study clearly perceive themselves as being able to contribute effectively to strategic HRM. That data also showed a relatively strong correlation between the number of years of experience in the profession and HR capabilities related to strategic contribution.

Findings are inconclusive as several factors that emerged from this survey make the researcher question whether the perceived degree of strategic orientation actually reflects reality. Given that HR practitioners only spent 24.22 percent of their time on strategic input it raises the question on how it is possible to make a strategic contribution while continuing to engage in the majority if their time in administrative and operational activities? The attention and time spent on such duties surely precludes the adoption of a strategic approach? In fact, this highlights the point that any strategic involvement may only be at the level of implementation rather than formulation of corporate strategy.

Nevertheless, it should be recognised that even though there is no clear evidence that HR practitioners partner with senior executives on strategy formulation, their self-reported level of capabilities may be a result of the high level of education and the numbers of years experience in the field. It can be deduced that HR practitioner's lack

of strategic input is not the result of their incompetence but more likely the result of having to spend most of their time on transactional activities. The results however provide a reminder for HR practitioners that given that there is a growing need for HR professionals to provide significant input into the organisation's strategy, more emphasis of their role needs to be placed on transformational activities and less time on transactional activities.

The remaining three questions in the survey questionnaire focused on the HR practitioner's responsibility of improving relations in the organisation with the goal of balancing internal complexities.

Recruitment and Retention

As earlier identified the most commonly cited priority in the HR function was to recruit and retain key staff (91.6%). Clearly, HR practitioners in this survey are preoccupied with this activity. As established in the literature the intensifying competition for talent makes recruitment and retention a key priority for organisations and it is imperative for HR practitioners to rethink their organisations plan to attract and retain employees. While it is not clear from this survey whether routine HR activities in the recruitment process are being automated by for example self-service technology, it can be presumed that HR practitioners are using a range of methods to align planning needs, to market the employer and to handle hiring and integration processes effectively and efficiently to address skill gaps. A precise understanding of recruiting needs and a strong monitoring programme also helps HR practitioners to identify areas requiring further improvement.

The following capabilities were identified as being associated with increasing HR effectiveness in the area of recruitment and retention:
- Align recruitment and retention practices to support sustainability of the organisation
- Identify, analyse, forecast & interpret trends in organisational needs for human resources

- Ensures that the organisation has the skilled, committed and engaged workforce it needs

The results of the survey showed that in all of the three areas participants viewed their capabilities to increase HR effectiveness in the area of recruitment and retention as strength or major strength. In addition, correlations were done among all of the demographic data and each of the HR capabilities and the most significant relationship was identified with the number of years of experience in the profession.

The above results indicate that HR practitioners have the ability to attract, develop and retain individuals who can drive organisations that are responsive to both, their customers and future opportunities. Nevertheless in order to move forward HR practitioners need to ensure that organisations have fully automated and flexible systems in place to improve the efficiency of both, their own function and the entire organisation. This will increase the quality of HR, reduce the cycle time for hiring new candidates, lower costs and generally facilitate them to move closer to becoming the organisation's administrative expert in the area of recruitment and retention.

Managing Work/Life Balance

The emergence of flexible work styles requires organisations to respond to employees' changing needs. Many employees are now looking for more than just remuneration and organisations need to understand this quest in order to assist their staff to have a better balance. Organisations responses to employees' needs may range from providing flexible work arrangements to addressing employees' growing desire to have more family-friendly working environments.

The importance employees appear to place on flexible work arrangements is reflected in the growing body of literature that suggest exploring work-life arrangements will help organisations to increase productivity, address skill shortages and retain staff (Edgar & Geare, 2005). More flexible time-off arrangements can also encourage more education and training, which ultimately addresses the issue of skill shortages. If organisations accept that HR practices are potentially going to produce beneficial

outcomes for the organisation and the employee, then the areas of practice that are more likely to contribute positively should be identified.

For the purpose of this study the researcher identified the following capabilities as being associated with increasing HR effectiveness in the area of managing work/life balance:

- Develop and implement policies in response to changing demographic trends
- Proactive in the approach to overcoming barriers to implement work/life initiatives
- Successful in benchmarking and measuring the effectiveness of work/life initiatives

The results of the survey showed that in the first two statements over half of the participants viewed their capabilities as strength/major strength. Statement three was self-perceived as strength/major strength by only a quarter of the respondents. In addition, correlations were done among all of the demographic data and each of the HR capabilities. The most significant relationship was identified with the number of years of experience in the profession. Even though the results indicate that the majority of respondents showed a positive result in regards to managing work/life balance, it is inconclusive if organisations in New Zealand support the implementation of work/life initiatives. HR practitioners in New Zealand organisations therefore need to be significantly more proactive in their approach towards improving work/life policies and strengthen their ability to track its effectiveness as a means to attracting and retaining valuable human resources.

Diversity management

As established in the literature review managing diversity is the practice of understanding and embracing social differences for the mutual benefit of both employees and organisations. Managing diversity is a topic of high future importance and as earlier noted it is up to the HR practitioner to get support from management and to demonstrate how greater diversity benefits the organisation. At a more

fundamental level, there is also a substantial risk for organisations as not hiring on the basis of ethnicity or immigration status is not just bad HR practice, it clearly is illegal under the Human Rights Act (Wilson, Gahlout, Liu, & Mouly, 2005).

The following capabilities were identified as being associated with increasing HR effectiveness in the area of diversity management:

- Capacity to effectively implement diversity management programmes
- Competent to deal with the application of legislative issues of diversity management
- Ability to effectively use the talents of people form various backgrounds, experiences and cultures

The results of the survey showed that in the first statement only a third of respondents gave positive results. Higher positive results were shown in the next two statements by just over half of the respondents. In the correlation analysis the same result was achieved as in the other HR themes, with the number of years of experience in the profession showing the most significant relationship.

Valuing diversity, as earlier established, is still not seen as a key priority for the HR function in New Zealand organisations. Unquestionably, organisations need an action plan for moving diversity initiatives forward. Several critical questions will need to be addressed, among them: Why are we seeking diversity? What will be the benefits for to the organisation? What is the ideal form of diversity for the organisation? Who needs to be involved to make the initiative come to life?

HR practitioners need to be able to have the capabilities to articulate the changes required, make them explicit and to lead the process. It can be deduced that even though HR practitioners in New Zealand organisations have a moderate level of capabilities in diversity management they must invest time and effort to formally ingrain diversity into the culture if they want to maximise the potential of all available talent.

6. Conclusion

6.1. Findings

It has clearly been established that a feminisation of the HR profession in New Zealand is taking place. Results from the survey show that an increasing value is placed on educational qualifications and as a consequence HR practitioners in New Zealand organisations are a highly educated group.

Typically, the key priority of HR departments in New Zealand organisations is with a focus on recruitment and retention and on developing employee competencies. The lowest priority for the HR department has been identified as managing global growth and competition, which raises some concerns, as organisations in today's global market need to have HR departments that support them.

Change management capabilities have been regarded as high by the majority of respondents and this has been strengthened by the level of experience in the profession participants have. Results reveal that even though HR practitioners in New Zealand organisations perceived themselves as having a high degree of strategic capabilities, the majority of time spent on transactional activities makes this finding inconclusive. Key strengths were identified as high in recruitment and retention practices. There are some areas of concern and this relates to the perceived strength in the area of diversity and work/life balance management.

6.2. Limitations

All research has certain limitations, and this also applies to this study. A quantitative approach was chosen for this study which, for instance, made it difficult to determine whether a question was misinterpreted or ambiguous as the researcher is independent

from the subjects being researched (Collis & Hussey, 2003). Consequently the researcher may have unknowingly collected some inaccurate data.

The study dealt primarily with respondents' perceptions rather than any firm realities of their actual level of capabilities. Consequently there is always the possibility of social desirability bias where respondents may select a level of capabilities that presents a favourable impression. It has to be acknowledged that perceptions cannot be considered absolutes; rather they are all about different realities (Gummeson, 2006).

Based on test results the number of years of experience in the profession had the highest statistically significant correlated relationship with all of the self-identified capabilities. While the sample size in the present study was very satisfactory and respondents were represented in every stage of years of experience, the number in some of the categories was smaller (20 plus years of experience range). This is in many respects a consequence of the changing demographic profile, since three quarters of the respondents were females and only 12.2 percent fell into the 20 plus years of experience category. Thus, a larger sample may more accurately reflect some of the categories that were underrepresented.

It was also difficult to investigate all aspects of the chosen HR themes within the limited time frame for a masters project. Because of the limited time frame the researcher did not collect qualitative data to compare with the survey data for a deeper understanding of the factors that influence the level of self-perceived capabilities.

6.3. Future research opportunities

Various areas for further research, which stem from the analysis of the findings, have been identified.

There is some uncertainty regarding the strategic role that HR practitioners play in New Zealand organisations. It may be that many perceive themselves as playing a strategic partner role, but there is a need for further research to determine whether this claim reflects reality.

Taking the notion of increasing HR effectiveness it may also be of interest to gather data from the employee perspective. Since HR practitioners report on their capabilities to increase HR effectiveness from their perspective, it doesn't tell the researcher how the actual 'consumer' of HRM views the actual practices. Another reason for such study is that HRM is fundamentally built around the view that employees are the organisation's greatest asset, and therefore should be given some voice in future HRM research.

Literature clearly established that the management of diversity is an emerging strategic challenge for HRM. One mechanism by which diversity can be promoted is through appropriate role modelling. Even though this study did not focus on HR practitioner's representation of cultural and ethnic groups in the profession, further research could attempt to establish if efforts are made by HR practitioners in New Zealand organisations to take steps to provide such a role model.

The researcher also suggests that a similar, but much larger scale research be undertaken where both quantitative and qualitative methods are employed. It would result in obtaining a much deeper understanding of the issues investigated in this study.

Another major opportunity for research is an investigation of the effectiveness of undergraduate and graduate degree programmes in developing the capabilities necessary for HR practitioners to adequately contribute to organisational success.

To follow on from the current research, a longitudinal study should be undertaken, to examine the impact on HR practices and outcomes as capability levels change over time. The researcher should scrutinise in-depth which factors have any impact on his/her ability to develop capabilities required to keep up with the changing environment. The study should also investigate what impact this has on organisational success.

6.4. Closing statement

It has been resoundingly concluded that as a function HR practitioners in New Zealand organisations possess positive levels of capabilities that are identified by the literature to increase HR effectiveness. Nevertheless, even though a high level of capabilities is evident in the results, it is vital for HR practitioners in New Zealand organisations to increase their exposure to different practices, methods and systems as this can result in a greater ability to identify potential areas for improvement, as well as the identification of previously unconsidered solutions. It is hoped by the researcher that HR practitioners will be able to use the information from this study to build on this knowledge base to create additional new knowledge on HR capabilities and the impact on organisational performance.

Bibliography

Alvesson, M. (2002). *Postmodernism and social research.* Buckingham: Open University Press.

ANZSIC. (2008). Industry classification enters 21st century. from http://www.abs.gov.au/ausstats/abs@.NSF

Banks, A. (2007). The talent revolution takes off. *Human Resources, 11*(5), 2-5.

Barney, J. (1991). Firms, resources and sustained competitive advantage. *Journal of Management, 17*(1), 99-120.

Barney, J. B., & Hesterly, W. S. (2006). *Strategic management and competitive advantage: Concepts and cases.* New Jersey: Pearson Education.

Barratt, J. (2007). Future recruitment trends. *Human Resources, 11*(5), 4-5.

Beer, M. (1997). The transformation of the human resources function: Resolving the tension between traditional administrative and a new strategic role. *Human Resource Management, 36*, 49-56.

Beer, M., Spector, B., Lawrence, P., Mills, Q., & Walton, R. (1984). *Managing human assets.* New York: Free Press.

Boxall, P. (1995). *The challenge of human resource management: Direction and debates in New Zealand.* Auckland: Longman Paul.

Boxall, P., & Purcell, J. (2000). Strategic human resource management: where have we come from and where should we go? *International Journal of Management Reviews, 2*(2), 183-203.

Burchell, N. (2001). *2000 to 2010: Future directions for HR in New Zealand.* Auckland: Unitec Institute of Technology.

Cabrera, A. (2003). Strategic Human Resource Evaluation. *Human Resource Planning, 26*(1), 41-50.

Campel, A. (2002). Loyalty stems from work, life balance [Electronic Version]. *The New Zealand Herald.* Retrieved 26 April, 2007 from http://www.nzherald.co.nz/search/story.cfm?storyid=69964B30-39DD-11DA-8E1B-A5B353C55561.

Che Rose, R., & Kumar, N. (2006). The influence of organisational and human resource management strategies on performance. *Performance Improvement, 45*(4), 18-24.

Cleland, J., Pajo, K., & Toulson, P. (2000). Move it or lose it: an examination of the evolving role of the human resource professional in New Zealand. *International Journal of Human Resource Management, 11*(1), 143-160.

Collis, J., & Hussey, R. (2003). *Business research* (2nd ed.). UK: Palgrave.

Creswell, J. W. (2003). *Research design: qualitative, quantitative, and mixed methods approaches* (2nd ed.). London: Sage Publications.

Davidson, C., & Tolich, M. (2003). *Social science research in New Zealand* (2nd ed.). New Zealand: Pearson Education Limited.

De Vaus, D. A. (2002). *Surveys in social research* (5th ed.). Australia: Allen & Unwin.

Delahaye, B. (2005). *Human resource development: Adult learning and knowledge management* (2nd ed.). Australia: John Wiley & Sons Ltd.

Delery, J. E. (1998). Issues of fit in strategic human resource management: Implications for research. *Human Resource Management Review, 8*, 289-309.

Dibella, A. J. (2007). Critical perceptions of organisational change. *Journal of Change Management, 7*(3), 231-242.

Dillman, D. A. (2000). *Mail and internet surveys: The tailored design method* (2nd ed.). New York: John Wiley.

Drucker, P. F. (2006). What executives should remember. *Harvard Business Review, 84*(2), 144-152.

Du Plessis, A. J. (2006). Human resource's role in future priorities and current capabilities in New Zealand organisations. *International Journal of Knowledge, Culture and Change Management, 6*(1), 69-78.

Du Plessis, A. J., & Nel, P. S. (2006). Closing the gap between current capabilities and future requirements in human resource management in New Zealand: Some empirical evidence. *Journal of Global Business and Technology, 2*(1), 33-47.

Edgar, F., & Geare, A. (2005). Employee voice on human resource management. *Asia Pacific Journal of Human Resources, 43*(3), 361-380.

Eldabi, T., Irani, Z., Paul, R., & Love, P. E. (2002). Quantitative and qualitative decision-making methods in simulation modelling. *Management Decisions, 40*(1), 64-73.

Ely, R., & Thomas, D. (2001). Cultural diversity at work: the effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly, 46*(2), 229-272.

Fish, A., & Macklin, R. (2004). Perceptions of executive search and advertised recruitment attributes and service quality. *Personnel Review, 3*(1), 30-54.

Gautier, A. (2002). Paying the price:The high cost of executive stress. *New Zealand Management, 49*(July), 34-37.

Gilbert, J., & Jones, G. (2000). Managing human resources in New Zealand small businesses. *Asia Pacific Journal of Human Resources, 38*(2), 55-68.

Gilbertson, D. (1984). Personnel's path to organisational effectiveness. *Proceedings of the National Conference of the New Zealand Institute of Personnel Management, October*, 48-51.

Gilbertson, D., & Fogelberg, G. (1991). Do New Zealand HRM staff have sufficient power and influence? *Asia Pacific Journal of Human Resources, Autumn*, 55-59.

Gloet, M. (2006). Knowledge management and the links to HRM: Developing leadership and management capabilities to support sustainability. *Management Research News, 29*(7), 402 - 413.

Goulding, C. (2002). *Grounded Theory*. London: Sage Publications.

Guest, D. E. (1990). Human resource management and the American dream. *Journal of Management Studies, 27*(4), 377-397.

Gummeson, E. (2006). Qualitative research in management: Addressing complexity, context and persona. *Management Decisions, 44*(2), 167-179.

Guthridge, M., Komm, A. B., & Lawson, E. (2008). Making talent a strategic priority. *The McKinsey Quarterly, 1*, 49-59.

Hammersley, M. (2006). Philosophy's contribution to social science research in education. *Journal of Philosophy of Education, 40*(2), 273-286.

Hantrais, L. (2005). Combining methods: a key to understanding complexity in European societies? *European Societies, 7*(3), 399-421.

Harrison, R., & Kessel, J. (2004). *Human resource development in a knowledge economy*. New York: Palgrave Macmillan.

Härtel, C. E. J. (2004). Towards a multicultural world: Identifying work systems, practices and employee attitudes that embrace diversity. *Australian Journal of Management, 29*(2), 189-200.

Härtel, C. E. J., Fujimoto, Y., Strybosch, V. E., & Fitzpatrick, K. (2007). *Human resource management: Transforming theory into innovative practice*. Australia: Pearson Education.

Hayward, S. (2006). Equipping HR with new tools for success. *Strategic HR Review, 5*(2).

Heneman, H., Judge, T., & Heneman, R. L. (2006). *Staffing organisations*. Boston: MacGraw-Hill.

Holbeche, L. (2006). *Understanding change: Theory, implementation and success*. Great Britian: MPG Books Ltd.

Holbeche, L., & McCartney, C. (2005). Failure to manage change heightens stress, harassment and conflict at work, survey claims [Electronic Version]. Retrieved 24/05/08 from http://www.trainingreference.co.uk/news/bp050128.htm.

Horgan, J. M. (2003). *High performance human resource management in Ireland and the Netherlands: Adoption and effectiveness*. Amsterdam: Rosenberg Publishers.

Huselid, M. A., Jackson, S. E., & Schuler, R. S. (1997). Technical and strategic human resources management effectiveness as determinants of firm performance. *Academy of Management Journal, 40*(1), 171-188.

Hyde, K. (2000). Recognising deductive processes in qualitative research. *Qualitative Market Research: An International Journal, 3*(2), 82-90.

Iarossi, G. (2006). *The power of survey design: A user's guide for managing surveys, interpreting results and influencing respondents*. Washington, D.C.: The World Bank.

Institute of Personnel Management New Zealand. (1994). *Human resources priorities for competitive advantage*. Auckland: Institute of Personnel Management New Zealand.

Institute of Personnel Management New Zealand. (1997). Professionalism in personnel: The 1997 survey of the HR profession. *Human Resources, 2*(5).

Jack, E., & Raturi, A. (2006). Lessons learned from methodological triangulation in management research. *Management Research News, 29*(6), 345-357.

Jacobs, P. (2007). The changing face of recruitment. *Human Resources, 12*(6), 2-3.

Jamrog, J. J., & Overholt, M. H. (2004). Building a strategic HR function: Continuing the evolution. *Human Resource Planning, 27*(1), 51-62.

Jayne, V. (2005). Celebrating diversity. *New Zealand Management, 58*(8), 36-40.

Joerres, J. A. (2006). Engaging the total workforce. *Human Resources, 11*(2), 2-7.

Johnson, E. K. (2000). The practice of human resource management in New Zealand: Strategic and best practice? *Asia Pacific Journal of Human Resources, 38*(2), 69-83.

Johnson, E. K. (2002). The human resources function in New Zealand organisations: The Cranfield survey. *The New Zealand Journal of Human Resources Management, 2*, 1-15.

Jones, D., Pringle, J., & Shepherd, D. (2000). Managing diversity meets Aotearoa/New Zealand. *Personnel Review, 29*(3), 364-380.

Kane, B., Crawford, J., & Grant, D. (1999). Barriers to effective HRM. *International Journal of Manpower, 20*(8), 494 - 516.

Kendrick, S. (2007). Make today's recruitment tools work for you - not against you. *Human Resources, 11*(5), 6-8.

Larsen, H. H., & Brewster, C. (2003). Line management responsibility for HRM: What is happening in Europe? *Employee Relations, 25*(3), 228 - 244.

Leedy, P. D., & Ormrod, J. E. (2005). *Practical research: planning and design* (8th ed.). New Jersey: Pearson Education Inc.

Lepak, D. P. (1999). The human resource architecture: Toward a theory of human capital allocation and development. *Academy of Management Review, 24*(1), 31-48.

Lewin, C. (2005). Elementary quantitative methods. In B. Somekh & C. Lewin (Eds.), *Research methods in social sciences* (pp. 215-225). London: Sage.

Lipiec, J. (2001). Human resources management perspective at the turn of the century. *Public Personnel Management, 30*(2), 137-146.

Losey, M. R., Meisinger, S. R., & Ulrich, D. (2005). *Future of human resource management: 64 thought leaders explore the critical HR issues of today and tomorrow.* USA: John Wiley & Sons.

Macky, K., & Johnson, G. (2003). *Managing human resources in New Zealand* (2nd ed.). Australia: McGraw-Hill.

Martocchio, J. J. (2006). *Strategic compensation: A human resource management approach* (4th ed.). New Jersey: Pearson Education.

Massey, C., Elkin, G., Mallon, M., Page, C., Ruth, D. W., & Wilson, M. (2004). *Framework for building management capabilities in New Zealand.* Wellington: Ministry of Economic Development.

Maxim, P. S. (1999). *Quantitative research methods in the social sciences.* New York: Oxford University Press.

McDonald, P., & Kippen, R. (2004). Labor Supply Prospects in 16 Developed Countries, 2000–2050. *Social & Behavioral Sciences, 27*(1), 1-32.

McKeown, L. J. (2002). *Retaining top employees.* USA: McGraw-Hill.

Morgan, A. K., & Drury, V. B. (2003). Legitimising the subjectivity of human reality through qualitative research method [Electronic Version]. *The Qualitative Report*, *8*. Retrieved 14 March, 2007 from http://www.nova.edu/sss/OR/OR8-1/morgan.html.

Morley, M., Gunnigle, P., O'Sullivan, M., & Collings, D. G. (2006). New directions in the roles and responsibilities of the HRM function. *Personnel Review, 35*(6), 609-617.

Murphy, G. D., & Southey, G. (2003). High performance work practices: Perceived determinants of adoption and the role of the HR practitioner. *Personnel Review, 32*(1), 73 - 92.

Nel, P. S. (2004). Future personnel and management challenges in South Africa [Electronic Version]. Retrieved 5 May, 2007 from http://www.ctwcongress.de/ifsam/download/track_15/pap00353.pdf.

Nel, P. S., Marx, A. E., & Burchell, N. (2004). Business management challenges regarding the future of work and change: Human resources manager's perspectives for the following decade [Electronic Version]. Retrieved 5 May, 2007 from http://www.handels.gu.se/ifsam/Streams/gen/29%20final.pdf.

Nel, P. S., Marx, A. E., & Du Plessis, A. J. (2005). The future context of work in the business environment in South Africa: Some empirical evidence. *South African Journal of Economic and Management Sciences, 8*(2), 18-32.

Nel, P. S., van Dyk, P. S., Haasbroek, G. D., Schultz, H. B., Sono, T., & Werner, A. (2004). *Human resources management* (6th ed.). South Africa: Oxford University Press.

Nel, P. S., Werner, A., Haasbroek, G. D., Poisat, P., Sono, T., & Schultz, H. B. (2008). *Human resources management* (6th ed.). South Africa: Oxford University Press.

Nelson, L. (2002). Developing an understanding of theory in organisational change. *Journal of the Australian and New Zealand Academy of Management, 8*(1), 32-43.

Neuman, W. L. (2003). *Social research methods* (5th ed.). USA: Pearson Education.

New Zealand Institute of Personnel Management. (1979). *Personnel management 1978: A New Zealand survey*. Wellington: New Zealand Institute of Personnel Management.

Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2006). *Human resource management: gaining a competitive advantage* (5th ed.). New York: MacGraw-Hill.

Oltra, V. (2005). Knowledge management effectiveness factors: The role of HRM. *Journal of Knowledge Management, 9*(4), 70-86.

Onwuegbuzie, A., & Leech, N. (2005). Taking the 'Q' out of research: Teaching research methodology courses without the divide between quantitative and qualitative paradigms. *Quality & Quantity, 39*(3), 267-296.

Paley, J. (2005). Error and objectivity: Cognitive illusions and qualitative research. *Nursing Philosophy, 6*(3), 196-209.

Personnel Management Association. (1968). *A survey of personnel practices in New Zealand*. Auckland: Personnel Management Association.

Playing to win in a global economy [Electronic (2007/2008). Version]. *Global Strategic Rewards Report* from http://www.watsonwyatt.com/research/resrender.asp?id=2007-US-0188&page=1.

Poon, J. P. H. (2005). Quantitative methods: not positively positivist. *Progress in Human Geography, 29*(6), 766-772.

Raich, M. (2002). HRM in the knowledge-based economy: Is there an afterlife? *Journal of European Industrial Training, 26*(6), 269-273.

Raich, M. (2006). HRM in the knowledge-based economy: is there an afterlife? *Journal of European Industrial Training, 26*(6), 269-273.

Ramlall, S. J. (2006). HR competencies and their relationship to organisational practices. *Performance Improvement, 45*(5), 32-44.

Redman, T., & Wilkinson, A. (2001). *Contemporary human resource management*. Harlow: Pearson Education.

Reed, P. (2004). EEO trust diversity survey report 2004 [Electronic Version]. *Equal Employment Opportunities Trust*. Retrieved 17 April, 2007 from www.eeotrust.org.nz/information/diversity.shtml.

Rennie, W. H. (2003). *The role of human resource management and the human resource professional in the new economy*. University of Pretoria, Pretoria.

Renwick, D. (2003). HR managers: Guardians of employee wellbeing? *Personnel Review, 32*(3), 341 - 359.

Rijamampianina, R., & Carmichael, T. (2005). General issues in management: A pragmatic and holistic approach to managing diversity *Problems and Perspectives in Management, 1*, 109-117.

Rudman, R. (2002). *Human resources management in New Zealand* (4th ed.). New Zealand: Prentice Hall.

Saunders, M., Lewis, P., & Thornhill, A. (2003). *Research methods for business students* (3rd ed.). Harlow: Pearson.

Sheehan, C. (2005). A model for HRM strategic integration. *Personnel Review, 34*(2), 192 - 209.

SMEs in New Zealand: Structure and Dynamics. (2006). Retrieved 10 September 2008, from http://www.med.govt.nz/

Stablein, R., & Geare, A. (1993). Human resource management in New Zealand: Profession and practice. *Asia Pacific Journal of Human Resources, 31*, 26-38.

Stewart, T. (1996). Taking on the last bureaucracy. *Fortune*(January 15), 105-108.

Stone, R. J. (2005). *Human resource management* (5th ed.). Australia: John Wiley & Sons.

Stone, R. J. (2008). *Human resource management* (6th ed.). Australia: John Wiley & Sons.

Storey, J. (2001). *Human resource management* (2nd ed.). London: Thomson Learning.

Storey, J. (2007). *Human resource management: A critical text* (3rd ed.). London: Thomson Learning.

Strack, R., Dyer, A., Caye, J., Minto, A., Leicht, M., Francoeur, F., et al. (2008). *Creating people advantage: How to address HR challenges worldwide through 2015*. USA: World Federation of Personnel Management Association

Taylor, R. (2002). The future of work-life balance [Electronic Version]. *An ESRC Future of Work Programme Seminar Series*. Retrieved 10 April, 2007 from http://www.leeds.ac.uk/esrcfutureofwork/downloads/fow_publication_2.pdf.

Thomson, R. (2006). Wage increases just a short term fix. *Human Resources, 11*(2), 8-9.

Ulrich, D. (1998). A new mandate for human resources. *Harvard Business Review, 76*(1), 124-134.

Ulrich, D., & Brockbank, W. (2005). *The HR value proposition*. USA: Harvard Business School Press.

Ulrich, D., & Smallwood, N. (2003). *Why the bottom line isn't! How to build value through people and organisations*. New York: John Wiley & Sons.

Vignali, C., & Zundel, M. (2003). The marketing management process and heuristic devices: An action research investigation. *Marketing Intelligence & Planning, 21*(4), 205-219.

Walker, J. W., & Stopper, W. G. (2000). Developing human resource leaders. *Human Resource Planning, 23*(1), 38-44.

Weber, R. (2004). The rhetoric of positivism versus interpretivism: A personal view. *MIS Quarterly, 28*(1), 3-13.

Wilson, M., Gahlout, P., Liu, L., & Mouly, S. (2005). A rose by another name: The effect of ethnicity and name on access to employment. *University of Auckland Business Review, 7*(2), 65-72.

Wright, P. M., & Boswell, W. R. (2002). Desegregating HRM: A review and synthesis of micro and macro human resource management research. *Journal of Management, 28*(3), 247- 277.

Wright, P. M., McMahan, G. C., Snell, S. A., & Gerhart, B. (2001). Comparing line and HR executives' perceptions of HR effectiveness: Services, roles and contributions. *Human Resource Management, 40*(2), 17-31.

Appendices

Appendix 1: Survey Questionnaire

Appendix 2: Email invitation

Appendix 3: Permission letter to HRINZ

Appendix 2:

Research Participation - Unitec Survey

Dear …………

Thank you for subscribing to our research survey option.

You are invited to participate in the following survey by Unitec. The survey aims to look at researching HR Practitioners emerging roles, expectations and challenges in organisations throughout New Zealand.

This survey will take approximately 10 minutes to complete.

Unitec has guaranteed anonymity of any information supplied by participants.

To participate in this online research survey, click here.

Please complete the survey before the 25th of February 2008.

To be removed from the research participation stream, update your details in the Members Only Area.

Regards

Debbie Bridge

Manager - HR Careers and Education

This HRINZ member message was sent by:

Human Resources Institute of New Zealand Incorporated

Level Seven, 35 Victoria Street, PO Box 11 450, Wellington **P: 04 499 2966**

F: 04 499 2965 E: **hrinz@hrinz.org.nz** WEB: **www.hrinz.org.nz**

To be removed from ALL HRINZ Member emails please send an email to membership@hrinz.org.nz with "UNSUBSCRIBE" as the subject.

Appendix 3:

<div align="right">
Unitec New Zealand
Private Bag 92025
Auckland
30 October 2007
</div>

Human Resources Institute of New Zealand Incorporated
PO Box 11450
Wellington

To whom it may concern

RE: INCREASE HR EFFECTIVENESS: SURVEY OF HR PRACTITIONERS IN NEW ZEALAND ORGANISATIONS

The changes in the contemporary business environment necessitate changes in the HR function and adapting themselves to those changes has become an occupational reality for HR practitioners in New Zealand organizations. The aim of this research is to establish if HR practitioners have moved in response to those changes and possess capabilities that are needed to increase HR effectiveness.

Value and benefits of research

HR practices and activities have the potential to positively impact business performance and HR practitioners play an important role in enabling their organization to remain competitive. Therefore identifying possible shortfalls and increasing the understanding to which capabilities are needed to fulfill specific role expectations has the potential to improve the management of organizations human resources.

Intention of research

In considering the emerging challenges and trends that HR practitioners face the study will explore the following five key HR topics which are linked to organizational performance and increasing in importance on a global scale:

▶Change management
▶Strategic role of HR
▶Managing recruitment/retention in changing environment
▶Managing work-life balance
▶Diversity management

Confidentiality and preservation of anonymity

The survey has been developed through a Web-based program and site called Survey Monkey. Emails sent out to participants contain a link to the questionnaire and respondents simply click the link to go directly to the survey. Information provided by the respondents is automatically collected in the program. The survey takes approximately 15min to complete.

Participants are not asked to fill in their name, name of organisation or any other personal information that could make it traceable to them and therefore makes the survey anonymous. Any data collected is kept private and confidential and only the researchers will have access to the information.

About the researchers:

Dr Andries du Plessis
Unitec Business School
Unitec New Zealand
(09) 815 4321 ext 8923
aduplessis@unitec.ac.nz

Senior lecturer in under- & post grad. programmes. Lecturing HRM, SHRM, ER, Strategy & Change, and Management. Twenty-eight years experience in HR, ER and dispute resolutions/negotiations. Member of HRINZ.

Name: Sonja Paine
Unitec Business School
Unitec New Zealand
Mobile: 021 476652
paines01@studentmail.unitec.ac.nz

HR advisor at Sandvik NZ Ltd. Completed BBus degree in 2005 and was awarded best student in HR. In 2007 was awarded Excellence in Postgraduate Studies: Scholar of the Year and in 2008 got a Dean's Award of Academic Excellence. Currently studying for an MBus degree with major in HR. Member of HRINZ.

Please contact the researchers should you need more information about the research project.

Note: This project has been approved by the Unitec proposal Committee on the

Ethics approval will be granted on confirmation that your institution gives permission for the HRINZ database to be used to distribute the questionnaire. Please contact the Deputy chair of the ethics committee should you have any further questions about any concerns you may have:

Dr Simon Peel
Associate Head of School
Unitec Business School
Unitec New Zealand
(09) 815 4321 ext 8650
speel@unitec.ac.nz