

ROLE AND STATUS OF PERSONNEL PRACTITIONERS — A POSITIVE PICTURE

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Introduction

This article draws on the findings of an investigation into the role and status of personnel practitioners in Irish organisations. This investigation was set against a background where current academic approaches to personnel management in Ireland are predominantly based on British and, to a lesser extent, US literature and experience. Such literature has tended to emphasise the ambiguous nature of personnel work and depict the personnel practitioner as a manager struggling to gain a place in top management, whose contribution is often unappreciated by both peers and superiors.¹

The Role of Personnel Management

Despite the proliferation of published material it is difficult to find consensus on what personnel management is. A key issue here is the difficulty in evaluating the personnel role independently of the overall management function. Management itself has been described as the process through which organisations achieve their objectives by planning, organising, controlling and directing cum motivating their capital, equipment, materials and manpower resources. Personnel management is concerned with the manpower element and contributes to organisational success by integrating the human resources element into the overall equation in such a way as to improve organisational performance.

The Survey

The main aim of this survey was to conduct exploratory research into the role and status of personnel practitioners in Ireland. The main concern was to obtain a picture at a specific point in time and elicit such activities as were carried out by personnel practitioners in their daily job routine, what status they enjoyed in their organisations and how they perceived their work situation as the people primarily responsible for human resource management.

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To achieve this end a self-administered postal survey based on an in-depth questionnaire was utilized. This was sent in a personalized envelope to the top ranking personnel practitioners in a randomly selected sample of 226 organisations in Ireland. 71 of the 226 targeted personnel practitioners replied, a response rate of 31%. A breakdown of the final sample with the composition of the respondent groups and the corresponding response rates are given in Table 1. It is interesting to note the considerable difference in the willingness to respond among personnel practitioners in US-owned and Irish privately-owned organisations.

Table 1: *Response Rate by Ownership Group*

		IRISH		US.	Mainly European	Total
		Public	Private			
Dispatched	No.	40	83	44	59	226
Questionnaires	%	17.7	36.7	19.5	26.1	100
Returned	No.	14	20	18	19	71
Questionnaires	%	19.7	28.2	25.3	26.8	100
Response Rate	%	35.0	24.1	40.9	32.2	31.4

This article reviews some of the initial findings of the study on the role and status of personnel practitioners in Irish organisations.

Role of the Personnel Practitioner

In attempting to assess the role and status of Irish personnel practitioners a number of criteria relating to the personnel role played by respondents were examined. Of particular relevance here were the replies of respondents to questions relating to reporting patterns, income, involvement in corporate planning and size of personnel department.

(A) *Reporting Level:* The findings of this survey on the reporting patterns of personnel practitioners are useful in indicating their status in their respective organisations. It was found that over 70% of the respondents report to the CEO/MD while just less than 30% report to a lower order

Table 2: *Title of Superior*

Title	%
CEO/MD	70.0
Assistant MD or equivalent	5.7
Higher ranking personnel practitioner	11.5
Financial controller	4.3
Company secretary	7.1
Production manager	1.4

manager or a more senior personnel practitioner, the latter possibly located at corporate headquarters.

Examining the responses to find reasons for the variance in answers, only income is detected as having a significant influence. Not suprisingly personnel practitioners in the higher income categories tend to have more freedom to determine their own work and report at a higher level. All respondents with incomes above £30,000 report to the CEO/MD while only 55% of those earning below £20,000 do so.

(B) *Income*: Examining more closely the respondents' income it is found that salaries are influenced both by company related and personal variables. We have already seen the relationship between reporting level and income. Other company related influences are ownership, size, turnover and industrial sector. Personal factors such as age, education and experience are also considered.

Table 3: *Salary by Ownership Group*

Salary (Ir. Pounds)	Ownership Group				Total %
	Mainly European %	US %	Irish Private %	Irish Public %	
Below 10000	—	—	—	—	—
10000 – 14999	22.2	5.9	6.7	—	9.7
15000 – 19999	33.3	—	33.3	8.4	19.4
20000 – 24999	22.2	17.6	20.0	33.3	22.6
25000 – 30000	16.7	41.2	13.3	25.0	24.2
above 30000	5.6	35.3	26.7	33.3	24.2

N = 62

As can be seen from Table 3 one of the stronger influences on salary is the ownership of the respondent's company. It can be seen that US companies pay their highest ranking personnel practitioners best. At the highest echelons over 75% of personnel practitioners in American companies earn more than £25,000 per year, while the equivalent figure for Irish private companies is 40%, and for European companies 22%. The Irish public sector pays better than the latter two affording almost 60% of their personnel practitioners at the top levels salaries of £25,000 or more.

The educational level of respondents also yields some interesting information. Half of the respondents with a Leaving Certificate earn between £10,000 and £15,000. However, only 17% of primary degree holders are

in this category and 50% of postgraduate degree holders earn more than £30,000. It must be stressed, however, that all these variables are interrelated to some degree and that the absolute importance of any one variable cannot be specifically determined.

(C) *Input into Top Management Activities:* Input of personnel practitioners into top management activities, particularly corporate planning, is also a good indicator of status. In the present survey over 70% of the respondents were involved to some degree in corporate planning. Over one third of the personnel practitioners reported to be very much involved, almost 37% felt they were involved to some degree while just less than 30% said they are not involved at all.

Table 4: *Input into Corporate Planning by Income*

	Income (Ir. Pounds)					Total
	10000 – 14999	15000 – 19999	20000 – 24999	25000 30000	Above 30000	
Degree of Involvement	%	%	%	%	%	%
Very Much	—	10.0	21.4	46.2	60.0	33.3
Some	20.0	50.0	42.9	46.2	20.0	36.8
No	80.0	40.0	35.7	7.7	20.0	29.8

N = 57

Examining the degree of involvement on the basis of company ownership reveals that only in the Mainly European-owned companies did the involvement rate fall below 50%. In both Irish (public and private) and US-owned companies the involvement level of personnel practitioners in corporate planning is very high (70-85%). Furthermore, it emerges that higher educated and paid personnel practitioners have more involvement with 60% of the above £30,000 income group very much involved in corporate planning, while only 10% of the sub-£20,000 group are.

If one is to measure the level of involvement against that of other managers in peer functions the results are also extremely positive; over 85% of the personnel practitioners surveyed report at least as much involvement in top level decision making and 53% claim to have even greater involvement.

(D) *Size of Personnel Department:* Examining the size of the personnel department it is found that 11 of the 71 respondents' companies do not have a personnel department as such since only the respondents themselves represent the personnel function.

Arguably more meaningful is the personnel ratio, that is, the size of the personnel department compared to total company strength. The average ratio in the companies surveyed is 1:58. While it is generally agreed that the overall size of the workforce has a strong bearing on the size of the personnel department, other variables such as industrial sector and company status (headquarter or plant/division) are also said to have influence.²

While financial turnover does not appear to be a reliable indicator of personnel department size, all other variables appear to have a certain degree of influence. The slight difference between the ratios of headquarters (1:55), and Plant/Divisions (1:69) seems to support those who argue that the trend goes towards a more decentralised personnel function. This argument is further supported by the fact that foreign-owned companies who are found to be largely operating from plants/divisions show the more positive ratios of 1:71 and 1:65 while the Irish privately-owned companies have a ratio of 1:117. The most favourable of all ratios is found in the Irish public sector at 1:46, clearly below the overall average of 1:58.

(E) *Supervision*: One final aspect of status should be examined and that is the extent to which superiors determine the work of the survey respondents. Almost half of the personnel practitioners report to have almost a free hand, as less than 20% of their work is generated by their superior.

It is again the higher status personnel practitioners who are given more freedom to determine their work. No significant ownership differences are detected. However, there is a significant difference between manufacturing and service industry with less freedom afforded to personnel practitioners in the service sector.

Table 5: Amount of Personnel Practitioner's Work Generated by Superiors

Work generated by superior	Industrial Sector		Total %
	Manufacturing(N32) %	Services(N19) %	
less than 20%	46.9	36.8	43.1
20 – 39%	34.4	15.8	27.5
40 – 59%	18.8	31.6	23.5
60 – 80%	—	10.5	3.9
Above 80%	—	5.3	2.0

(N51, private industry only)

Personnel Management Activities

The personnel practitioners were asked to indicate which personnel activities were most important in their work routine and to outline those activities they felt were crucial to the successful completion of their personnel role. As we will see industrial relations is seen as the key aspect of the personnel role. Other important areas identified by respondents were training, recruitment/selection and manpower planning. An interesting finding was the high incidence of activities jointly carried out with other management functions. Also noteworthy is that while routine clerical/administrative tasks are undertaken these are normally delegated and are not a major constraint on the work of senior personnel practitioners.

(A) *Industrial Relations*: Industrial relations is identified by the respondents as the most crucial area of their work. Areas of particular significance were involvement in negotiations, advising on labour law, discipline and conciliation/arbitration. The significance accorded to industrial relations is supported by the fact that the overwhelming majority of organisations — often over 90% — have a wide range of personnel policies and procedures in place. These according to Gardner³ are the major tool available for the orderly conduct of industrial relations and the management of conflict. Comparing these findings with those of Mackay and Torrington⁴ we find that personnel practitioners in Ireland are more likely to have such personnel policies and procedures in operation.

Table 6: Procedures and Policies — Britain and Ireland Compared

Policy/Procedure	Present Survey %	Torrington's Survey %
Negotiating pay & conditions	76.8	61.7
Manning/productivity levels	66.7	28.3
Discipline	98.6	} 83.4
Grievances	97.1	
Disputes	91.2	
Redundancy/redeployment	77.9	54.3
Introduction of new technology	62.1	35.1
Disclosure of information	45.5	26.0

Although it has been suggested that industrial relations had declined in importance,⁵ neither study on either side of the Irish sea found evidence to support this contention. Mackay and Torrington also found what they termed “employee relations” to be of the greatest importance to British personnel practitioners.⁶

(B) *Time Priority of Personnel Activities*: Apart from industrial relations respondents also reported to be heavily involved in training and development, recruitment and selection, and manpower planning. To assess which activities took up most of the time of personnel practitioners respondents were asked to rank activities according to actual time spent and then to indicate their feelings on which activities should ideally take up most of their time. As can be seen from Table 7 industrial relations comes out clearly on top on both criteria. Contrasting the two criteria we find that while no other activity remains in the same position neither does any move up or down more than one or two places. This would seem to indicate that personnel practitioners are largely satisfied that they are engaged in the type of work they feel is most important for the successful completion of their role.

On the issue of proactivity in personnel work it was found that on average respondents feel that almost 44% of their work is proactive. This would seem to indicate that personnel practitioners have ample time for proactive personnel work such as strategic planning and the development of new policies and systems.

Table 7: *Time Spent/Priority of Personnel Activities*

Activity	Time Spent (Rank)	Score (Rank)	Time Priority	Score
Industrial Relations	1	40	1	75
Gen. Mgt. & Admin.	2	75	3	135
Training & Devpt.	3	146	2	88
Rec. & Sel.	4	209	5	294
Pay & Conditions	5	210	7	406
Planning	6	294	4	196
Advice —				
Personnel Policy	7	542	9	542
Communications	8	607	6	372
Manpower Planning	9	684	8	444
Org. Devpt.	10	907	—	—
Health & Safety	—	—	10	783
Percentage of activities reactive			56.8%	
Percentage of activities proactive			43.2%	

Conclusions — Role and Status of Personnel Practitioners in Irish Organisations

We have already suggested that status is particularly important for the personnel practitioner. It will significantly influence the role he plays within his particular organisation. The contribution the personnel practitioner can make to the organisation is dependent on the extent he can exert the necessary power and influence to ensure consideration of personnel matters in top level decision making. This highlights the essential link between role and status of personnel practitioners and their contribution to organisational success. For personnel policies to be adequately considered their source — the personnel practitioner — must have the necessary status, power and influence to ensure such consideration.

The role of personnel practitioners in Irish organisations today as reported by the respondents is a positive and mature one. Given the considerable effort that was put into the methodological groundwork⁷ and the selection of the sample, resulting in the subsequent good representation of the various subgroups as outlined in Table 1, we feel that the opinions expressed by our respondents are a good reflection of the situation facing the majority of personnel practitioners in Irish industry. The majority of personnel practitioners in the sample have reached the top level of representation in their organisational hierarchy and have adopted the managerial perspective of personnel management.⁸ The majority of respondents are involved from the start when personnel related senior level decisions are taken. They influence the strategic direction of their enterprises and facilitate their organisations adaptation to change.

The most central issue in the personnel practitioners' job is the area concerned with industrial relations and contrary to the literature its importance is as crucial as ever. In the estimation of the respondents a well executed and professional industrial relations function is one of the keys to power, influence and the successful contribution to organisational goals.

NOTES

(1) See, for example, CRICHTON, A. "A persistent stereotype? The personnel manager: the outsider." *Personnel Management* December 1963. LEGGE, K. "Power, innovation and problem solving in personnel management." McGraw-Hill 1978. LEGGE, K. & EXLEY, M "Authority, ambiguity and adaptation: the personnel specialists dilemma." *Industrial Relations Journal* 6.5 1975. MANNING, K. "The rise and fall of personnel." *Management Today* March 1983. SYRETT, M. "Personnel Directors struggle for position". *Sunday Times* 7 June 1987. TYSON, S. "Specialists in ambiguity: personnel management as an occupation" Ph.D. Thesis — London School of Economics, 1979.

(2) See, for example, CANNIFFE, M. "Staffing levels in personnel departments: what criteria apply?"

- "Industrial Relations News Report No. 45 1985; FOWLER, A. "Proving the personnel department earns its salt". Personnel Management May 1983; SISSION, K. & SCULLION, H. "Putting the corporate personnel department in its place." Personnel Management Oct. 1985.
- (3) GARDNER, J.J. "Practical personnel and industrial relations management" in POLLOCK, H. "Reform of Industrial Relations" O'Brien Press 1982.
- (4) MACKAY, L. and TORRINGTON, D. "The changing nature of personnel management." IPM London 1986.
- (5) See, for example, GUEST, D. "Has the recession really hit personnel management." Personnel Management Oct. 1982.
MANNING, K. "The rise and fall of Personnel." Management Today March 1983.
- (6) MACKAY, L. and TORRINGTON, D. Op., Cit.
- (7) A detailed description of the research methodology can be found in SHIVANATH, G.A. "Personnel Practitioners 1986 — their role and status in Irish industry". Unpublished thesis. National Institute for Higher Education, Limerick, 1987. pp. 57-73.
- (8) THOMASON, G. "A textbook of personnel management." IPM, 1975.