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**THE CHANGING ROLE OF HUMAN RESOURCE MANAGEMENT:
A COMPARATIVE STUDY OF IMPORTANCE FACTORS CONCERNING
HUMAN RESOURCE COMPETENCIES AMONG GENERAL MANAGERS**

A Thesis in

Workforce Education and Development

by

Robert K. Prescott

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for the Degree of

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ABSTRACT

In 1985, Penn State Executive Programs, led by Dr. Albert A. Vicere and other distinguished faculty, created an assessment instrument concerning Human Resource (HR) competencies. This instrument, the Management Skills Assessment (MSA-HR), was used to gather data concerning the perceived importance of HR competencies among general managers during the period 1985-1993. Over the years, perceived importance ratings were gathered from 520 general managers. The data were used in executive education forums to show HR managers what competencies general managers perceived to be important in their expectation of the HR function. During the period of 1994-1998, these data were not updated. The literature of the period claimed an increasing role of importance for the HR function in delivering value to the organizations it serves. Therefore, the two overarching purposes of this dissertation were (1) to determine what competencies general managers perceive as most important for human resource managers; and (2) how these competency ratings have changed over time. Four specific research questions were posed.

The MSA-HR was adapted to gather information, during 1998, concerning present and future perceived importance ratings of similar general manager populations. The MSA-HR questionnaire was then distributed to a sample of 619 general managers who had attended a Penn State Executive Program during the period 1994-1998 and a 36% response rate was obtained. Perceived importance ratings, of present and future perspectives, were then compared to the foundational study database to reveal significant

shifts in importance. The results showed significant increases in perceived importance ratings among the three data sets.

For all competency categories the perceived importance rating for the future was significantly higher than the present and past ratings. Except for the *Strategic Management Perspective, Business Perspective Human Resource Functional Competence, and Ability to Design and Implement Plans* competency categories, the past perceived importance ratings were significantly higher than the present ratings. Specific questions (mini-competencies) within the competency categories also shifted in importance ratings. Four mini-competencies stand out as being most important for both the present and future. They include

- Providing creative solutions to HR needs identified by business unit and functional managers;
- Understanding corporate culture and its impact on strategy implementation and organizational development;
- Ability to design and develop incentive systems that motivate people and that are compatible with company goals. and
- Understanding contribution of education and development programs to future requirements of business.

The conclusions of this dissertation discuss the implications for the study findings as they relate to the ultimate role of HR--which is to develop knowledge capital for the organization. Future research recommendations were then identified to enhance the body of knowledge concerning Human Resource Management (HRM).

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CHAPTER 1

INTRODUCTION

Background

Nestling warm and sleepy in your company, like the asp in Cleopatra's bosom, is a department whose employees spend 80% of their time on routine administrative tasks. Nearly every function of this department can be performed more expertly for less by others. Chances are its leaders are unable to describe their contribution to value added except in trendy, unquantifiable, and wannabe terms yet, like a serpent unaffected by its own venom, the department frequently dispenses to others advice on how to eliminate work that does not add value. (Stewart, 1996, p. 105)

Stewart's main point is that the Human Resource (HR) function adds little value to the organizations it serves and perhaps has little chance to redeem itself. Too often HR professionals are uncertain what their role should be. Is it that they lack sufficient knowledge to truly understand business issues and therefore cannot identify opportunities to apply their skills for value? Do HR professionals understand their own capabilities? Do HR professionals understand the expectations of their business constituents? HR professionals, and therefore the function itself, often underestimate the power and influence that they can extend from their unique position in the organization. This unique position is responsible for attracting and developing the most important asset for the organizations they serve--people. The direct responsibility of people within an

organization is to perform. HR is responsible for delivering effective people management systems and has the charge to plan, implement, and sustain an environment in which people can perform. Performance is important to organizations for both short and long-term success. It would follow that such an important responsibility requires strong leadership. The opinion cited above points to a lack of leadership in this important business function. But the role of the HR function does not have to be that way.

Are most HR functions prepared to exert a new style of leadership? The answer has to this point been unclear. The problem is that too many HR professionals do not possess a clear sense of what their role should be. The result is a conspiracy of failure stemming from some HR professionals who lack vision and from top executives who demand nothing more from the HR function than the (often unfortunate) role it has traditionally played (Rothwell, Prescott & Taylor, 1998). Complaints about the HR function and about HR professionals abound in many organizations (Brown, 1997; Condodina, 1997).

Five such complaints are among the most common in the United States.

The first complaint is that HR professionals do not possess a sufficient working knowledge of what business is all about or of the strategic goals of the organization they serve. A second complaint is that HR professionals lack leadership ability. A third complaint is that HR professionals are reactive. A fourth complaint is that HR professionals are sometimes seen as unable to take the lead in establishing a vision for change and garnering the support necessary to lead the charge. A fifth

and final complaint is that HR professionals are fad-chasers who want to find solutions to problems in other organizations and then drop them in place, without taking into account the unique business objectives, corporate culture, organization-specific politics, and individual personalities of key decision makers found in their own organizational settings. (Rothwell, Prescott & Taylor, 1998, p. 5-6)

In order to overcome these complaints, it would follow that HR professionals should seek to increase their business knowledge, develop leadership skills, be proactive in their efforts, understand how change occurs, and offer creative solutions to business issues faced by the organization. Not only does this point to the need to be functionally competent, but also for a thorough understanding of what is expected of them by their internal customers--general managers. To this end, this study serves to deliver the findings related in the all too often misunderstood perspective of HR professionals. In particular, what do general managers perceive to be the important competencies for the HR function?

To fully understand how HR gained such a reputation, and what potentially can be done by the HR professionals to add greater value to organizations, it is useful to review the evolution of the function. The next section describes the history of HR.

Historical Perspective

The evolution of the HR management field, once called "Personnel," has followed the history of business in the United States (Famularo, 1972; Miles &

Snow, 1984). As the Industrial Revolution swept the United States in the nineteenth century, rapidly growing organizations faced three major people-related challenges: (1) managing sudden and massive increases in the workforce stemming from industrialization, (2) fighting workforce unionization, and (3) integrating the huge influx of immigrant workers into U.S. workplaces.

From the dawn of the Industrial Revolution in the United States until about 1950, the personnel department's role in most organizations centered on administrative duties. Personnel directors headed up a record-keeping function that included such activities as disciplinary systems, recruitment, safety programs, time and motion studies, and union relations. Senior managers expected that these personnel activities would maintain employee morale and enhance cooperation within their organizations.

From the 1940s into the 1950s, personnel departments emphasized their role in meeting employee needs to achieve economic security. Unions, during this time, were responsible for negotiating wages and such employee benefits as pension plans and health care insurance. Corporate personnel departments were founded in the late 1950s to coordinate such increasingly specialized functions as benefits, wages, recruitment, and labor relations (Freedman, 1990). During that time the evolution of functionally specific personnel departments took shape.

The business and social dynamics of the 1960s and 1970s brought increased attention to human relations within the personnel department. Human relations emphasized supervisory training, which often included role-playing and sensitivity

training, and participative management techniques that included Management by Objectives (MBO) and Quality Circles (QC). As one consequence of focusing on human relations, personnel departments were eventually handed responsibility for training and development and for management of reward systems, performance management system, and succession-planning programs. At the same time, personnel departments also assumed responsibilities to help their organizations meet new challenges stemming from increasing government laws, rules, and regulations affecting (among other areas) equal employment opportunity, occupational safety and health, and employee benefits.

The transformation of personnel management to HR management was affected by a parallel trend: the emergence of the human resource development (HRD) field from the training and development field. "Human resource development," a term coined by Leonard Nadler (Rothwell & Sredl, 1992), prompted a fresh look at the importance of developing people and forced a re-conceptualization of how that is done by introducing a conceptual umbrella covering employee training, education, and development (Chalofsky, 1989). The shift taking place in HR management, apparent in the early 1980s, may have resulted from the convergence of traditional personnel specialists with HRD professionals (Conner & Ulrich, 1996). At this point "personnel" officially became "HR management" to reflect its emphasis on employees as valued organizational resources.

In most organizations at present, the HR function provides essential services to such stakeholders as job applicants, employees, supervisors, middle managers, and executives. However, the HR function tends to be positioned at the end of the business

process chain--on the reactive side--and too often focuses on carrying out activities rather than achieving results. The HR function's role is one of providing people, training, and isolated HR efforts after others have formulated organizational strategy and have initiated operational implementation.

In the 1990s, HR professionals have been driven by events in their organizations to direct attention to such issues as downsizing, outplacement, retraining, diversity, employee rights, technology's effects on people, and recruitment of skilled talent in a time of labor shortages and record employment. Cost-focused management of employee benefits programs such as health insurance, workers' compensation, and pension plans have also figured prominently in an effort to control skyrocketing expenses (Noble, 1994; Schuler & Walker, 1990). Among other HR issues of interest at present are alternatives to litigation, diversity, the Employee Retirement Income Security Act (ERISA), family and medical leave issues, employee handbooks, policies and procedures manuals, employee privacy, sexual harassment avoidance, use of temporary workers, and workforce reductions (Nodile, 1997).

Building organizational capability is emerging as a primary focus on HR organizations (Ulrich & Lake, 1990). Organizational capability, defined in simplest terms, is linked to the "things organizations need to do as an entity to act on their strategies" (Towers Perrin, 1996, p. 1). First those capabilities must be identified, developed, and then measured by comparing current workforce performance to business goals. The key to this performance rests in the hands of people. HR professionals have never been challenged to do so much. Ironically, these demands are being made at a time

when many HR functions have lost staff members in recent downsizings. The HR function is also required, more than ever before, to align and integrate its efforts with organizational goals. Linking HR strategy and business strategy has become a major preoccupation for HR professionals.

Simultaneous with the requirement to enhance organizational performance, HR professionals find themselves, and their respective organizations, faced with emerging business trends that could affect this goal. As identified in Rothwell (1996) these trends are

- Changing technology
- Increasing globalization
- Continuing cost containment
- Increasing speed in market change
- Growing importance of knowledge capital
- Increasing rate and magnitude of change.

While each trend is uniquely important, the relevance to this study lay in the intense need for the development of knowledge capital to help organizations deal with these dynamic trends. As discussed earlier, HR holds the ultimate responsibility for knowledge capital investment and return for the organization. There is a future for HR, but what will it be? Is it one of unfocused leadership or one of competency-based actions that deliver value? This study intends to offer insight to this question.

Table 1 provides a chronological summary of this brief historical discussion. A careful examination of it reveals that the HR field has evolved from an activity-focused to

a strategy-focused effort. Indeed, as Noble (1994), pointed out, “Competition has taken human resources from the backwater to the boardroom” (p. 8).

Competencies

HR professionals have traditionally been expected to occupy unique positions, enact a distinctive set of roles, and apply a distinctive set of competencies that sets them apart from other professionals. This section reviews traditional HR competencies to set the stage for a discussion of new roles and competencies.

Competencies are characteristics that typify exemplary performance. They can be exercised in an infinite array of on-the-job behaviors (McLagan, 1989). Indeed, competencies can include bodies of knowledge, personality traits, knowledge, skills, abilities, and attitudes. Competencies have also been understood to mean

- The combination of skills, knowledge, and behavior that enables people to excel at a particular job or in broader roles.
- Knowledge, skills, attitudes, or intellectual strategies (McLagan, 1996).
- A skill and the standard of performance reached as well as the behavior by which it is achieved (Rowe, 1995).
- Critical factors distinctive of successful employees (PR Newswire, 1996).

The competencies required of HR professionals have changed over the years, depending on how the HR function was expected to work with its internal customers. During the mid-1980s, the HR function evolved to follow a service orientation philosophy. The focus was on improving the quality and cost-effectiveness of services

Table 1.

Evolution of HR Management

Time Period	HR Focus	HR Activity
Before 1890	Industrial technologies	Disciplinary systems
1900-1910	Employee well-being	Health & safety programs
1920s	Task design/ Efficiency/impact of workgroups on individual works	<ul style="list-style-type: none"> • Time and motion studies • Employee and counseling and testing
1930s	<ul style="list-style-type: none"> • Union of workforce • Passage of major labor laws 	<ul style="list-style-type: none"> • Communication programs • Anti-union campaigns • Personnel becomes staff support to operational line unit functions
1940s	Employee benefits and compensation	<ul style="list-style-type: none"> • Wage increases • Cost-of-living adjustments • Pension/health & other benefit plans
1950s	<ul style="list-style-type: none"> • Employee relations • Specialized personnel functions 	<ul style="list-style-type: none"> • Training and development • Separate divisions within personnel established: recruitment, labor relations, training, benefits, etc.
1960s	Employee participation	<ul style="list-style-type: none"> • Employee involvement • Management by objectives, Quality circles, sensitivity training
1970s	Government intervention	<ul style="list-style-type: none"> • Employee rights issues now regulated in areas of discrimination, equal opportunity, safety and health, and various benefit reforms
1980s	<ul style="list-style-type: none"> • Employee recognition • Displacement 	<p>Expanding/enrichment of employee knowledge, skill, abilities through</p> <ul style="list-style-type: none"> • Job rotation • Formation of integrated task teams • Outplacement
1990s	<ul style="list-style-type: none"> • Changing demographics of workforce • Technology 	<ul style="list-style-type: none"> • Diversity programs • Employee rights issues • Global perspective • Information technology
2000 and beyond	Strategic HR planning	Transition from service & support to consultative and leadership role

Source: Rothwell, Prescott & Taylor, 1998.

delivered to the business units. Overall, the purpose of the HR function was one of satisfying internal customers. Under this philosophy the HR function placed greater emphasis on regularly collecting information from internal customers on their satisfaction with HR services, as well as on benchmarking these services against external vendors.

This philosophy was oriented toward meeting the needs of particular business units. During this time, it became apparent that HR professionals needed knowledge, skills, and abilities (competencies)--ranging from basic problem-solving skills to financial awareness, for example in the areas of compensation and pension planning--to be effective in fulfilling their required roles.

As the 1990s progressed, it has become necessary for the HR function to follow a business orientation philosophy. In this philosophy, the HR function is charged with the responsibility of advising and counseling line managers in people-related business issues. To accomplish this successfully, HR professionals need to become familiar with the external customers, competitors, and regulators of the businesses and need to add value to business decision-making processes from a people management perspective. This philosophy also adds value to the corporation as a whole by requiring higher levels of teamwork among the HR function, senior management, operating units in the field, labor unions, and external advisers (Rothwell, Prescott & Taylor, 1998).

To accomplish this charge, HR professionals must identify and develop competencies for the future. It is imperative that these competencies are perceived as value added to the constituency served by the HR function.

Purpose of the Study

The purpose of this study was to research the factors associated with the competencies of the HR function and their perceived importance from the perspective of general managers. To accomplish this task, information was analyzed regarding one main area--what competencies do general managers perceive important in human resource managers. This was a comparative study. That is, data gathered from general managers in an existing longitudinal study (1985-1993) was used as the basis of this study. Information on present and future importance of HR competencies was gathered and compared to the existing study data. From this analysis, ratings showed what competencies were important, how they have changed over time, and resulting developmental areas required of HR managers. Since such data previously had not been gathered exclusively across such population, this study served as a further effort in identifying the demands being placed on the HR function in order to satisfy the needs of the customers of the function.

The Problem

This research focused on the competencies required of the HR function. (In this study, the term "HR function" refers to the HR department and to HR professionals who work within the department.) Using the recommended foundational study, perceived importance ratings of a general manager (constituency) group were used to investigate present and future competencies required of the HR function. This study determined the rank priority of these competencies and explains how this priority has changed over time.

The problem thus became one of identifying precisely what is being asked of the HR function, both presently and in the future, and what skills the HR professional needs to possess to be successful in such a role.

Significance of the Study

The primary significance of this study was the collection of general manager perceptions concerning HR competencies. Knowing what competencies general managers perceive are important for HR to possess should be useful to HR professionals as they prepare themselves to make important, value-added contributions to their organizations.

The data obtained in this study are important. To date, no studies other than this foundational study, have been conducted to verify the perceptions of importance by general manager (constituency groups) representing multiple organizations.

Research Questions

This study, in keeping with the stated purpose, addressed four significant questions as follows:

1. What were the perceptions of past importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

2. What are the perceptions of present importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*
3. What are the perceptions of future importance to general managers for the future of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*
4. Is there a significant difference among general managers' past, present, and future perceptions regarding the importance of HR competency categories? Was there a shift in perceptions as to specific questions (mini-competencies) among these same groups?

The findings related to the stated research questions are discussed in terms of specific conclusions, recommendations, and a comprehensive call for future research in Chapter 5 of this document.

Limitations

First and foremost, this study was a study of perceptions. However, perceptions based on the importance rankings of HR competencies from an existing valid study

proved valuable. Second, the sample population of this study was not clearly representative of all general managers in organizations throughout the business world. Third, the population of this study was not randomly selected. In addressing these latter limitations, it can be argued that general managers used in this study were representative of global business by the nature of their demographic profiles and the fact that these general managers were selected through a formal succession plan for leadership positions within their organizations. Last, this was a study involving means. Such studies are limited as to the conclusions that can be generalized across populations or groups based on this limited statistical analysis (Blair, 1984).

Definition of Terms

Various terms will be used within the scope of this study and need to be defined.

Competencies – refers to characteristics that typify exemplary performance (McLagan, 1989). Competencies can be analytical, technical, leadership, business, interpersonal, or technological in nature (Rothwell, 1998).

Competency Category – refers to one or more of the seven categories of competencies outlined in the MSA-HR instrument. These included: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

General Managers – refers to managers in line operations in management functions such as marketing, operations, administration, finance, and production.

Human Resources (HR) – refers to the business function of an organization charged with the management and guidance of the human asset of an organization.

Human Resource Function – refers to the HR department and to HR professionals who work within the department.

Human Resource Management (HRM) – refers to the overall management of the HR function and to the HR professionals who work within the department.

Importance – refers to the perceived rank of identified competencies by general managers required of HR professionals.

Knowledge Capital – refers to the collective economic value of an organization's workforce.

Mini-competency – refers to one or more of the forty-five specific questions outlined within the seven competency categories in the MSA-HR instrument.

Workforce Training and Development – those activities designed to improve the competencies and skills of current or new employees of business, industry, labor, and government. These words may be interchangeable with continuing education, community services, adult education, and executive education.

Assumptions

Three assumptions were made in the design of this study. First, it was assumed that general managers within organizations hold certain perceptions about the HR function. Second, it was assumed that these same general managers have insight as to the importance of specific competencies required of the HR function. Finally, it was assumed

that these identified competencies would allow the HR function to contribute to the overall success of their respective organizations.

Conceptual Framework

The conceptual framework for this study was centered on the area of competencies. Competencies have a direct relationship to roles of business functions and the leaders (individual workers) in a given business domain. Overall, competencies should be aligned with business objectives, through value-added services, to facilitate organizational success. This alignment takes into consideration the internal and external environment within which the worker or organization exists.

For the HR function, competencies are required to handle the basic responsibilities of staffing, development, and performance management. A competency based HR system that enables the HR function to add value to organizations should be user/manager friendly (Pritchard, 1997).

Summary

The HR function is playing an increasingly important role in organizations today. Much is being demanded of this function. Even more will be asked of HR in the future. This requires the identification of key competencies needed by HR professionals and specific focus on those competencies most important in enhancing individual and organizational success. This research attempted to identify the importance and priority of required competencies as perceived by general managers. Examination of these

perceptions and resulting impacts on organizational knowledge and performance will provide a deeper understanding of the role of HR today and in the future.

CHAPTER 2

REVIEW OF RELATED LITERATURE

Introduction

The review of literature relevant to this study resided in two categories: a) the conceptual foundations of the existing study; and b) the competencies required to effectively lead the Human Resource (HR) function. The following sections of this chapter will discuss each related area of literature.

Conceptual Foundation

The conceptual foundation for this study lay in the initial efforts of Dr. Albert A. Vicere, of Penn State Executive Programs, in 1985. While the development of Dr. Vicere's MSA-HR survey was not based on any specific research study, writings of the period concerning the competencies required in human resource management, served as the basis for the study. During the mid-1980s, multiple studies and writings pointed out the need for the HR function to play a greater role in fostering organizational success. An analysis of these writings will identify the particulars for the survey questioning used in the development of the instrument.

Burack (1985) pointed out the growing recognition that Human Resource Management (HRM) was critical to the fulfillment of organizational objectives. The study conducted by Burack, involving 53 organizations in the U.S. and Canada showed that the integration of long-range strategic business planning and HR planning only occurred at low levels of sophistication. While recognized as a vital contributor to organizational success, HR was not participating to any value in the strategic planning process.

Mirvis (1985) focused on the need for HR managers to help their respective organizations deal with survival and renewal challenges by implementing sound long-range HRM strategies. Mentioned in this article were the need for the development of HR strategies dealing with business issues, such as increasing automation and productivity improvement. Change in the business environment during this period occurred at a rapid rate. Ulrich (1985) also discussed evidence that HR could help organizations respond to the pressures of change. He pointed out the development of people skills to deal with aspects of innovation and new products would be of utmost importance. From this viewpoint, the importance of developing business knowledge was essential for HR professionals.

Many writings of this time also called for the HR function to assume a more strategic role in serving their organizations. In Schuler (1984), the capacity for gaining and retaining a competitive advantage was shown to be critical to the growth and prosperity of an organization. Although corporations pursued many approaches to achieve this goal, one that was frequently ignored was capitalizing on superior HRM. Many firms recognized the growing importance of their human resources, but few were conceptualizing them in strategic terms, that is, in ways to gain a competitive advantage. The result was that many companies missed the opportunity to seize competitive advantage through human resource practice initiatives. In fact, according to Allen (1985), concentration on human resource efforts could benefit business, but such efforts needed to be relevant to corporate objectives.

Golden (1985), from a focused study, showed the integration of Human Resource Management (HRM) and Strategic Business Planning (SBP) was increasingly being acknowledged as important for effective strategy implementation. Trends in HRM-SBP integration were assessed based on interviews with human resource executives from a sample of 10 Cleveland, Ohio firms. The integration of HRM and SBP was found to

follow a 4-phase process. This process ranged from a strictly traditional linkage in which the HRM function was perceived to be primarily administrative, toward an increasing recognition of the importance of human resources to business success and the critical role of HRM to effective strategy implementation. A number of organization-specific factors were found to affect HRM-SBP integration, such as: labor intensity; stressfulness of business conditions; business unit autonomy; strategic orientation; and senior management's perceptions of the HRM role. In addition, HRM-SBP integration was influenced by several HRM-specific factors, including staff access to and use of information, demonstration of expertise, ability to anticipate and plan for future problems, and skill in facilitating change. HRM faced a growing need to develop a comprehensive set of competencies in these areas.

Schrager (1985), however, identified that human resource planning was seldom integrated with other planning processes. In Angle (1985), the challenge was presented-- HRM must establish a new partnership between the function and line managers. However, this strategy must focus on what is best for the corporation as a whole rather than what is best for HR alone. The development of aspects dealing with strategic planning and internal consulting skills became increasingly important.

From these research foundations, Vicere's study was created. The competency dimensions for the survey had been identified from an extensive review of the literature of the period, input from HR thought leaders, and academicians, and were pilot-tested within companies. The focus of the study centered around seven dimensions or macro-competencies: (1) strategic management perspective; (2) business perspective; (3) internal consulting skills; (4) HR functional competence; (5) HR planning perspective; (6) ability to design and implement plans; and (7) management and leadership skills. (A complete description of Vicere's study will be presented in Chapter 3 - Methodology.)

Before venturing off into specific study methodology, a thorough review of the literature related to these competency areas is important. Following is a comprehensive review of literature related to each of the identified competencies required of the HR function.

Competencies of the HR Function

In this section a discussion of the literature related to the HR competency dimensions of the longitudinal study will be presented. In each study selected for review, the following will be discussed: (1) research objectives, questions or hypotheses; (2) methodology; (3) sample selection; (4) limitations and assumptions; (5) response rates; (6) results and conclusions; and (7) areas for future investigation, as appropriate. Multiple empirical studies have been identified for review. Each will be presented in chronological order of research. This is in keeping with the longitudinal aspect of the foundational study used as the basis for the current research study.

Buller (1990), investigated the linkages between strategy and human resource practices. The objective of the study was to “document the HR practices that are associated with different competitive strategies in a professional service context (law firms)” (p.27). A survey instrument was developed and then pilot tested using a sample of 35 firms from a city not included in the study. Several modifications were then made. Surveys were mailed to the managing partner at each firm. A follow-up survey was mailed to all non-responding firms one month after the first mailing. “Respondents were asked to identify their firm’s primary competitive strategy from a list of written strategy descriptions” (p. 29). HR practices were assessed in four major areas: selection, performance appraisal, compensation, and training and development. Factor analysis was then performed. “Managing partners from a sample of 1,000 law firms in 11 major U.S. cities (New York, Philadelphia, Chicago, Detroit, Atlanta, Dallas, Phoenix, Los Angeles,

San Francisco, Denver, and Seattle) were surveyed” (p. 29). The survey response rate introduces a potential bias in the results. Because it could not systematically compare respondents to non-respondents, it was impossible to determine the precise nature and extent of any bias. The construct validity of the measures used in the study were open to questions, despite the fact that items were constructed to have high face validity and the fact that factor analysis procedures enabled the researchers to develop variables with acceptable reliability. Third, this study did not relate the use of human resource practices to firm performance. “Overall, 32% of the 184 firms reported using a formal strategic planning process. A review showed 41 firms (67.2%) had a differentiation strategy, 16 firms (26.2%) had a focus strategy, and only 4 firms (6.6%) had a cost leadership strategy” (p. 31). This study called for future research in the study of the performance consequences of strategic linkages to HR practices. Important from this study was the need to design and implement effective HR plans that should be linked with strategy.

Bolman (1984) has developed four perspectives, or frames, for understanding organizations and leadership; structural, human resource, political, and symbolic. This paper reported two studies that operationalize that model. The first study used critical incidents written by managers to assess how many and which frames they use. Most incidents showed the use of one or two frames; very few contained all four. In every population, the structural frame was used frequently while the symbolic frame was rarely evident. Across different populations, the use of the human resource and political frames varied substantially. The second study used survey instruments to assess managers’ frame orientations. Regression analyses show that their orientations were perceived by colleagues as differentially related to perceived effectiveness as manager and leader. Managerial effectiveness was related to an emphasis on rationality and organizational structure. Leadership effectiveness was linked to symbols and culture. “For men and women in comparable positions, gender was unrelated to leadership orientations or to

their effectiveness as managers or leaders” (Bolman, 1984, p. 509). “A survey instrument entitled, Leadership Orientations, was developed by the authors to measure the four organizational frames already described. It contained 32 items with five-point response scales. The instrument was designed to measure eight separate dimensions of leadership (p. 518). The study collected data from respondents in schools, higher education, government, and the private sector. No limitations or assumptions were stated. Response rates were exact. “Data was collected from four samples of audiences in educational settings: (1) An international corporate sample of 90 senior managers from a multinational corporation. (2) A sample of 145 higher education administrators, mostly from the United States. (3) Two groups of school administrators. (4) A sample of 229 school administrators from the Republic of Singapore” (p. 519). HR leaders were shown to have a need to embrace and capitalize on positive politics and cultural symbols to serve better the human resources they were supposed to champion. Further research was called for using multiple measures from multiple sources to precisely point out implications for HRM. Such analysis would specifically be of use to HR professionals in business settings.

The Towers Perrin-IBM study (1992) conducted in twelve countries with 2,961 individuals--line executives, HR executives, faculty, and consultants--provided valuable information on the new and potentially stronger role of HRM in work organizations. Looking to the year 2000, both line and HR executives agreed that a proactive and strategically oriented HR function would be critical. Almost all respondents saw the need for dramatic changes from centralized and functionally organized HR units to more flexible and decentralized units. This would necessitate more supervisory involvement in HR activities. In the Towers Perrin study the respondents were asked about various attributes of the HR role through a series of six paired alternative choices concerning: operational vs. strategic matters; change; placement of HR responsibilities; employee vs.

team focus; internal vs. societal issues focus; and representation viewpoints. The response clearly showed that the current HR roles were not what they should be in the year 2000. What the findings ultimately showed was a new role model for the HR department and its functions. The study found that both line and HR executives supported the concept of shared responsibilities between line managers and HR managers and that the single greatest attribute of the HR staff would be the ability to educate and influence line managers on HR issues (Sherman, Bolander & Snell, 1996).

Limited research exists on the topic of internal consulting skills. In fact, no empirical research studies could be found concerning this area in a review of literature. Articles on consulting usually focused on the external consultant and the perspective of the internal consultant was rarely discussed. However, three articles specific to internal consulting skills were identified.

Lacey (1995), stated an internal consultant is an organization development professional who is employed full time by an organization, and who reports to a general manager or other senior manager. This person could be an individual contributor who works alone, or may have others reporting to her/him such as specialists in OD, human resources, training, communications, etc. "The general model of planned change, as outlined by Cummings and Worley (1993), discusses the phases of consulting as: 1) Entering; 2) Contracting; 3) Internal Consultant; 4) Diagnosing; 5) Intervening; and 6) Evaluating" (p. 2-3).

This article stated, "as an insider in the organization, the internal consultant spent little, if any, time on entry. Contracting was shown to be equally important for internal consultants. Much work was contracted verbally. The internal consultant's status resided in the position level and reporting relationship within the organization. Internal consultants commonly run interference for their boss or clients' change project. The world of the internal consultant is highly similar to

that of the external regarding evaluation of interim activities and project end. The internal consultant must clarify and guard the attributes of a chosen role. He/she must remember and act in accordance with numerous agreements regarding confidentiality as well as promises to run interference on behalf of others. Moving freely through the organization, the internal consultant operated without regard to territorial boundaries. As an individual contributor, promotions were often received by inventing new job descriptions rather than by a clear path of development. The internal consultant could also see the fruits of his/her labor by watching a project from idea and conception through to completion. The strength of the client relationship was determined by two things: the trust and credibility that the internal consultant has built, and the client's faith that implementing organizational development activities would help ensure client success. Because of the position of influence enjoyed by the internal consultant, she/he was vulnerable to the envy of others" (Lacey, 1995, p. 7-8).

Advantages experienced by the internal consultant were: ease of entry, steady pay, little conflict of interest, freedom to move across organizational lines, information contracts, ready relationships and familiarity of the system. Disadvantages were viewed as: obligation to work with everyone in the organization, work may become boring or routine, subject to client retaliation, free and informed choice is a luxury as people are often not given a choice regarding participation in a change project.

Gilley and Coffern (1994) pointed out that the "internal consultant" redefines the role of traditional HRD professionals. But the term is so generic that many HRD professionals don't know what their new responsibilities are as internal consultants--let alone how to implement them. First the authors addressed how the internal consultant could perform the four traditional functions (analysis, design, implementation, and evaluation) better in order to identify and correct common performance, management,

and organizational gaps that undermine effectiveness. Perhaps the most important discussion was of the additional responsibilities that many HRD professionals have assumed in order to facilitate overall organizational effectiveness--strategic planning, marketing, project management, and problem solving. Finally, the authors showed how all these functions could be tied together in a "six-step problem-solving process that provides clients with the support they need to solve their performance and productivity problems" (p. 69). Internal consultants add value because they are able to help the client sort out problem "symptoms" from problem "causes," offer unique ways of solving those problems, and give the client more than expected (Minton-Eversole, 1994).

Another focus on internal consulting skills was presented by Hiebert (1995). In this article, Hiebert presented a model for managing "staff" specialists working as consultants inside their organization. Hiebert's model proposed six steps for a typical consulting project: "define the business need and establish a working partnership with an internal client; clarify expectations and contracts; synthesize information; sell your recommendations; lead change; and taking stock or closing" (p. 17). Professionals should not only be experts in their area of expertise, they must also be experts at delivering that expertise as internal consultants. To change from technical expert to business partner, professionals must start thinking and acting as internal consultants.

From these articles, internal consulting skills were shown to be important to HR professionals. The effective use of such skills would show management and leadership competency of HR professionals.

Focusing on HR roles, Yeung (1994) examined how HR functions were being transformed. In-depth interviews with more than 50 senior executives in ten major corporations--American Express, ALCOA, Baxter International, British Telecom, Hewlett-Packard, IBM, Intel, Johnson & Johnson, Levi Strauss & Co., and McKesson were conducted. "To be effective, HR professionals must develop competencies in four

domains—business mastery, HR mastery, change mastery, and personal attributes—in order to deliver the high value—added services effectively” (p. 1).

First, it was shown that business mastery enables HR professionals to join the management team. To be able to ask appropriate questions and to contribute to business decisions, HR professionals must have general knowledge of finance, external customer needs and requirements, competitors, information technology, and other business processes. Second, HR mastery ensures that HR professionals design and deliver HR practices that are aligned with each other and closely linked to business objectives. Third, change and process mastery means HR professionals know how to manage change. To serve as a change agent, HR professionals need to develop competencies in interpersonal skills and influence management, problem solving skills, and creativity. Last but not least, HR professionals require personal credibility. Beyond technical skills in business, HR and change, effective HR professionals must have credibility in the eyes of their customers. (Yeung, 1994, p. 15).

In Ulrich, Brockbank, Yeung, and Lake (1995), human resource competencies were assessed. This comprehensive competency identification study began in 1988. With data from 12,689 associates of HR professionals in 1,500 businesses in 109 firms, this research represented an extensive assessment of HR competencies. It extended current HR theory and practice in two ways. First, it proposed specific competencies that HR professionals may demonstrate to add value to a business. Second, it offered an empirical assessment of how these competencies affected the performance of HR professionals as perceived by their associates. “The results indicated that when HR professionals demonstrated competencies in business knowledge, delivery of HR, and management of change, then HR professionals were perceived by their associates as more effective” (p. 474). The overall research objective of this study was to discover what the most critical

competencies for HR professionals are. The data were collected by asking associates of HR professionals to rate their perceptions of the HR professionals' competencies in each of three domains: knowledge of business, HR functional expertise, and managing change. "The results of this study showed the critical HR competencies to be 18.8%, knowledge of business, 23.3%, functional HR expertise, and 41.2%, management of change" (p. 491). This study called for future research in four areas: Under what business conditions do different HR competencies become important? What is the impact on business performance of different sets of HR competencies? How will competencies of HR professionals evolve over time? What is the source of the competencies? How can competencies of HR professionals best be developed?

Another comprehensive research study on the changing role of HR was found in Eichenger (1995). The State of the Art (SOTA) survey and annual report was commissioned by the Human Resource Planning Society (HRPS) to look into the future roles of HR. This study, first reported in 1996, was updated in 1996-97.

The 1995 study results revealed that HR professionals must move away from an activity-oriented focus to one that delivers value through aligning HR services with organizational needs. Specifically, "results showed the seven most essential skills top HR executives need currently are: 1) business savvy/acumen; 2) leading organizational change; 3) knowledge of basic HR technologies; 4) global strategic thinking; 5) change management; 6) problem-solving and; 7) financial. The skills needed in the future include: 1) global operations; 2) business and financial savvy; 3) problem-solving; 4) information technology; 5) HR technology; 6) change management and; 7) organization effectiveness" (Eichenger, 1995, p. 14). This list was presented in rank order of priority.

The methodology of the 1995 and 1996 survey and report was similar in many ways--soliciting input from thought leaders, thinking about business conditions and HR implications, and offering "outside the box" thinking about requirements for successful

HR - today and tomorrow. The survey and report were different in two ways. First, the SOTA95 survey contained open-ended questions. In the SOTA96 survey, thought leaders were asked to score lists of items, generally on a 1-5 point scale. Second, the sample included both North American and European thought leaders. The 1996 survey asked six questions that dealt with the following: organizational challenges; issues for HR executives; HR executive skills; HR practices/technologies; HR and business and; organizational capability. Each question contained multiple categories for response based upon the open-ended responses from the previous year. This updated study asked thought leaders to rate each question as to current and future applicability. The thought leaders were selected in a similar fashion as the first year and this was clearly a non-random sample. Individuals were identified who had visibility and potential impact on the thinking of business and human resource issues. This group included prominent authors, academics, executives, and members of public forums where HR issues were discussed (e.g., Board of Directors of Human Resources Planning Society). Twenty-five US responses and 15 European responses were reviewed. Instead, these data were indicative of those who spend time thinking about and seeing the future. It was realized the small number of responses left these results subject to interpretation, but it was believed that the small sample of right individuals offered insights into the future not held by a larger study.

The SOTA 1996 study found first, the most essential skills for HR executives included: personal credibility (integrity and trust), business savvy, personal leadership and functional (personnel leadership) credibility, change management skills and technology, and problem-solving ability. The least important skills had to do with financial and cost analysis, process reengineering, and deep knowledge of HR technologies. Secondly, the most strongly demonstrated skills were personal credibility, leadership and functional credibility, analytical thinking, and political savvy. The least

were change management, financial skills, global business thinking, and organization design. Third, the greatest raw score gaps between importance and delivery of skill lay with change management, global thinking, business savvy, and personal credibility. “These were the areas where HR executives needed to build stronger skills in order to meet expectations of them” (Eichenger, 1995, p. 53).

Where direct 1995/1996 comparisons were made, only one skill shifted significantly. Deep knowledge of HR technologies slipped from third to eighth in importance. Overall, these findings showed three actions required of HR professionals. First, personal credibility—“if you don’t know what it is, you had better find out; if you don’t have it, you had better find it” (Eichenger, 1995, p. 53). Personal credibility, which may come from demonstrating integrity, functional competence, and leadership presence, is clearly an expectation of HR executives. Second, HR executives should get into the change game. If HR executives could not understand and lead change, they were going to be increasingly in trouble. Third, they should get more global. “Globalization is not an academic exercise or an activity delegated to the sales, marketing, or manufacturing functions located outside a native country. Global thinking must permeate all of what HR does” (p. 54). Future research identified by this study indicated the need for initial findings from thought leaders to be calibrated within multiple organizations and among HR professionals themselves.

Martell (1995), presented further findings on the strategic nature of HRM. This study of 115 subsidiaries of Fortune 500 companies indicated that a majority had integrated HRM and strategic planning systems within their organizations. HRM issues were explicitly discussed in strategic plans: HRM executives were involved in the planning process as “strategic partners” and HRM was generally recognized as playing an important role in implementing business strategies (p. 253). The term, strategic human resource management (SHRM), has emerged and was frequently used to refer to this new

approach to HRM. This study explores how strategic the HRM function has become in actual practice in US corporations. Working from a database that includes data on HRM practices in 115 divisions of 89 Fortune 500 companies, this study attempted to answer the question: "How strategic is HRM?" (Martell, 1995, p. 253).

The study included 115 randomly chosen SBUs (strategic business units, typically divisions) from 89 Fortune 500 manufacturing firms. (The original mailing was 450, with a 26% response rate.) Since data were being gathered on strategic variables and performance in addition to HRM unit characteristics, General Managers (GM) (the most senior manager in the SBU) rather than HRM managers were surveyed. (Martell, 1995, p. 256)

Most of the SHRM measures focused on the issue of the degree of integration between HRM and strategic planning processes. Respondents were asked whether HRM data or personnel were incorporated in different stages of the planning process. General Managers were also asked to characterize the role of HRM executives within the SBU generally and in strategy formulation specifically, and the role of both the firm's human resources (employees) and the HRM function in implementing SBU strategy. Data were also gathered on the role of the General Managers in HRM policy-making involving executives. Finally, data were gathered on diverse organizational performance. The following conclusions were drawn from analysis of the data collected in this survey.

HRM and strategic planning processes were linked in most companies surveyed.

The HRM function is important in implementing business strategy, but not as important as other functions that directly contribute to the development, production, or sale of the product. Despite a relatively modest view of the

importance of the role of the HRM function. HRM executives were considered valuable members of the top management team. Line managers play a role in HRM policy-making, particularly those policies that involve senior managers. The integration of HRM and strategy processes is not associated with improved short-term organizational performance. (Martell, 1995, p. 253-267)

This study of strategic business units of Fortune 500 companies indicated that HRM has taken on strategic properties in many large U.S. companies. There were several implications of these findings. First, HRM executives in firms which have not accepted SHRM can point to these findings in promoting to senior management the desirability of making better use of HRM executives in the strategic planning process. Second, senior HRM executives must now possess the skills and knowledge necessary to perform the new strategic partner role. In order to transform themselves into strategic partners, HRM managers would need to reevaluate their priorities. Just as HRM executives were now participating in more general management decisions, general managers were also involved in HRM decisions. This trend offers a new opportunity for partnership between HRM professionals and line managers.

In McMahan (1996), a study examined the HR function in 130 large companies to see whether changes in the business environment and strategy of the corporation were leading to changes in the HR functions. The underlying hypothesis was that as corporations adopt new strategies and redesign themselves to deal with the competitive pressures they were feeling, their HR organizations were redesigning themselves to

support the changing business. The HR function appeared to be at the very beginning of determining the best way to configure the skills and roles to meet the needs of the business in a cost-efficient manner. Of particular interest to this research was whether the design of the human resources function was changing.

Of the total HR staff in the responding organizations, 57% were characterized as professional/managerial. During the same period, the percent of HR professionals who were generalists had increased to 46%. In 71% of the cases, the top human resource executive had come up through the human resources function. In the other 29% of cases, this executive had come from functions such as operations, sales and marketing, and legal. Thus, a relatively substantial number of firms were placing leaders over the human resources function who were not “traditional” human resources executives. (McMahan, 1996, p.7)

There had also been a shift in HR roles: away from auditing and record keeping and toward more business partner and change management support. The functional human resources roles had not declined in importance, although there was evidence that the HR functional responsibility was shifting to developing programs that fit business needs and away from administering those programs. Data showed that less time was being spent in the relatively low value-adding activity of record keeping. Respondents felt that the HR organization did the best job of providing human resources services and tailoring practices to fit business needs, and the worst job of providing change consulting services and developing the organization’s skills and capabilities. HR information systems, benefits, and employee training and education were most likely to be completely outsourced. The HR function appeared to be at the very beginning of determining the best

way to configure the skills and roles to meet the needs of the business in a cost-efficient manner.

This study pointed out that a good guess at the future of HR was that change had just begun and that the next decade would see dramatic change in the HR function in most corporations. The competitive advantage of an organization's human resources should rest in the creative ways HR can organize to deliver value-added services.

The sample for the study consisted of 471 large-and medium-sized service and industrial firms. The firms were members of The Human Resource Planning Society (HRPS) and/or members of the Center for Effective Organizations at the University of Southern California. Surveys were mailed to members of these organizations who were in director level or above positions with corporate-wide visibility to the HR function. (McMahan, 1996, p. 13)

Conner (1996), worked from HR role studies conducted by Dave Ulrich in a company specific research study. Conner's article was based on a research study conducted with 256 mid-to upper-level human resource executives from mid-to large-size companies. The report was an empirical assessment of the multiple roles that HR professionals play and implications were suggested for the development of the HR profession. To test the extent to which HR roles could be defined and measured, a questionnaire was created of 70 items through a review of the literature on the HR role and function. These items were developed around the four key roles outlined by Ulrich (1995)--that is, strategic partner, change agent, employee champion, and administrative

expert. The pool of 70 items was assembled as an instrument, and responses from a sample of 35 HR practitioners were studied. These HR practitioners represented mid-level generalists from a variety of operating units in AT&T. After analyzing the data from the pilot study, a survey instrument containing 40 items was developed to measure the four HR roles. Each of the four roles had ten items associated with that role.

Participants were asked to refer to the HR professionals in their business entity and rate the current quality of each activity using a five-point Likert-type scale. On the scale, 1 represented low and 5 represented high. The sample used to test these four roles came from workshops on HR strategy conducted around the world. In general this sample represented mid-to-upper level executives from mid- to large-size companies. A total of 256 instruments was returned. Data from the study were subjected to factor analysis in order to investigate the number and kinds of factors that could be determined. Simple statistics and Pearson correlation coefficients were also calculated with respect to each of the four roles. The scores were higher for the employee champion and administrative expert roles and lower for the strategic partner and change agent roles. The lowest score was the strategic partner role. The standard deviation scores reflected more homogeneity in the employee champion and administrative expert roles and more variance in the strategic partner and change agent roles. The only significant relationship worth noting was the one between the strategic partner and change agent. The Pearson correlation coefficient between these two variables was .75. This data confirmed the existence of three of the four roles outlined by Ulrich in his HR role framework. The data did not discriminate, however, between the strategic partner and change agent role. "Using the HR survey can help identify areas where a person is strong or needs development with respect to each role. Another use of the survey is to compare responses from line managers and HR practitioners" (Conner, 1996, p. 38-49). Clearly, the need for the HR

professional to become more of a strategic partner while maintaining an administrative expert role was substantial.

In a similar organizational study, competencies rather than roles were the focus. Blancero (1996) found that as human resource organizations transform, staff competency requirements alter significantly. "The question is to what?" (p. 378). The study attempted to answer this question using data gathered within a single firm and employing a unique future-oriented, role-focused methodology. The results suggested a competency model with three parts: "a relatively small number of core competencies, an even smaller number of leverage competencies applicable to half or more (but not all) of the roles, and a much larger number of competencies that are role-specific" (p. 383). The study was conducted in three phases. Phase I generated a clarified vision of Eastman Kodak's (EK) future HR organization as well as an extensive list of HR competencies and related materials needed for subsequent phases. In Phase II, the nature of future HR work was examined and codified. Phase III consisted of consolidating the information gathered earlier and completing and analyzing competency ratings. To provide rigor, relevance, and acceptance, over 60 EK managers and professionals were involved in the study. Participants came from both line management and HR positions and from all three of the company's major business groups. Critical or key competencies were defined as, those rated most important across and within the HRD roles. Eleven competencies were identified as core because they were rated as among the most essential across all roles. Those identified were "ethics; communications; listening; relationship-building; teamwork; standards of quality; judgment; results orientation; initiative; self-confidence; enthusiasm and commitment" (p. 390). Six leverage competencies emerged as among the most important for some of the HBO roles. These six competencies were "Influence, Utilization of Resources, Customer Awareness, Creativity, Questioning, and Organizational Astuteness" (p. 390). Limited findings were also reported on role specific

competencies. These results, as noted, suggest a competency model with three components: core, leverage, and role-specific competencies. Subsequent research on HR competencies should be anchored in the future, rather than the present. Future research should also focus on application.

In Wright (1998), a study examined the impact of strategy, core competence, and involvement of HR executives in strategic decision making on the refinery managers' evaluation of the effectiveness of HR and on refinery performance among 86 US petrochemical refineries. The purpose of the study was to examine the impact of HR involvement in strategic management at the level of the operating unit. In this study, the authors identified 3 possible core competencies of petrochemical refineries: "(1) skilled work force, (2) efficient production, and (3) new business development" (p. 20). The sample was drawn from the population of petrochemical refineries in the United States. Surveys were mailed to both operations (refinery or operations managers) and human resources (HR manager or Employment Coordinator) employees at all 194 petroleum refineries in the United States.

The survey asked respondents to reveal the refinery strategy in terms of product mix, their evaluation of the skills and motivation of the operator work force, the involvement of the HR executive in the strategic management of the facility, their perception of the effectiveness of the HR function, and the refinery's performance in terms of profit margin. Surveys were returned from 86 refineries for a response rate of 45%. (Wright, 1998, p. 22)

There was a strong relationship between HR involvement and line manager's evaluation of the effectiveness of the function. There was no relationship between involvement and refinery performance. Results also showed that the relationship between

HR involvement and HR effectiveness is more positive when the refinery is emphasizing a product innovation strategy. Finally, the relationship between HR involvement and HR effectiveness was stronger for refineries where skilled employees were perceived as the core competence. The results of this study indicate that HR involvement is strongly related to line managers' perceptions of the effectiveness of the HR function, but not necessarily to the financial performance of the firm. By further developing competency in business knowledge, HR could identify specific projects for performance enhancement and thus add to the success of such firms.

The year 1996 yielded an abundance of studies and articles related to competency in the HR arena. According to McLagan (1996), "competencies can be classified as either knowledge, skills, attitudes, or intellectual strategies. They can be the key ingredients in strategic, operational, interpersonal, and technical tasks and decisions" (p. 60). The intent of a competency definition is to provide enough details about the competency so that someone using the model can recognize the competency in action, can probe for it, can recommend development actions, and can notice opportunities for competence. Integrating that competency with broader organization analysis-and-development skills can help organizations solve problems. "The result: human energy re-channeled in more productive directions" (p. 64). McLagan's definition sets the stage for a further focus on HR competency studies.

Yeung (1996), conducted in-depth interviews with 10 senior HR executives and developed an HR competency model that was both generic (i.e., able to encompass the key competencies that are frequently used by companies in different industries) and specific (i.e., able to highlight the competency differences in various HR roles). The

research indicated only “10% to 35% of HR professionals possess required new competencies” (p. 49). The study asked two questions:

What essential competencies will be required of senior HR professionals at both corporate and business unit levels? How can corporations most effectively acquire and/or develop these new competencies? In answer to the first question; the findings showed, three competencies as critical: (1) solid knowledge of business or business acumen; (2) a capacity to facilitate and implement change; and (3) influencing skills. These three competencies were mentioned by 90%, 60%, and 50% of HR leaders respectively. (Yeung, 1996, p. 51)

The findings related to the second question resulted in the development of a competency model that identified domains related to: core, leadership, HR expertise, and consultation competencies. This study was important because many research studies focus on the identification of critical competencies of HR professionals, but very few studies discuss the strategies that corporations can use to acquire or develop these new competencies. HR professionals have little choice but to make a commitment to retrain themselves in the capabilities that will drive strategy.

Other articles of this period also focused on the need for competency development in the area of HR. Kochanski (1996), showed that one prominent reason for the interest in HR competencies was that many HR groups were being pressed to provide higher performance at lower cost, but in HR organizations that had already cut costs, competencies remained a means to improve performance without adding people or other significant cost. Two reasons were identified for doing competency work in HR: “1. HR’s internal customers may need or request competencies as a solution to their own

needs. 2. In a period of downsizing and other stresses on the HR function, competency development can be a positive revitalizer” (p. 5).

Company specific competency profile development has also been conducted at major corporations such as Nortel (Morris, 1996), and the Bank of Montreal (Gorsline, 1996). Similar findings in each case study showed the intended purpose was to help align individual performance with business strategy. The need for an HR professional with internal consulting skills was also discussed.

In another comprehensive competency study, Lawson (1996), discussed findings of the Society of Human Resource Management (SHRM) research. In late 1989, SHRM commissioned a research study to create an overview of current and emerging competitive and organizational trends in business, to examine and characterize the evolving role of the HR function relative to these trends, and to describe the competencies instrumental to success of top HR leaders. As such, the research initiative was designed to answer the following strategic questions:

What pressures do organizations face today, and what must they do to remain competitive globally in the future? Toward ensuring a unique source of competitive advantage, what is the role of the human resource function and in what manner is this role changing?; and What behavioral characteristics and personal attributes differentiate superior HR incumbent performance from that of average performance, given the changing role expectations? (Lawson, 1996, p. 82)

The ultimate goal of the research initiative was to clarify and quantify--in the form of a Senior-Level HR Competency Model--the characteristics of highly effective HR leaders. This competency model development and validation methodology

encompassed nine sequential, though interrelated, project steps. These nine steps were: “project planning and benchmarking analysis; CEO data generation, analysis, and results; formulation of preliminary competency model architecture; development and conduct of focus group sessions; review and analysis of HRCI codification project data; revision of preliminary competency model architecture; administration and analysis of a competency study questionnaire to “HR role leaders; development and administration of the competency expectations ranking survey; and formulation and validation of the competency model” (p. 66). The results of this study identified five macro-competencies for HR professionals. These included: “goal and action management; functional and organizational leadership; influence management; business knowledge; and HR technical proficiency” (p. 66). Future research and action was called for as a result of this study. Several key factors or requirements would influence the future direction in the development and validation of competency models for senior-level HR professionals. While not unique to HR competency model development, these factors are

- 1) models once devised and implemented, need to be evaluated post hoc relative to their targeted goal of leveraging and/or building superior performance; 2) models need to be more tightly coupled with the strategic intent and core competencies of the corporation; and 3) models need to be more succinct and efficient in accounting for the total performance variance or effect that differentiates superior from average performance. (Lawson, 1996, p. 67-85)

In December 1995, the United States federal government set out to develop a competency model for its HR community. The methodology used to build the model

included a review of current literature and the identification of other models used in private and public sector organizations. The draft model was based initially on the work of Dave Ulrich from the University of Michigan. The approach and definitions used by government focus groups relied heavily on the work of many researchers. A one-day workshop was held in December 1995 with government representatives to obtain their views on the draft model. The attendees convened in small group discussions to develop a framework for their competency model. Feedback reports from the group discussions became the basis for the next draft. The proposed roles and competencies, a list of task outputs by HR activity and a set of organizationally defined positions and titles formed the foundation for focus groups to test and react to the components of the model. Each focus group was composed of pre-selected segments of the HR community—HR Directors of major agencies and bureaus, HR managers at the agency corporate/headquarters level, and HR specialists. The groups ranged in size from 8 to 12 participants. Discussions centered on how to best identify, define, and link the competencies needed for HR organizations to be strategic business partners within their agencies and to represent human resources considerations in carrying out each agency's mission and performance objectives.

Overall consensus among all three groups was that the substance of the proposed model was on target with federal HR community needs. The following macro-competencies were identified in this study: business partner; HR expert; leader; change agent; and advocate. (National Academy, 1996, p. 9)

In 1996, Rothwell conducted an exhaustive study concerning human resource management. This study, entitled A 21st Century Vision of Strategic Human Resource Management, identified the most important trends affecting the future of HRM. The study was co-sponsored by SHRM's Research Committee and Commerce Clearing House, Inc. (CCH, Inc). The study also shed light on the underlying causes of those trends, the likely consequences (results) stemming from them, desirable action strategies to be taken by HRM practitioners and organizations to cope with them and the competencies necessary for success in HRM leadership associated with the trends. The major objectives of this study were as follows: To describe key social and business issues affecting the U.S. workforce and workplace over the next 10 years; and, to describe the key competencies Human Resource Management professionals must possess to contribute to business success in the 21st century.

This qualitative, exploratory research study was carried out in 20 major steps. Unlike large-scale survey studies that rely on many randomly selected respondents, Rothwell's study attempted to make up in quality what it sacrificed in quantity. The idea was to pool the thinking of well-seasoned, exemplary and handpicked HR practitioners, attempting to arrive at consensus on what trends most affect the environment in which HRM professionals must function on the eve of the 21st century. An added step was to bring together these exemplary practitioners in a focus group to pool their insights on what are the trends, what forces are driving the trends, what results will stem from the trends, how organizations and HR practitioners can manage or cope with the trends, and what competencies are required by HR practitioners to exert leadership in the future. The

current and future required HR competencies identified in this study include: “credibility, people skills, understanding the business, developing credibility, consultative approach, comfort with charge, visioning, leadership, and establishing mutual faith and trust” (Rothwell, Prescott, & Taylor, 1998, Appendix I).

For eight years, Vicere, of Penn State University’s Executive Programs (1985-1993), conducted a continuing research study revealing the changing roles and competencies demanded of HR professionals. Vicere collected this data by use of a survey developed from multiple research sources and methods in 1985. The instrument consisted of a 45-question survey grouped into 7 competency categories related to HR management. The instrument was formatted in a Likert-type response scale. After collecting data from over 500 line and general managers from many companies around the world, the study pinpointed six general (macro) roles of the new HR leader. These included: “partner, problem solver, model manager, oracle, conduit, and change agent.”

A “Partner” works as a team member with line managers to develop and communicate strategic imperatives and related HR support systems. A “Problem Solver” is an expert on people-related issues in the business context. The new HR leader must also be a “Model Manager” who exemplifies the leadership characteristics expected of line and general management partners. The “Oracle” is a team member who is best able to assess the long-term HR issues involved in business development. Because HR professionals have traditionally functioned as support staff, a HR leader must also enact the role of “Conduit” to establish and maintain information flows throughout the organization. Finally, the new HR

leader is expected to be a “Change Agent” to lead change processes to develop the organization and deliver business results. (Vicere & Prescott, 1997, p. 3)

Vicere’s study participants were asked to rate the importance of 45 competencies.

Ten were rated most important to the effectiveness of an HR leader. The HR leader:

is committed to the success of the organization; acts consistently in a manner which instills trust; is an effective listener; exhibits high standards of performance; can manage conflict effectively; works effectively with other managers outside the HR function; recruits and selects high quality professionals; communicates effectively orally and in writing; understands overall corporate mission; and develops HR plans clearly linked to the mission and strategy of business units. (Vicere & Prescott, 1997, p. 4)

The results of Vicere’s study showed disconnect among the expectations. While HR leaders were increasingly expected to serve as business partners, they were not expected to understand the key business issues affecting their organizations. This disconnect may present an opportunity for HR practitioners to seize initiative to demonstrate a new way of adding value to their organizations. By truly understanding the business issues they could better help craft competitiveness through people, build a talent pool, and leverage intellectual capital. In doing so, they may be able to reposition the HR function through their understanding of the business and expertise in HR management. (Vicere & Prescott, 1997) Future research related to this study calls for the need to update the importance factors of each category. In addition, a future focus should be incorporated into the survey framework to identify areas of HR developmental need.

Summary

This comprehensive review of literature laid the groundwork for this study. First, competencies have become increasingly important to value-added HRM. Organizations require that HR understands strategy, has business knowledge, displays functional competence, can consult with general managers, design and implement plans, and especially be leaders. This study endeavors to focus on uncharted territory, that is, to determine the importance of competencies for HR professionals and the function through the eyes of its customers.

CHAPTER 3

RESEARCH METHODOLOGY

Introduction

The purpose of this study was to perform research on the factors associated with the competencies of the Human Resource (HR) function and their perceived importance from the perspective of general managers. To accomplish this task, information was analyzed regarding one main area--what competencies do general managers perceive important in HR managers. This was a comparative study. That is, data gathered from general managers in an existing longitudinal study (1985-1993) ($N=520$), was used as the basis of this study. This study and the corresponding assessment instrument were created by faculty within Penn State Executive Programs, a part of The Smeal College of Business Administration at The Pennsylvania State University. Permission to use this study data and instrument was granted by Penn State Executive Programs (see Appendix A). Information on present and future importance of HR competencies was gathered and compared to existing study data. From this analysis, ratings showed what competencies are important, how they have changed over time, and resulting developmental areas required of HR managers. Since such data previously had not been gathered exclusively across such a population, this study served as an initial effort in identifying the demands being placed on the HR function in order to satisfy the needs of the customers of the function.

The method used to discern answers to these issues was to conduct a survey of representative general managers using an assessment instrument, the Management Skills Assessment – Human Resources (MSA-HR) (Appendix B). By using this investigative method, it would be possible to gather information on both the context and content of the job; to evaluate the perspective of what should be done and in what order. An advantage of this study was that it used a customer perceived validation process. This was not another “expert study” based on practitioner’s self-perceptions. Instead, this study provided a basis for a limited assessment of how important past, present, and future (HR) competencies were viewed by key constituency groups. This study, therefore, was unique as it developed perceptions about competencies from the viewpoint of other groups.

The remainder of this chapter describes Penn State Executive Programs, the instrumentation, population, sampling, and data gathering and analysis process of this study.

Penn State Executive Programs

In existence since 1956, these programs offer developmental educational experiences for corporate and government executives from around the world. Participants come to The Pennsylvania State University main campus for one, two, three, or four weeks to attend programs addressing general management. The majority of executives represent medium to large-size global organizations. Thirty-five percent represent international (non-United States) corporations, evenly distributed among Europe, the Far East, and the rest of the world.

Instrumentation

The MSA–HR questionnaire was designed in 1985 for use in the Penn State Human Resource Management Program to identify what competencies the HR function needs to possess and the perception of the importance of each competency (Vicere, 1987).

The development of the instrument was founded in the philosophy that senior management wants HR to become a more proactive, fully participating member of the management team, as indicated in Vicere's research. Therefore, the instrument analyzes the function's understanding of the strategy and business of the company, and its ability to apply HR techniques to the successful operation of the organization.

Questionnaire Design

The instrument consisted of 45 specific questions (mini-competencies), classified into seven competency categories. The *Strategic Management Perspective* category measured understanding of corporate and business unit strategy, environmental impacts on each, and commitment to organizational success. The *Business Perspective* category measured understanding of corporate and business unit strategy, environmental impacts on each, commitment to organizational success, technologies used by the company, the company's customers and competitors, and the financial status of the business. The *Internal Consulting Skills* category measured the ability to scan the organization to identify issues with purchasing implications, to provide creative solutions to problems, and to work as a corporate team member. The *Human Resource Functional Competence*

category measured the function's overall knowledge of the latest developments in the HR field. The *Human Resource Planning Perspective* category measured the ability to anticipate and address procurement problems, to identify key result areas, and to develop appropriate HR programs. The *Ability to Design and Implement Plans* category measured the capacity to sell solutions of problems to managers outside of HR, to perform appropriate cost/benefit analyses, and to manage a program within a budget. The *Management and Leadership Skills* category measured the ability to recruit and develop subordinates, to communicate effectively, and to exhibit high standards of performance.

Questionnaire Validation

Measurements were performed on each item in the questionnaire, using a six-point Likert-type response scale. This measurement evaluated how important the competency was to the effective HR manager, from the perspective of general managers, ranging from "strongly disagree" to "strongly agree." A Likert-type response scale was chosen for two reasons. First, it was a standard format for instruments that measure behavior, or perceptions thereof, and second, it was easily understood by members of the sampled population (Kerlinger, 1973, p. 499). For purposes of this research, a six-point scale was used in order to force a choice in indicating positive or negative perceptions, avoiding the pitfalls of repeated neutrality that can occur with an odd-numbered interval scale.

To validate the instrument, it was pre-tested by HR professionals in multiple organizations, academic experts in the area of Human Resource Management (HRM),

and with the input of an external HR consulting firm. Companies involved included Honeywell, AllState, Bethlehem Steel, Conrail, Mobay (now Bayer), Kennametal, and Beatrice Foods. Academic experts included Dr. Albert Vicere, Dr. Virginia Tucker, Dr. Stewart Bither, Dr. Charles Snow, and Dr. Barbara Gray all of Penn State. The external consulting firm used for input was Harbridge House Consulting who carries an expertise in HRM and the development of multi-rater instruments.

The MSA-HR has been proven to be a valid instrument. It was designed through an exhaustive development process utilizing multiple subject matter experts. The instrument has over time “stacked up” favorably against other instruments intended for the same purpose. It is considered “leading edge” when compared to “gold-standard” surveys within the arena of HRM. The MSA-HR has also proven to be valuable, in multiple settings and populations, over a number of years (Litwin, 1995). Therefore, the MSA-HR has face, content, criterion, and construct validity.

The MSA - HR has proven to be a reliable instrument. Factor analysis has been conducted on the instrument. Findings showed no bias in the responses, reasonable frequencies, and reliabilities for the various categories proved adequate with levels of .70 and above being accepted within category dimensions.

Likert-Type Scale Methodology

Larsson (1993), pointed out that researchers tend to favor one of two major methods of gathering data, either the nomothetic survey method, which emphasizes quantitative analysis of a few variables across large samples, or the idiographic case study method, which focuses primarily on the qualitative, multiaspect, in-depth study of

one or a few cases. This (Vicere) study was conducted using the typical nomothetic survey method. The survey instrument was formatted using a Likert-type scale. Likert scale has been used for many years and is a very popular research technique. However, it has been shown there were issues concerning usage of Likert scale surveys.

According to Friedman (1988), a major decision involved in the construction of a Likert scale, concerns the relative number of favorable items and unfavorable items to include, the effect of which can be critical. This study sought to determine whether there was a difference in responses to 3 types of Likert scales: (1) all items worded favorably; (2) all items worded unfavorably; and (3) favorable and unfavorable items randomly mixed. (p. 2). The mixed category results proved to be more valid.

Garg (1996), showed that results indicate that people are greatly affected by the positively and negatively worded statements in attitude questionnaires under both high as well as low involvement conditions, exhibiting a negative bias with the negative statements under high involvement, and a positive bias with the positively worded statements.

In addition, Albaum (1996), conducted studies that showed the effect of alternative scale formats on reporting of intensity of attitudes on Likert scales. A standard one-stage format and an alternate two-stage format were tested in three separate studies on samples. In general, the two-stage format generated the greatest percentage of underlying data structures.

The questionnaire created in Vicere's foundational study, and used in exact format in the present study, deals effectively with the issues cited above. Regardless of scaling or format concerns, this instrument has proven valid and reliable over time.

Population

In order to generate significant data in identifying the competencies being demanded of the HR function, a single source of information was utilized. In order to have a comprehensive knowledge of an organization's HR function, upper-middle to senior-level knowledge is required. Therefore, to determine the key competencies of the HR function, general manager participants in the Penn State Executive Programs were analyzed.

The reason for focusing on this data source in this manner was twofold. First, the number of general managers in multiple organizations at the upper-middle and senior-level positions is limited. Getting them to participate in this study, from a broadcast mailing, would be difficult thus providing an extremely small sample size. Second, the existing database of the foundational study consisted of this same population demographic. The use of the Penn State Executive Programs audiences eliminated any disconnects associated with these problems. Drawing on executives from multiple organizations generated a relatively large but extremely qualified sample size.

A demographic profile of past study participants showed an average age of 45 years, over eight years of management experience, over 20 years of business experience, and geographically representative of 43 states in the U.S., 40 countries and 6 continents from around the world. These upper-middle to senior-level managers work in one of the six following fields: administrative services; customer service; finance; information services; sales/marketing; or operations/production/manufacturing. Each was in one of the following types of businesses: manufacturing; government; communications; health

care; finance; retail transportation; utilities; or service. Representative titles included: Senior Manager; Director; General Manager; Vice President; President; and CEO. Participants are nominated to attend executive education programs through a formal succession plan within their companies. Penn State Executive Programs then scores each application against specific acceptance criteria to maintain qualification standards.

Sample Selection

The method for selecting the test sample for this study consisted of two steps. First, the sample of upper-middle and senior-level positions consisted of all participants attending the Penn State Executive Programs Executive Management Program in late 1998. This pilot test of approximately 60 general managers was used to predict response rates for the overall study and test statistical analysis software for data viability. Second, executives representing multiple general management positions attending past programs (1994-1998) were used as sources of data for the main study, as will be explained later. A population of 619 general managers were chosen for the overall study. An analysis of 1994-1998 participants showed a consistent demographic profile when compared to the existing longitudinal study database.

Variables

Dependent variables are related to the measurable outcomes of research. The dependent variable for this study was importance. Shown within this variable were past, present and future importance of competencies related to HR management. A residual

outcome of this research was the degree to which these importance factors have changed over time.

Independent variables relate to those variables from which the researcher will predict. The independent variable for this study was the three groups of research participants (past, present, and future) and their responses to perceived importance of HR competencies.

Human Subjects

Approval from the Office of Regulatory Compliance was granted concerning the use of human subjects (Appendix C).

Pilot Study

The pilot study acts as a miniaturized walkthrough of the entire study from sampling to reporting (Babbie, 1973, p. 211). The purpose of the pilot was to estimate the expected response rate, calibrate the chosen statistical methods, and lend further credence to instrument validation. A 10% sample of 619 individuals was used for the pilot study leaving 559 names for the study. The pilot study response was 32%. No changes were made to the questionnaire. This pilot study provided insight into the data collection processes and techniques.

Data Collection and Analysis

Data collection consisted of responses from upper-middle to senior-level general managers on the MSA–HR. As indicated previously, participants from Penn State Executive Programs general management programs, during the period 1994-1997, were asked to rate the importance of each competency. Thus, both the measurements of importance and competency for this function were generic to the business world and not specific to any organization or industry.

Graduates of Penn State Executive Programs general management programs, for the years 1994-1998, were mailed a survey for completion. The survey package delivered to each company included: (1) a cover letter explaining the purpose of the study, the nature of the study, and a confidentiality statement regarding how the information will be handled and used, (2) a consent form, (3) a self-administered survey questionnaire and, (4) a stamped, self-addressed envelope for return to the researcher.

The cover letter (Appendix D) explained the importance and confidentiality related to participation in the study. Because of the targeted nature of the population, individual names were not used on the cover letter. Rather, a generic salutation of “Dear Penn State Executive Program Graduate” was used. To enhance the importance of the study and to promote responses, the letterhead of Penn State Executive Programs was used. The size of the questionnaire and related response material required large envelopes. Names and addresses were printed using mailing labels on the front of each envelope. The questionnaires were mailed first class to enhance delivery and ensure return to sender status if necessary. A record of returns was kept to adjust target sample

size for statistical purposes. Each envelope was coded so non-respondents could be contacted. Return envelopes with correct postage were included in the initial mailing. The return envelope was folded and inserted behind the questionnaire. The questionnaire was mailed in mid-week to both domestic and foreign addresses. This would allow receipt of the questionnaire before the weekend in both cases, albeit in different weeks. Three weeks after the initial mailing, a follow-up letter (Appendix E) was sent to non-respondents as a reminder to complete and return the questionnaire. Follow-up on non-respondents from the mailing was conducted utilizing telephone calls. Approximately, 10% of the population were queried. Only 19 questionnaires were returned because of incorrect addresses. This low number of returns is a result of a credible list of participants with updated addresses. Overall, Dillman's (1978), Mail and Telephone Surveys: The Total Design Method was used in this process.

Profile of Respondents

The original mailing list of selected recipients contained 619 names. This profile matches exactly the demographic profile of the longitudinal database and is important in ensuring proper statistical comparisons. After the pilot study, 559 names were left on the list. Of these, 19 were returned from the mass mailing leaving 540 names on the mailing list. Out of the 540 names, a total of 193 people responded to the questionnaire creating a response rate of 36%. Table 2 is a summary of this information.

Survey Response Rate Summary

Initial Sample Size	559
Adjustments	19*
Adjusted Sample Size	540
Non-respondents	347
Respondents	193
Response Rate (Respondents/Adjusted Sample Size)	36%

*Questionnaires returned with correct or no forwarding addresses.

Data Analysis Process

Data analysis consisted of multiple steps. The questionnaires were coded and an Excel database, as a part of Microsoft Office software, was used for initial data sorting. The Statistical Package for the Social Sciences (SPSS), Version 8.0, was used for data analysis. For purposes of describing the population of the study, and ratings concerning importance, descriptive statistical methods were used. The descriptive statistics presented included: populations, means, and standard deviations. In addition, descriptive statistics were used to describe the most and least important specific questions (mini-competencies) found within competency categories.

Analysis of Variance (ANOVA) was used to determine if selected independent variables were significantly related to the dependent variables of the study. The F test was used in this ANOVA. The researcher used an alpha level of .05 to determine the degree of confidence in findings of this study. ANOVA assumes equal variances, thus

depending on the level of significance found in comparisons, either Scheffe or Dunnett C post hoc analysis was conducted.

Treatment of Missing Data

It was expected that all questions on the questionnaire would be answered. However, when the respondent did not answer questions, they were treated as missing data for that respondent. The SPSS software was adjusted to exclude these missing data from being included in statistical calculations.

CHAPTER 4

FINDINGS

Introduction

This chapter presents the study findings related to the perceived importance of HR competencies by general managers. The findings related to this perceived importance represent a comparative study of data gathered over thirteen years. Findings from past ($N=520$), present ($N=193$), and future ($N=193$) study groups are presented that relate to group perceptions of importance, among HR competency categories, as well as differences among these perceptions between groups. The survey data collection instrument was comprised of 45 specific questions (mini-competencies), categorized into 7 competency categories. The seven competency categories included *Strategic Management Perspective*, *Business Perspective*, *Internal Consulting Skills*, *Human Resource Functional Competence*, *Human Resource Planning Perspective*, *Ability to Design and Implement Plans*, and *Management and Leadership Skills*. The statistical analysis results and information have been provided to facilitate an understanding of the data collected (Appendix F). The conclusions and recommendations are based on these findings and are presented in Chapter Five.

Past Perceptions of HR Competency Importance

(Research Question 1)

What were the perceptions of past importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

The data from the Past Study Group (PSG) related to the respondents' perceptions regarding the importance of each of the seven categories of HR competencies. The data represented concerning past perceptions of importance includes 520 responses. In each question, an *N* from a low of 519 to a high of 520 is present. Frequencies reflect the responses are appropriately distributed among the 6-point, Likert-type response scale. The mean and standard deviation for each of the seven HR competency categories is shown in Table 3.

The data from the PSG show of the seven categories, general managers perceived *Management and Leadership Skills* to be most important ($M=5.3$) and *Business Perspective* ($M=4.2$) to be the least important of the categories. All seven of the competency categories were rated relatively high with general manager importance ratings above 4.0, which corresponded to the label of "mildly agree." With the exception of competency category two, *Business Perspective*, the other six competency categories had mean importance ratings of 4.89 or higher, which fall close to the label of "agree." The mean importance of competency category two, *Business Perspective*, was 4.24.

Within competency categories, specific questions (or mini-competencies) of most importance to the PSG relate to commitment, trust, listening, performance, managing conflict, working with others, recruiting, communication, understanding of corporate mission, and development of HR plans. The mean and standard deviation for each of the ten most important items is shown in Table 4. All ten had a mean rating of 5.2 or higher reflecting an “agree” opinion of importance.

Within competency categories, specific questions (or mini-competencies) of least importance to the PSG relate to understanding financial performance, understanding competition, knowledge of customers, business plan implementation, monitoring business conditions, understanding technology, labor relations, program control, cost & benefit analysis, and financial implications of HR programs. The mean and standard deviation for each of the ten least important items is shown in Table 5. The mean ratings for these items reflects a “mildly agree” opinion of importance.

Table 3.

Mean Importance Ratings of Competency Categories--Past Study Group (PSG)

Competency Category	<i>N</i>	<i>Min.</i>	<i>Max.</i>	<i>Mean</i>	<i>Std. Deviation</i>
<i>Strategic Management Perspective</i>	520	2.50	6.00	4.9700	.5890
<i>Business Perspective</i>	519	2.17	5.83	4.2446	.6883
<i>Internal Consulting Skills</i>	519	3.20	6.00	4.9810	.5853
<i>Human Resource Functional Competence</i>	519	2.50	6.00	4.9372	.6931
<i>Human Resource Planning Perspective</i>	519	2.67	6.00	4.9066	.6293
<i>Ability to Design and Implement Plans</i>	520	2.25	6.00	4.8915	.5976
<i>Management and Leadership Skills</i>	520	3.25	6.00	5.2842	.5429

Table 4.

Mean Ratings of Most Important Mini-Competency Items--Past Study Group (PSG)

Item		<i>N</i>	<i>Mean</i>	<i>S.D.</i>
6	Is committed to the success of the organization	520	5.64	.63
40	Acts consistently and in a manner which instills trust	520	5.57	.63
39	Is an effective listener	520	5.52	.62
38	Exhibits high standards of performance	520	5.44	.64
44	Can manage conflict effectively	519	5.34	.75
34	Works effectively with other managers outside the HR function	519	5.33	.77
42	Recruits/selects high quality professionals	515	5.32	.80
43	Communicates effectively in writing & orally	520	5.26	.73
1	Understands overall corporate mission	519	5.25	.76
14	Develops HR plans clearly linked to mission & strategy of business unit	519	5.25	.76

Table 5.

Mean Ratings of Least Important Mini-Competency Items--Past Study Group (PSG)

Item		<i>N</i>	<i>Mean</i>	<i>S.D.</i>
7	Knows how to interpret income statements, balance sheets, And other measures of financial performance	518	3.56	1.10
12	Understands competitors and their basic strengths and weaknesses	513	3.88	1.12
11	Knows and understands the firm's customers	515	4.07	1.16
17	Serves as intermediary among business functions to help implement stated business plans	517	4.09	1.12
4	Monitors business conditions and understands measures of corporate performance	519	4.35	.96
10	Understands which basic technologies are employed by firm and future requirements for technological change and development	517	4.45	1.01
21	Encourages and sponsors modern, innovative approaches to labor negotiations	509	4.57	1.36
30	Analyzes cost & benefits of alternative projects and chooses them accordingly	518	4.58	1.00
35	Knows how to provide overall program control & use key milestone monitoring processes	512	4.62	.81
8	Develops and describes HR programs in terms of their financial implications and consequences	518	4.63	.94

Current Perceptions of HR Competency Importance

(Research Question 2)

What are the perceptions of present importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

The data from the Present Study Group (PRSG) related to the respondents' perceptions regarding the importance of each of the seven categories of HR competencies. The data represented concerning present perceptions includes 193 responses. In each question, an *N* from a low of 188 to a high of 193 is present. Frequencies reflecting the responses are distributed among the 6-point, Likert-type response scale. The mean and standard deviation for each of the seven HR competency categories is shown in Table 6.

The data from the PRSG show, of the seven categories, general managers perceived *Management and Leadership Skills* ($M=5.1$) to be most important and *Business Perspective* ($M=4.2$) to be the least important of the categories. All seven of the competency categories were rated relatively high with general manager importance ratings above 4.0, which corresponded to the label of "mildly agree." With the exception of competency category two, *Business Perspective*, the other six competency categories had mean importance ratings of 4.62 or higher, which fall close to the label of "agree." The mean importance of competency category two, *Business Perspective*, was 4.17.

Table 6.

Mean Importance Ratings of Competency Categories--Present Study Group (PRSG)

Competency Category	<i>N</i>	<i>Min.</i>	<i>Max.</i>	<i>Mean</i>	<i>Std. Deviation</i>
<i>Strategic Management Perspective</i>	193	1.50	6.00	4.9893	.7161
<i>Business Perspective</i>	188	1.33	5.83	4.1755	.7932
<i>Internal Consulting Skills</i>	188	1.40	5.80	4.7266	.7761
<i>Human Resource Functional Competence</i>	190	2.17	6.00	4.9118	.7506
<i>Human Resource Planning Perspective</i>	192	1.67	6.00	4.6649	.7840
<i>Ability to Design and Implement Plans</i>	191	2.13	6.00	4.6244	.7744
<i>Management and Leadership Skills</i>	191	1.63	6.00	5.0845	.7972

Table 7.

Mean Ratings of Most Important Mini-Competency Items--Present Study Group (PRSG)

Item	<i>N</i>	<i>Mean</i>	<i>S.D.</i>
6 Is committed to the success of the organization	193	5.53	.84
39 Is an effective listener	190	5.33	.83
40 Acts consistently and in a manner which instills trust	191	5.29	1.04
1 Understands overall corporate mission	193	5.27	.85
44 Can manage conflict effectively	191	5.18	.96
43 Communicates effectively in writing & orally	191	5.17	.84
5 Is up to date on the latest in legislative/regulatory issues in HR management	189	5.14	1.00
38 Exhibits high standards of performance	191	5.10	.96
16 Understands corporate culture and its impact on strategy implementation and organizational development	188	5.10	.95
23 Understands contribution of education and development programs to future requirements of business	190	5.07	.82

Within competency categories, specific questions (or mini-competencies) of most importance to the PRSG relate to commitment, listening, trust, understanding corporate mission, managing conflict, communication, legislative/regulatory issues, performance, understanding corporate culture, and the contribution of education and development programs. The mean and standard deviation for each of the ten most important items is

shown in Table 7. All ten had a mean rating of 5.1 or higher reflecting an “agree” perception of importance.

Within competency categories, specific questions (or mini-competencies) of least importance to the PRSG relate to understanding financial performance, understanding competition, knowledge of customers, business plan implementation, monitoring business conditions, understanding technology, labor relations, program control, cost & benefit analysis, and financial implications of HR programs. The mean and standard deviation for each of the ten least important questions is shown in Table 8. The mean ratings for these items reflects a “mildly agree” opinion of importance.

Table 8.

Mean Ratings of Least Important Mini-Competency Items--Present Study Group (PSRG)

Item	<i>N</i>	<i>Mean</i>	<i>S.D.</i>
17 Serves as intermediary among business functions to help implement stated business plans	188	3.57	1.14
7 Knows how to interpret income statements, balance sheets, And other measures of financial performance	188	3.69	1.01
12 Understands competitors and their basic strengths and weaknesses	188	3.96	1.14
30 Analyzes cost & benefits of alternative projects and chooses them accordingly	191	4.13	1.19
11 Knows and understands the firm`s customers	188	4.16	1.07
10 Understands which basic technologies are employed by firm and future requirements for technological change and development	188	4.35	1.06
8 Develops and describes HR programs in terms of their financial implications and consequences	188	4.36	1.11
35 Knows how to provide overall program control & use key Milestone monitoring processes	190	4.41	.99
4 Monitors business conditions and understands measures of corporate performance	192	4.43	1.06
29 Understands the process of identifying key results areas & setting objectives to achieve those results	192	4.51	1.01

Future Perceptions of HR Competence Importance

(Research Question 3)

What are the perceptions of future importance to general managers for the future of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

The data from the Future Study Group (FSG) related to the respondents' perceptions regarding the importance of each of the seven categories of HR competencies. The data represented concerning future perceptions includes 193 responses. In each question, an *N* from a low of 188 to a high of 193 is present. Frequencies reflect the responses are appropriately distributed among the 6 point Likert-type scale measurements. The mean and standard deviation for each of the seven HR competency categories is shown in Table 9.

The data from the FSG show, of the seven categories, general managers perceived *Management and Leadership Skills* ($M=5.4$) to be most important and *Business Perspective* ($M=4.7$) to be the least important of the categories. All seven of the competency categories were ranked relatively high with general manager importance ratings above 4.0, which corresponded to the label of "mildly agree." With the exception of competency category two, *Business Perspective*, the other six competency categories had mean importance ratings of 5.0 or higher, which fall close to the label of "strongly

agree.” The mean importance of competency category two, *Business Perspective*, was 4.71.

Table 9.

Mean Importance Ratings of Competency Categories--Future Study Group (FSG)

Competency Category	<i>N</i>	<i>Min.</i>	<i>Max.</i>	<i>Mean</i>	<i>Std. Deviation</i>
<i>Strategic Management Perspective</i>	193	2.83	6.00	5.3577	.4893
<i>Business Perspective</i>	188	2.33	6.00	4.7101	.6978
<i>Internal Consulting Skills</i>	188	2.60	6.00	5.1149	.5810
<i>Human Resource Functional Consulting</i>	190	3.17	6.00	5.2795	.5591
<i>Human Resource Planning Perspective</i>	192	2.83	6.00	5.0920	.5730
<i>Ability to Design and Implement Plans</i>	191	2.63	6.00	5.0032	.6369
<i>Management and Leadership Skills</i>	191	1.63	6.00	5.3980	.5828

Table 10.

Mean Ratings of Most Important Mini-Competency Items--Future Study Group (FSG)

Item	<i>N</i>	<i>Mean</i>	<i>S.D.</i>
6 Is committed to the success of the organization	193	5.69	.62
1 Understands overall corporate mission	193	5.65	.52
40 Acts consistently and in a manner which instills trust	190	5.56	.68
39 Is an effective listener	190	5.53	.63
22 Can design & develop incentive systems that motivate people and that are compatible with company goals	190	5.51	.72
44 Can manage conflict effectively	191	5.48	.73
16 Understands corporate culture and its impact on strategy implementation and organizational development	188	5.47	.75
15 Provides creative solutions to HR needs identified by business Unit and functional managers	188	5.46	.73
34 Works effectively with other managers outside the HR function	190	5.44	.72
23 Understands contribution of education and development programs to future requirements of business	190	5.43	.72

Within competency categories, specific questions (or mini-competencies) of most importance to the FSG relate to commitment, understanding corporate mission, trust, listening, development of incentive systems, managing conflict, understanding corporate culture, providing creative solutions, working with other managers, and the contribution of education and development programs. The mean and standard deviation for each of the ten most important questions is shown in Table 10. All ten means were 5.4 or higher reflecting a “strongly agree” perception of importance.

Within competency categories, specific questions (or mini-competencies) of least importance to the FSG relate to serving as intermediary, understanding financial performance, understanding competitors, analyzing costs & benefits, understanding customers, providing program control, influencing skills, identifying key results, understanding basic technologies, and monitoring business conditions. The mean and standard deviation for each of the ten least important items is shown in Table 11. The means reflect a “mildly agree” to “agree” perception of importance.

Differences in Past, Present, and Future Importance

(Research Question 4)

Is there a significant difference among general managers’ past, present, and future perceptions regarding the importance of HR competency categories? Was there a shift in perceptions as to specific questions (mini-competencies) among these same groups?

The measurement scale for the independent variables, PSG, PRSG, and FSG, was categorical with more than two levels. The scale for the dependent variable, the

Table 11.

Mean Ratings of Least Important Mini-Competency Items--Future Study Group (FSG)

Item	<i>N</i>	<i>Mean</i>	<i>S.D.</i>
17 Serves as intermediary among business functions to help implement stated business plans	188	3.98	1.20
7 Knows how to interpret income statements, balance sheets, and other measures of financial performance	188	4.19	1.06
12 Understands competitors and their basic strengths and weaknesses	188	4.51	1.05
30 Analyzes cost & benefits of alternative projects and chooses them accordingly	191	4.63	1.13
11 Knows and understands the firm's customers	188	4.70	1.08
35 Knows how to provide overall program control & use key milestone monitoring process	190	4.79	.93
37 Can influence departments & individuals over whom direct authority does not exist	191	4.85	1.09
29 Understands the process of identifying key results areas & setting objectives to achieve those results	192	4.85	.89
10 Understands which basic technologies are employed by firm and future requirements for technological change and development	188	4.87	.99
4 Monitors business conditions and understands measures of corporate performance	192	4.88	.92

importance rating for HR competency categories, was treated as interval/ratio. For this reason, One-Way Analysis of Variance (ANOVA) was used to examine the data related to this research question (Hinkle, Wiersma, & Jurs, 1988). An assumption made when employing ANOVA is the assumption of equal variances. Such was the case in this analysis when tested using Levine's test of homogeneity of variance. Table 12 shows the ANOVA results related to differences in perceptions of importance among general managers from the PSG, PRSG, and FSG.

In comparison of perceived importance across time by competency category, all of the competencies were rated relatively high across the categories. The PSG was used

as a “benchmark” for conducting the Analysis of Variance (ANOVA). For *all* competency categories the mean value for the FSG was significantly higher ($p < .05$) than the PRSG mean value and the PSG mean value as determined by Scheffe or Dunnett C post hoc tests. Except for the *Strategic Management Perspective*, *Business Perspective*, *Human Resource Functional Competence*, and *Ability to Design and Implement Plans* competency categories the PSG mean value was significantly higher than the PRSG mean value as determined by Scheffe or Dunnett C post hoc tests.

In comparison of perceived importance across time of specific questions (mini-competencies), several shifts in ratings occurred between the PSG, PRSG, and FSG. A comparison of shifts among the ten most important items over time between the PSG, PRSG and FSG, showed the following questions, from the MSA-HR instrument, were rated significantly higher than previously and therefore shifted to a more important priority:

(15) Provides creative solutions to HR needs identified by business unit and functional managers.

(16) Understands corporate culture and its impact on strategy implementation and organizational development.

(22) Can design and develop incentive systems that motivate people and that are compatible with company goals.

(23) Understands contribution of education and development programs to future requirements of business.

Table 12.

Summary of Comparisons Regarding Perceived Importance by General Managers across Time by HR Competency Category

Competency Category	<i>N</i>	<i>Mean*</i>	<i>S.D.</i>	<i>F</i>	<i>p=</i>
Strategic Management Perspective					
Past	520	4.97	.58		
Present	193	4.98	.71		
Future	193	5.35	.48		
Total	906	5.05	.61	30.988	<.001
Business Perspective					
Past	519	4.24	.68		
Present	188	4.17	.79		
Future	188	4.71	.69		
Total	895	4.32	.74	34.799	<.001
Internal Consulting Skills					
Past	519	4.98	.58		
Present	188	4.72	.77		
Future	188	5.11	.58		
Total	895	4.95	.64	18.896	<.001
Human Resource Functional Competence					
Past	519	4.93	.69		
Present	190	4.91	.75		
Future	190	5.27	.55		
Total	899	5.00	.69	19.843	<.001
Human Resource Planning Perspective					
Past	519	4.90	.62		
Present	192	4.66	.78		
Future	192	5.09	.57		
Total	903	4.89	.66	20.657	<.001
Ability to Design and Implement Plans					
Past	520	4.89	.59		
Present	191	4.62	.77		
Future	191	5.00	.63		
Total	902	4.85	.65	17.947	<.001
Management and Leadership Skills					
Past	520	5.28	.54		
Present	191	5.08	.79		
Future	191	5.39	.58		
Total	902	5.26	.62	13.011	<.001

**Importance Scale*: 1 = Strongly Disagree; 2 = Disagree; 3 = Mildly Disagree 4 = Mildly Agree; 5 = Agree; 6 = Strongly Agree

Summary

This chapter presented the comparative study findings related to perceived importance of HR competencies by general managers. Three data groups (PSG, PRSG, and FSG) were analyzed to yield findings in the areas of important competency categories and specific questions (mini-competencies). The statistical analysis results have been shown.

CHAPTER 5

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Introduction

There was one comprehensive purpose of this research. This purpose was to verify how general managers perceived importance of past, present, and future Human Resource (HR) competencies and associated outputs. A secondary outcome of this study was to determine the differences and shifts in perceived importance among the three study groups. Chapters 1 through 4 introduced the research questions, reviewed the related literature, described the research methodology, and presented and summarized the research data and findings. This chapter will revisit the purpose of the study then summarize general conclusions that focus on statistical findings and relevant literature related to each of the four research questions. This researcher's opinion will be integrated into these conclusions. A special section will be presented concerning the business environment and implications for HR. Finally, recommendations for further study will be offered.

Purpose of the Study

The purpose of this study was to research the factors associated with the competencies of the HR function and their perceived importance from the perspective of general managers. To accomplish this task, information was analyzed regarding one main

area--what competencies do general managers perceive important in HR managers. Additional insight was found in how specific competency importance shifted over time.

This was a comparative study in that data gathered in an existing longitudinal study (1985-1993) was used as the basis of this study. Information on present and future importance of HR competencies was gathered and compared to the existing study data. Since such data previously had not been gathered across a population exclusively of general managers, this study served as a further effort in identifying the demands being placed on the HR function in order to satisfy the needs of the customers of the function. This data is also important because, to date, no studies beyond this foundational study have been conducted to verify the perceptions of general managers from multiple organizations. Therefore, this was not another "expert study" based on practitioner's self-perceptions. Instead, this study provided a basis for a limited assessment of how important past, present, and future (HR) competencies are viewed by key constituency groups. This study, therefore, was unique as it brought forth perceptions about competencies from the viewpoint of other groups.

The primary significance of this study was the collection of constituency group perceptions concerning HR competencies. Knowing what competencies general managers perceive are important is useful to HR professionals as they prepare themselves to make important, value-added contributions to their organizations. Value-added contributions can be defined as those HR practices that create and sustain competitive advantage for the organization.

The review of literature relevant to this study resided in two categories: (a) the conceptual foundations of the existing study; and (b) the competencies required to effectively lead the HR function. This review provided insight for contrasting past, present, and future competency requirements of HR based on other empirical studies.

The methodology used to gather the perceived importance ratings of representative general managers was by using an assessment instrument, the Management Skills Assessment–Human Resources (MSA-HR). By using this investigative method, it was possible to gather information on both the context and content of the job; to evaluate the perspective of what should be done; and in what order of importance. Data analysis consisted of multiple steps. The questionnaires were coded and an Excel database, as a part of Microsoft Office software, was used for initial data sorting. The Statistical Package for the Social Sciences (SPSS), Version 8.0, was used for data analysis. For purposes of describing the population of the study, and ratings concerning importance, descriptive statistical methods were used. The descriptive statistics used in this study included populations, means, and standard deviations. Analysis of Variance (ANOVA) was used to determine if selected independent variables were significantly related to the dependent variable of the study. The *F* test was used in this ANOVA. The researcher used an alpha level of .05 to determine the degree of confidence in findings of this study. Post hoc analysis was also conducted. Statistical significance was found among the perceived importance ratings of general managers across all competency categories over time. Shifts in perceived importance were found among specific questions (mini-competencies) over the same period, as well.

In the following sections, findings of the study, relevant literature, and this researcher's opinion will be presented. Findings will be presented including rankings of competency categories by the Past Study Group (PSG), Present Study Group (PRSG), Future Study Group (FSG), and the most and least important specific questions (mini-competencies) from the MSA-HR questionnaire. Related literature, as presented in Chapter 2, will be compared to the findings. This researcher will make conclusions concerning general managers' perceptions of importance based on the same criteria.

Summary of Findings and Conclusions Related to Research Question 1

What were the perceptions of past importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.*

The first research question addressed the perceived importance of seven competency categories as ranked by general managers during the period 1985-1993. All of the seven competency categories were rated relatively high among the respondent group of PSG general managers. The highest rated competency category was *Management and Leadership Skills* ($M = 5.3$) and the lowest rated competency category was *Business Perspective* ($M = 4.2$). The order of importance of competency category ranking was *Management and Leadership Skills, Internal Consulting Skills, Strategic Management Perspective, Human Resource Functional Competence, Human Resource*

Planning Perspective, Ability to Design and Implement Plans, and Business Perspective.

Specific questions (mini-competencies) of most importance to the PSG related to commitment, trust, listening, performance, managing conflict, working with others, recruiting, communication, understanding of corporate mission, and development of HR plans. Specific questions (mini-competencies) of least importance to the PSG related to understanding financial performance, understanding competition, knowledge of customers, business plan implementation, monitoring business conditions, understanding technology, labor relations, program control, cost & benefit analysis, and financial implications of HR programs.

It can be concluded from these findings that the responding PSG general managers perceive all seven of the competency categories identified in the MSA-HR instrument to be important considerations in meeting their expectation of the HR function. However, this respondent group did not perceive it to be as important for HR professionals to have business acumen as they did focusing on such traditional HR responsibilities as staffing, compensation, and internal leadership to the HR department.

This was further evidenced in analyzing the specific questions within their competency category classification. The most important questions, those rated highest statistically, revealed the need for HR professionals to have an organizational understanding of the corporate mission, focus internally on the HR department in developing HR plans, and possess behavior-based management skills such as listening or communicating. The least important questions, those rated lowest while still relatively high, showed less need for HR professionals to have a financial understanding of their

impact on the organization or act as an internal consultant between the various functions of the organization. Of particular interest was the low rating on providing innovative approaches to labor relations. This responsibility has traditionally been a major responsibility of the HR function. In this researcher's opinion, the PSG found skills to be the important needed focus of HR professionals.

Reviewing literature related to HR skills, Buller (1990) focused on linkages between strategy and HR practices and found this linkage essential for adding value toward organizational success. Therefore, it can be concluded from this literature, that there is a need for competency in the ability to design and implement plans that tie strategy and practices together.

Bolman (1984) pointed out the need for HR professionals to understand and capitalize on their knowledge of corporate culture in designing HR practices. Again, the ability to design and implement HR plans, as well as HR planning within given cultures served important needs.

In a Towers Perrin (1992) study with IBM, it was shown that for HR professionals to gain credibility with line managers there was a need for these same HR professionals to be proactive rather than reactive. In this researcher's opinion, by taking such a proactive position, HR professionals could potentially work with general managers to provide creative solutions to business unit needs. Needed competencies for this effort would include effective listening and communication skills.

In working to be an internal consultant to general managers, Lacey (1995) discussed the advantages that HR professionals could have in such an endeavor. Specific

to these advantages included areas such as a familiarity of the system, having existing relationships among general managers, and freedom to move across organizational lines. However, again it was pointed out that, when working with general managers, HR professionals should have excellent skills in organizational development to help ensure business unit success. Gilley and Coffern (1994), in a study specific to Human Resource Development (HRD) professionals, showed how managers have assumed responsibility for acting as internal consultants and could be valuable to line managers in problem solving. In this researcher's opinion, HR professionals would need at least to understand business unit operations. According to Minton-Eversole (1994), internal consultants could add value to help general managers sort out symptoms from problem causes and offer unique solutions to internal clients. In contrast to this comparative study, general managers from the PRSG and FSG ranked internal consulting skills in the middle of competency categories (while still important), and the specific category question related to HR serving as an intermediary in business units ranked last among all questions. To that end, in this researcher's opinion, it is not enough just to understand the "workings" of the business, but HR professionals must marry their expertise and competency with business savvy to devise solutions.

Summary of Findings and Conclusions Related to Research Question 2

What are the perceptions of present importance to general managers of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human Resource*

Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.

The second research question addressed the perceived importance of seven competency categories as ranked by general managers in 1998. All seven of the competency categories were rated relatively high among the respondent group of PRSG general managers. The highest rated competency category was *Management and Leadership Skills* ($M = 5.1$) and the lowest rated competency category was *Business Perspective* ($M = 4.2$). The order of importance of competency category ranking was; *Management and Leadership Skills, Strategic Management Perspective, Human Resource Functional Competence, Internal Consulting Skills, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Business Perspective.* The order of perceived importance among competency categories shifted when compared to the PSG. *Strategic Management Perspective* moved from third to second, *Human Resource Functional Competence* moved from fourth to third, and *Internal Consulting Skills* moved from second to fourth in perceived importance. Specific questions (mini-competencies) of most importance to the PRSG related to commitment, listening, trust, understanding corporate mission, managing conflict, communication, legislative/regulatory issues, performance, understanding corporate culture, and the contribution of education and development programs. Specific questions (mini-competencies) of least importance to the PRSG related to understanding financial performance, understanding competition, knowledge of customers, business plan implementation, monitoring business conditions, understanding technology, labor

relations, program control, cost & benefit analysis, and financial implications of HR programs. Shifts also occurred among these questions when compared to the PSG. Questions concerning legislative/regulatory issues, corporate culture, and education and development programs entered the most important list.

It can be concluded from these findings that the responding PRSG general managers perceive all seven of the competency categories identified in the MSA-HR instrument to be important considerations in meeting their expectation of the HR function. As in the case of the PSG, the PRSG did not perceive it to be as important for HR professionals to have business acumen as individual management and leadership skills. While *Management and Leadership Skills* were of highest importance, a *Business Perspective* rating of ($M=4.2$) demonstrated that business acumen was still expected. *Strategic Management Perspective* was increasingly more important to the PRSG than the PSG. It can be concluded from the findings that the PRSG expects the HR function to play a greater role in understanding key strategies of the business, linking business unit strategies with the corporate mission, measuring corporate performance, and monitoring the business environment. *Human Resource Functional Competence* was also increasingly more important to the PRSG than the PSG. This showed that general managers expect that HR professionals to know the business of the HR function even better than before. In this researcher's opinion, more will be expected of the HR function in the area of performance management, and education and development plans that build organizational knowledge capital. Internal Consulting Skills did move to a lower ranking by the PRSG than by the PSG. However, still rated important by respondents was the

need for HR to scan the business for people management issues, understand the corporate culture, and provide creative solutions in working with general managers.

This was further evidenced in analyzing the specific questions within their competency category classification. The most important questions, those rated highest statistically, revealed the need for HR professionals to have an organizational understanding of the corporate mission, focusing internally to the HR department in being up to date on legal issues, developing education programs, and possessing behavior-based management skills such as listening and communication. The least important questions, those rated lowest while still relatively high, showed less need for HR professionals to have a financial understanding of their impact on the organization, or to have knowledge of external customers or competitors, or act as an internal consultant between the various functions of the organization. Overall, in this researcher's opinion, it can be concluded that general managers expect HR professionals to engage in strategic management practices and play a role in the strategic planning of the organization. These general managers expect that HR professionals understand the big picture. At the same time, general managers expect HR professionals to understand the details and functional knowledge of operations typically performed by others throughout the organization (e.g. Marketing or Finance). HR professionals were having new roles defined for them by general managers.

Focusing on literature concerning HR roles, Yeung (1994) found senior level general managers in ten major corporations calling for HR to develop competency in four main areas including business mastery, functional expertise, change, and personal

attributes. The roles outlined from this research include business advisor, HR planner, and change agent. Again, in this researcher's opinion, there were both similar and contrasting findings between this comparative study and that of Yeung. Agreement was found in the need for HR to serve the role of an effective planner in its own function. However, this study showed the role of business advisor to be a lower priority among general managers. Both studies agreed that HR must have credibility in the eyes of their customers. It can be concluded, in this researcher's opinion, that the real step that needs to be taken is for HR professionals to effectively integrate HR plans to drive business unit performance, working in concert with general managers. It does not mean that HR professionals should develop business knowledge only for the purpose of telling general managers what to do.

In another study, Ulrich, Brockbank, Yeung, and Lake (1995) continued to look at the changing role of Human Resource Management (HRM). In this massive study involving over 12,000 HR managers, the evidence seemed to point toward the need for the HR function to move away from an activity-based role to one of alignment with organizational needs. To accomplish this change, HR managers had to begin with the initial steps of building personal credibility, personal leadership, functional acumen, and problem-solving ability. By comparing these results to this comparative study, this researcher finds a precise match in the emphasis of importance for HR managers to develop managerial and leadership skills. According to both studies the focus of HR managers should be in these individual development efforts.

In another role study, McMahan (1996) confirmed the shift in HR roles away from mere record keeping to one of more business partnership. Functional HR roles had not declined in importance, but this study found that functional responsibility was shifting to developing programs that fit business needs. Respondents, in this study, also felt the worst job the HR function performed was providing change consulting services and developing the organization's skills and capabilities. Conner (1996), in a later study, confirmed this premise by finding a clear need for the HR professional to become more of a strategic partner while continuing to maintain an administrative expert role.

Finally, Wright (1998) identified the strong relationship of involvement by HR professionals with general managers and their evaluation of the effectiveness of the HR function. These results indicated that general managers' perceptions of this effectiveness still did not relate to the overall financial performance of the firm.

Again, in this researcher's opinion and consistent with previous studies, HR professionals could gain credibility not through mere enhancement of their interpersonal skills but by aligning and integrating their knowledge of HR processes with business unit actions.

Summary of Findings and Conclusions Related to Research Question 3

What are the perceptions of future importance to general managers for the future of HR competency categories? The HR competency categories are: *Strategic Management Perspective, Business Perspective, Internal Consulting Skills, Human*

Resource Functional Competence, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Management and Leadership Skills.

The third research question addressed the perceived importance of seven competency categories as ranked by general managers in 1998 as to future importance. All seven of the competency categories were rated relatively high among the respondent group of FSG general managers. The highest rated competency category was *Management and Leadership Skills* ($M = 5.4$) and the lowest rated competency category was *Business Perspective* ($M = 4.7$). The order of importance of competency category ranking was *Management and Leadership Skills, Strategic Management Perspective, Human Resource Functional Competence, Internal Consulting Skills, Human Resource Planning Perspective, Ability to Design and Implement Plans, and Business Perspective*. The order of perceived importance among competency categories stayed the same when compared to the PRSG. Specific questions (mini-competencies) of most importance to the FSG related to commitment, understanding corporate mission, trust, listening, development of incentive systems, managing conflict, understanding corporate culture, providing creative solutions, working with other managers, and the contribution of education and development programs. Within competency categories, specific questions (mini-competencies) of least importance to the FSG related to serving as intermediary, understanding financial performance, understanding competitors, analyzing costs & benefits, understanding customers, providing program control, influencing skills, identifying key results, understanding basic technologies, and monitoring business conditions. Shifts also occurred among these questions when compared to the PRSG.

Questions concerning incentive systems and provision of creative solutions for business unit managers entered the most important list. Questions concerning corporate culture and education and development programs remained on the most important list.

It can be concluded from these findings that the responding FSG general managers perceive all seven of the competency categories identified in the MSA-HR instrument to be important in their expectation of the HR function. In fact, the rankings of all competency categories are significantly higher than either the PSG or PRSG rankings. As in the case of the PSG and PRSG, the FSG did not perceive it to be as important for HR professionals to have business acumen as they did to possess individual management and leadership skills and ability to develop HR plans to drive organizational performance. However, in this case, general managers do point out the importance of providing creative solutions to business unit needs and understanding the impact of corporate culture on organization development. While the overall rank order of competency categories stayed the same as the PRSG, the difference between *Management and Leadership Skills* ($M=5.4$) and *Business Perspective* ($M=4.7$) was reduced. This showed both categories to be increasingly important and that general managers expected even more from HR professionals in their development of business acumen. It can be concluded, in this researcher's opinion, that general managers do not expect HR professionals to be experts in business details such as budgeting or operations but do expect them to possess a working knowledge of such areas.

This was further evidenced in analyzing the specific questions within their competency category classification. The most important questions, those rated highest

statistically, revealed the need for HR professionals to have an organizational understanding of the corporate mission. a capability in the design of incentive plans to motivate people, an understanding of the linkage between strategy implementation and organizational development, an ability to work with managers outside the HR function, and behavior-based management skills such as listening and managing conflict. The least important questions, those rated lowest while still relatively high, showed less need for HR professionals to have a financial understanding of their impact on the organization, to have knowledge of external customers or competitors, or act as an internal consultant between the various functions of the organization. In this researcher's opinion, this begs a question--is this knowledge necessary to function to enact programs deemed of highest importance? Again, it can be concluded that knowledge of such is required, but not at the subject matter expert level of understanding.

Overall, the rankings of the competency categories of the FSG was higher than the PSG and PRSG. This is not surprising, in this researcher's opinion, given that respondents may have demonstrated bias in their ratings, wanting to show higher ratings of importance for future roles. Or, an assumption is that general manager's expectations have not been met in the past and therefore credibility for the HR function is low. Therefore, the high ratings concerning the future may indicate a feeling by the respondent group that HR professionals should increase the value delivered to their operations. This is best accomplished by HR professionals bringing to bear their basic assumed knowledge of people management practices and work with general managers to align

these practices with desired outputs of respective business units. New competencies would need to be developed by HR professionals.

The literature showed that competency studies related to the HR function began in earnest during 1996. Yeung (1996) interviewed senior level HR executives and developed a competency model that called for three important competencies of HR-- business acumen, capacity to facilitate change, and influencing skills. Kochanski (1996) also found that HR groups were being asked to provide higher performance at lower cost. In addition, it was found that internal customers were requesting different competencies of HR professionals to help provide solutions to business unit needs. The conclusion of this study was that HR knowledge was essential in the areas of performance management and cost containment.

In another comprehensive competency study, Lawson (1996), working with the Society of Human Resource Management (SHRM), developed a senior-level HR competency model that showed HR competency requirements in the areas of goal orientation, functional leadership, influence management, business knowledge and technical proficiency.

Most recently, Rothwell (1996) conducted an exhaustive study of HRM. In this study, the focus was on trends affecting the future of HRM. As a part of this comprehensive study, competencies required of HR professionals to exert leadership in the future were identified. The findings included the requirement for HR leaders to develop credibility, possess excellent people skills, understand the business, take a

consultative approach, be comfortable with change, and establish trust within the organization.

Again, in this researcher's opinion, the findings of each of these competency studies paralleled, for the most part, the findings in this comparative study. HR managers need to develop competencies in targeted areas that create and deliver value to the organization.

Summary of Findings and Conclusions Related to Research Question 4

Is there a significant difference among general managers' past, present, and future perceptions regarding the importance of HR competency categories? Was there a shift in perceptions as to specific questions (mini-competencies) among these same groups?

All seven of the competency categories were rated relatively high in importance. However, general manager respondents among the three study groups did perceive differences in the importance of the competency categories. Significant differences were identified using ANOVA. It is important to realize that while statistical differences were found, relatively few practical differences were identified. These practical differences were identified as four specific questions related to corporate culture, education and development, incentive plans, and creative solutions evolved over time as increasing in importance. However, in this researcher's opinion, these select practical differences do yield insight into the required competencies of HR both presently and in the future. The findings point out that competency development in these areas should be a priority for HR professionals. In comparing PSG to PRSG general manager perceptions of

importance, significant differences were found in the areas of all categories except *Strategic Management Perspective, Business Perspective, and Human Resource Functional Competence*. The findings showed that the means for all categories, in these competency categories, were lower for the PRSG than the PSG group. The statistical findings also showed that general managers presently place a lower importance rating on all competency categories than in the past. In comparing PSG to FSG general manager perceptions of importance, significant differences were found in all categories. The means for all categories were significantly higher for the FSG than the PSG. This showed that general managers place a higher importance rating on all competency categories of HR for the future than in the past. In comparing PRSG to FSG general manager perceptions of importance, significant differences were found in all categories. The means for all categories were significantly higher for the FSG than the PRSG. This showed that general managers place a higher importance rating on all competency categories of HR for the future than the present. Overall, in this researcher's opinion, general managers expect more value-added services from HR in the future than in the past or present.

General Conclusions and Implications

This comparative study concerned general managers' perceptions of importance of HR competencies. Compared to studies of competency models designed by HR professionals themselves, it was concluded by the researcher, that both parties see the

need for similar actions. However, in some cases general managers place a different priority on some competencies than do HR professionals.

From this comparative study it was found that the importance of competencies required by general managers of the HR function have changed over the years. Specifically, this comparative study confirmed the present and future need for HR professionals to have strong management and leadership skills, develop a strategic management perspective, remain functionally competent in HR, and develop internal consulting skills as priorities. In addition, this comparative study pinpointed four mini-competencies that evolved in importance as consistent competency requirements found in each study group. These include: developing corporate culture to enhance strategy and organizational development, aligning education and development programs to business requirements, designing incentive plans that motivate people and drive company goals, and providing creative solutions for business managers. Therefore, in this researcher's opinion, the common thread of potential value delivery by the HR function to organizations centers on the development of knowledge capital. This knowledge capital has been defined as the collective economic value of an organization's workforce. The four important mini-competencies as identified by general managers, and the changing role of the HR function send a clear call for the function to play a major role in knowledge capital development.

This study has looked at the problem associated with the changing role of the HR function. This study also developed effective methodology and viewed statistical findings related to constituency group perceptions of the importance of HR competencies. In an

even further analysis. this study presented an exhaustive review of literature of other studies to lend insight for comparison. Finally, it will be imperative that the business environment be investigated to find out why all of this is important. Then, implications for the HR function can be discussed.

The Business Environment and Implications for HR

At the beginning of this comparative study, the six key trends facing businesses in the future were identified (Rothwell, 1996). These trends include

- Changing technology
- Increasing globalization
- Continuing cost containment
- Increasing speed in market change
- Growing importance of knowledge capital
- Increasing rate and magnitude of change.

In this researcher's opinion, with trends effecting business such as these, organizations can no longer rely on such old management paradigms as product focus, command and control management practices, or a domestic only viewpoint. Organizations in the past have relied on size, specialization, structure, and control to be successful. These organizations, when faced with today's dynamic trends, will find it difficult to successfully deal with the quick response time required to create and maintain competitive advantage. Also, in the past, businesses faced with incremental changes in

the marketplace either realigned resources or added more resources to deal with the change.

In light of such dynamic trends facing business today and in the future, the need for different approaches to resource utilization becomes apparent. This changing and very competitive environment demands that businesses better leverage the human asset of their organizations. This calls for innovation and creativity in searching for ways to increase productivity, focus on delivering quality in products and services, and satisfy the needs of their customers. In order to be successful in the new environment, businesses must be market-focused, flexible, and leverage information quickly across the organization. Knowledge capital and the proper allocation of knowledge resources to adapt to the changing environment become essential for success. What then are the implications for the HR function?

In this researcher's opinion, the priority of focus for HR professionals will be the development and application of knowledge capital throughout the organization. Knowledge capital development will be essential as it provides the basis for building internal client relationships and translating understanding of the clients' needs to solution-based services. In addition, knowledge capital could serve as an impetus for understanding the impact of other trends facing the organization and therefore solidify related change efforts. This was evidenced, in this comparative study, by the evolving importance of competencies related to understanding corporate culture, developing education and development plans, designing incentive plans, and providing creative

solutions for business units. Each area will be related to the development and effective dissemination of knowledge across the organization.

The implication for the HR function will be that its role has and will continue to change in the future. HR therefore has to take a strategic, operational, and measured approach to the delivery of its services. The HR function must combine its technical HR expertise, with effective leadership skills, and a comprehensive understanding of the business, to create value-added solutions for the organization it serves.

Summary

This study was based on past research and input gathered from thought-leaders, general managers, and HR professionals of the period. The use of the MSA-HR questionnaire and its findings has proven worthy over time for providing insight into the importance of competencies required of the HR function. From the perspective of general managers, the competency categories presented in this instrument have been important, are presently important, and will be even more important in the future. In other words, general managers want it all, they want it now, but they will want it even more in the next five years. This demand calls for HR to begin immediately to rank according to importance and develop the competencies required of them by their constituents. This researcher hopes this study will help them achieve their goals.

Recommendations for Future Research

The areas of recommended research have been divided into recommendations for future study for Researchers/Teachers/Students, and HR Professionals/General Managers. The recommendations follow.

Researchers/Teachers/Students

1. This research focused on the perceptions of a specific audience of general managers that was not selected by random sample procedures. Therefore, the findings of this study are somewhat limited by this fact. The findings of this study need to be compared to an even broader audience of general managers. To that end, what are ways this research and resulting methodology can be replicated to broader audiences?
2. This study ranked only the perceptions of general managers concerning the importance of HR competencies. Other populations of people working within organizations would also lend valuable insight to this area. Therefore, what other groups of people working within organizations such as front-line employees, managers, Chief Executive Officers (CEOs), etc., could be surveyed for insight into perceived importance of HR competencies?
3. This study used descriptive statistics and one test of inferential statistical analysis to provide findings related to perceived importance of HR competencies across three study groups over time. Other methodology would prove useful in further investigating the potential value the HR function can bring to organizations.

Therefore, what different methodology could be used in proving the value-added relationship the HR function has with the organization it serves?

4. This was a comparative study involving general managers' rankings of the importance of HR competencies across time. This same population could be studied again in the future. To that end, what follow-up studies could be performed at prescribed timeframes to continue enhancing the findings of this study?

Human Resource Professionals/General Managers

1. It is the hope of this researcher that the findings of this study will prove useful to HR professionals in adding value to their organizations. If this is true, how will HR professionals consider using these findings? How will it help? How will this value be measured?
2. This study focused on how general managers perceived certain HR competencies important. Other groups of individuals within organizations could also be studied in an attempt to define value in their business operations. Therefore, how could the model of analysis used in this study be applied to other groups within organizations?
3. Four key mini-competencies were identified in this study as having evolved in importance over time. Conclusions were made concerning their impact on linking strategy with results through HR performance. Therefore, how could mini-competencies actually be used to link strategy with results?

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APPENDIX A

PERMISSION FROM PENN STATE EXECUTIVE PROGRAMS TO USE MSA-HR
INSTRUMENT AND DATA

PENNSTATE



Penn State Executive Programs
The Smeal College of
Business Administration

Telephone: (814) 865-3435
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The Pennsylvania State University
310 Business Administration Building
University Park, PA 16802-3003

May 28, 1998

Penn State Executive Programs
310 Business Administration Building
University Park, PA 16802

Re: Copyright and Use Permission for the Management Skills Assessment-HR

The purpose of this letter is to formally request permission to use the Management Skills Assessment-HR(MSA-HR) instrument and data base owned and copyrighted by Penn State Executive Programs. The MSA-HR will be used in research toward the completion of my dissertation entitled The Changing Role of Human Resource Management: A Comparative Study of Importance Factors Concerning Human Resource Competencies Among Business Managers.

Sincerely

Robert K. Prescott, SPHR

Permission given:

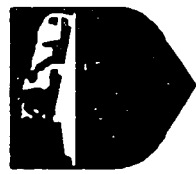
Dr. Virginia Tucker
Associate Dean-Penn State Executive Programs

Dr. Albert A. Vicere
Professor of Business Administration

An Equal Opportunity University

APPENDIX B
SURVEY QUESTIONNAIRE

PENNSTATE

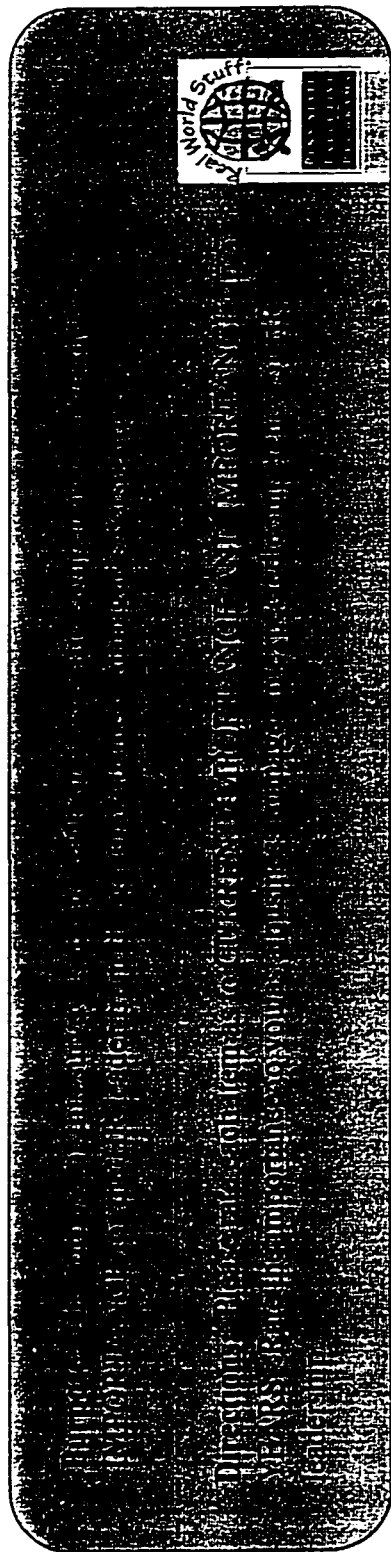


Executive Programs

Management Skills Assessment

Human Resources

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STRATEGIC MANAGEMENT PERSPECTIVE

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	
1	Understands overall corporate mission	1	2	3	4	5	6	1	2	3	4	5	6
2	Knows the key strategies for major lines of business with which he/she works	1	2	3	4	5	6	1	2	3	4	5	6
3	Understands the need to link business unit strategies with overall corporate mission and strategy	1	2	3	4	5	6	1	2	3	4	5	6
4	Monitors business conditions and understands measures of corporate performance	1	2	3	4	5	6	1	2	3	4	5	6
5	Monitors business environment to determine key business trends, threats and opportunities, and their potential human resources (HR) implications	1	2	3	4	5	6	1	2	3	4	5	6
6	Is committed to the success of the organization	1	2	3	4	5	6	1	2	3	4	5	6

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BUSINESS PERSPECTIVE

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	Strongly Agree
7	Knows how to interpret income statements, balance sheets, and other measures of financial performance	1	2	3	4	5	6	1	2	3	4	5	6
8	Develops and describes HR programs in terms of their financial implications and consequences	1	2	3	4	5	6	1	2	3	4	5	6
9	Knows which functions in firm require highest priority and is able to balance & trade-off allocation of resources among those functions	1	2	3	4	5	6	1	2	3	4	5	6
10	Understands which basic technologies are employed by firm and future requirements for technological change and development	1	2	3	4	5	6	1	2	3	4	5	6
11	Knows and understands the firm's customers	1	2	3	4	5	6	1	2	3	4	5	6
12	Understands competitors and their basic strengths and weaknesses	1	2	3	4	5	6	1	2	3	4	5	6

INTERNAL CONSULTING SKILLS

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	
13.	Continually scans the organization and its environment to identify issues with HR implications	1	2	3	4	5	6	1	2	3	4	5	6
14.	Develops HR plans clearly linked to mission & strategy of business unit	1	2	3	4	5	6	1	2	3	4	5	6
15.	Provides creative solutions to HR needs identified by business unit and functional managers	1	2	3	4	5	6	1	2	3	4	5	6
16.	Understands corporate culture and its impact on strategy implementation and organizational development	1	2	3	4	5	6	1	2	3	4	5	6
17.	Serves as intermediary among business functions to help implement stated business plans	1	2	3	4	5	6	1	2	3	4	5	6

HUMAN RESOURCE FUNCTIONAL COMPETENCE

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Modly Disagree	Modly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Modly Disagree	Modly Agree	Agree	Strongly Agree
18.	Is up to date on latest in legislative/regulatory issues in HR management	1	2	3	4	5	6	1	2	3	4	5	6
19.	Informs others of potential impact of social/political/economic changes affecting human resources	1	2	3	4	5	6	1	2	3	4	5	6
20.	Is informed about new developments and methods in field of HR, and disseminates this information throughout the organization	1	2	3	4	5	6	1	2	3	4	5	6
21.	Encourages and sponsors modern, innovative approaches to labor negotiations	1	2	3	4	5	6	1	2	3	4	5	6
22.	Can design & develop incentive systems that motivate people and that are compatible with company goals	1	2	3	4	5	6	1	2	3	4	5	6
23.	Understands contribution of education and development programs to future requirements of business	1	2	3	4	5	6	1	2	3	4	5	6

HUMAN RESOURCE PLANNING PERSPECTIVE

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Modly Disagree	Modly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Modly Disagree	Modly Agree	Agree	
24	Anticipates human resource problems facing business unit & functional managers and proactively addresses them	1	2	3	4	5	6	1	2	3	4	5	6
25	Understands changes in business conditions & adjusts HR plans accordingly	1	2	3	4	5	6	1	2	3	4	5	6
26	Works with business unit managers to anticipate technological changes and their impact on HR selection, appraisal & development policies	1	2	3	4	5	6	1	2	3	4	5	6
27	Develops short-term plans and programs consistent with perspective of long-term objectives	1	2	3	4	5	6	1	2	3	4	5	6
28	Can assess proposed plans and programs with regard to fit with corporate culture	1	2	3	4	5	6	1	2	3	4	5	6
29	Understands the process of identifying key results areas & setting objectives to achieve those results	1	2	3	4	5	6	1	2	3	4	5	6

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ABILITY TO DESIGN AND IMPLEMENT PLANS

Importance	Importance in 5 years	Current											
		Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	Strongly Agree	Strongly Disagree	Disagree	Mildly Disagree	Mildly Agree	Agree	
30	Analyzes costs & benefits of alternative projects and chooses among them accordingly	1	2	3	4	5	6	1	2	3	4	5	6
31	Is realistic in estimating the time needed for the implementation of HR programs	1	2	3	4	5	6	1	2	3	4	5	6
32	Prioritizes human resource problems and allocates resources accordingly	1	2	3	4	5	6	1	2	3	4	5	6
33	Can effectively "sell" solutions throughout the organization	1	2	3	4	5	6	1	2	3	4	5	6
34	Works effectively with other managers outside the HR function	1	2	3	4	5	6	1	2	3	4	5	6
35	Knows how to provide overall program control & use key milestone monitoring processes	1	2	3	4	5	6	1	2	3	4	5	6
36	Can manage a program within a budget	1	2	3	4	5	6	1	2	3	4	5	6
37	Can influence departments & individuals over whom direct authority does not exist	1	2	3	4	5	6	1	2	3	4	5	6

MANAGEMENT AND LEADERSHIP SKILLS

	<i>Current Importance</i>						<i>Importance in 5 years</i>					
	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Much Disagree</i>	<i>Much Agree</i>	<i>Agree</i>	<i>Strongly Agree</i>	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Much Disagree</i>	<i>Much Agree</i>	<i>Agree</i>	<i>Strongly Agree</i>
38 Exhibits high standards of performance	1	2	3	4	5	6	1	2	3	4	5	6
39 Is an effective listener	1	2	3	4	5	6	1	2	3	4	5	6
40 Acts consistently and in a manner which instills trust	1	2	3	4	5	6	1	2	3	4	5	6
41 Stretches subordinates to fulfill their potential	1	2	3	4	5	6	1	2	3	4	5	6
42 Recruits/selects high quality professionals	1	2	3	4	5	6	1	2	3	4	5	6
43 Communicates effectively in writing & orally	1	2	3	4	5	6	1	2	3	4	5	6
44 Can manage conflict effectively	1	2	3	4	5	6	1	2	3	4	5	6
45 Adequately prepares successors	1	2	3	4	5	6	1	2	3	4	5	6

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NAME: _____
TITLE: _____
ORGANIZATION: _____
LOCATION: _____
DATE: _____

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Please return the completed form to:

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Director—Public Programs
310 Business Administration Building
The Pennsylvania State University
University Park, Pennsylvania 16802
PHONE: (814) 863-2155
FAX: (814) 865-3372
e-mail: rkp2@psu.edu

APPENDIX C
LETTER FROM OFFICE OF REGULATORY COMPLIANCE AT THE
PENNSYLVANIA STATE UNIVERSITY

PENNSTATE



Vice President for Research
Office for Regulatory Compliance

The Pennsylvania State University
212 Kern Graduate Building
University Park, PA 16802-3301

(814) 865-1775
Fax: (814) 863-8699
Website: www.research.psu.edu/orc/

Date: October 26, 1998
From: *Karen J. English*
Karen J. English, Research Compliance Coordinator
To: Robert K. Prescott
Subject: Proposal for Use of Human Subjects in Research - Exemption (ORC# 980976-00)

Approval Expiration Date: October 26, 1999

"The Changing Role of Human Resource Management: A Comparative Study of Importance Factors Concerning Human Resource Competencies Among General Managers"

Your proposal for use of human subjects in your research has been reviewed and approved for a one-year period. Subjects in your research are at minimal risk.

Attached are confidential labels you can use to seal the envelopes that contain the original, signed informed consent forms obtained from the subjects of your study. These envelopes are then to be mailed to the address listed above. Contact this office if you need more labels.

Subjects must receive a copy of the informed consent form and the written explanation of your study that was submitted to this office for review.

By accepting this decision you agree to notify this office of (1) any additions or changes in procedures for your study that modify the subjects' risks in any way and (2) any events that affect the safety or well-being of subjects.

The University appreciates your efforts to conduct research in compliance with the federal regulations that have been established to ensure the protection of human subjects.

KJE/slk

Attachments

cc: W. Rothwell
E. Farmer
E. Herr

An Equal Opportunity University

APPENDIX D
COVER LETTER

November 11, 1998

Dear Penn State Executive Programs Graduate:

In conjunction with Penn State Executive Programs and the Institute for the Study of Organizational Effectiveness, I am conducting research in the area of Human Resource competencies. The purpose of this study is to research the factors associated with the competencies of the human resource function and their perceived importance from the perspective of general managers.

Given your general manager role I am asking for your participation in this study. Participation consists of your completing the enclosed survey of 45 questions. Directions for completion of the survey are on the inside front cover of the instrument.

Also enclosed is an informed consent form covering important points concerning your participation in this study. Please read the form carefully, sign, and return in the enclosed envelope along with your completed survey by December 10, 1998.

Graduates who participate in this research will receive a copy of the findings in the near future. I am grateful for your participation in this research.

Sincerely,

Robert K. Prescott, SPHR
Director of Public Programs

Enclosures

APPENDIX E
FOLLOW-UP LETTER

December 3, 1998

Dear Penn State Executive Programs Graduate:

Several weeks ago I mailed you a survey concerning research on human resource competencies. As of this date I have not received your response.

If you have already completed the survey and returned it to me, I apologize for the inconvenience of this reminder. If not, I hope that you will take the time to complete the survey and return within the next two weeks. This research is important to the area of Human Resource Management.

Thank you for your participation.

Sincerely,

Robert K. Prescott, SPHR
Director of Public Programs

RKP/jyk

APPENDIX F
STATISTICAL ANALYSIS

Mean Ratings of Mini-Competency Items--Past Study Group (PSG)

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
Q1	519	2	6	5.25	.76
Q2	517	2	6	4.93	.90
Q3	518	1	6	4.81	.94
Q4	519	1	6	4.35	.96
Q5	520	1	6	4.84	.95
Q6	520	2	6	5.64	.63
Q7	518	1	6	3.56	1.10
Q8	518	1	6	4.63	.94
Q9	516	1	6	4.87	.85
Q10	517	1	6	4.45	1.01
Q11	515	1	6	4.07	1.16
Q12	513	1	6	3.88	1.12
Q13	518	2	6	5.12	.81
Q14	519	2	6	5.25	.76
Q15	518	2	6	5.23	.76
Q16	519	1	6	5.21	.80
Q17	517	1	6	4.09	1.12
Q18	519	2	6	5.22	.84
Q19	519	2	6	4.96	.90
Q20	519	1	6	4.89	.90
Q21	509	1	6	4.57	1.36
Q22	516	1	6	4.92	1.06
Q23	519	1	6	5.05	.79
Q24	518	2	6	5.16	.82
Q25	518	1	6	4.96	.83
Q26	518	1	6	4.70	.95
Q27	518	2	6	4.90	.82
Q28	518	2	6	4.89	.82
Q29	517	1	6	4.84	.88
Q30	518	1	6	4.58	1.00
Q31	518	1	6	4.83	.83
Q32	516	1	6	5.07	.81
Q33	519	1	6	5.06	.85
Q34	519	2	6	5.33	.77
Q35	512	1	6	4.62	.81
Q36	516	1	6	4.78	.94
Q37	519	1	6	4.87	.93
Q38	520	3	6	5.44	.64
Q39	520	3	6	5.52	.62
Q40	520	3	6	5.57	.63
Q41	514	1	6	4.92	1.00
Q42	515	1	6	5.32	.80
Q43	520	2	6	5.26	.73
Q44	519	1	6	5.34	.75
Q45	510	1	6	4.90	1.02

Mean Ratings of Mini-Competency Items--Present Study Group (PSG)

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
Q1	193	2	6	5.27	.85
Q2	193	2	6	5.01	.96
Q3	192	2	6	4.88	.93
Q4	192	1	6	4.43	1.06
Q5	193	1	6	4.81	1.10
Q6	193	1	6	5.53	.84
Q7	188	1	6	3.69	1.01
Q8	188	1	6	4.36	1.11
Q9	188	1	6	4.55	1.14
Q10	188	1	6	4.35	1.06
Q11	188	1	6	4.16	1.07
Q12	188	1	6	3.96	1.14
Q13	188	1	6	4.88	1.01
Q14	188	1	6	5.02	1.01
Q15	188	1	6	5.05	1.03
Q16	188	2	6	5.10	.95
Q17	188	1	6	3.57	1.14
Q18	189	2	6	5.14	1.00
Q19	190	2	6	4.91	.99
Q20	190	1	6	4.73	1.06
Q21	188	1	6	4.70	1.17
Q22	190	1	6	4.94	1.09
Q23	190	2	6	5.07	.82
Q24	192	1	6	4.73	1.07
Q25	192	1	6	4.73	1.01
Q26	192	1	6	4.60	1.05
Q27	192	1	6	4.77	.88
Q28	192	1	6	4.64	.94
Q29	192	2	6	4.51	1.01
Q30	191	1	6	4.13	1.19
Q31	191	1	6	4.74	.99
Q32	191	1	6	4.76	1.05
Q33	191	1	6	4.54	1.15
Q34	191	2	6	5.06	.97
Q35	190	1	6	4.41	.99
Q36	190	1	6	4.83	1.04
Q37	191	1	6	4.53	1.12
Q38	191	2	6	5.10	.96
Q39	190	2	6	5.33	.83
Q40	191	1	6	5.29	1.04
Q41	191	1	6	4.84	1.02
Q42	191	1	6	5.06	1.09
Q43	191	2	6	5.17	.84
Q44	191	1	6	5.18	.96
Q45	191	1	6	4.70	1.11

Mean Ratings of Mini-Competency Items--Future Study Group (FSG)

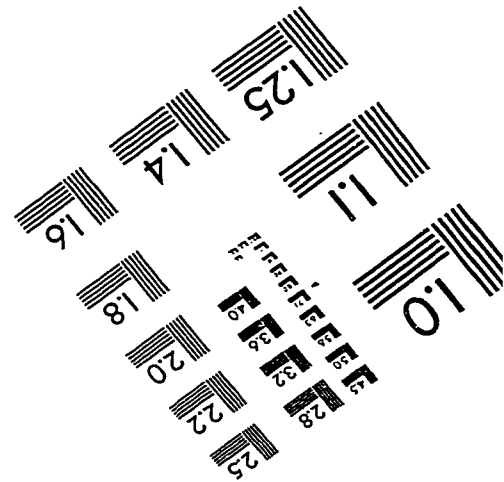
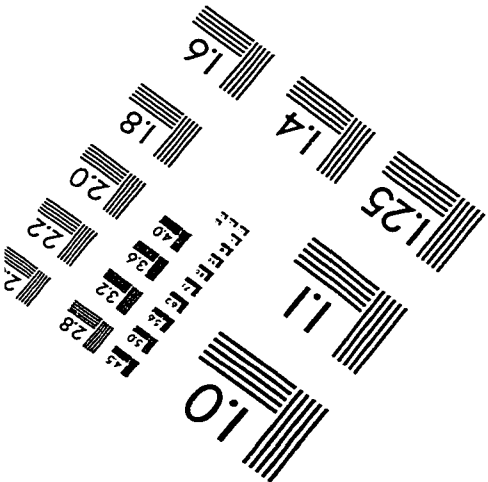
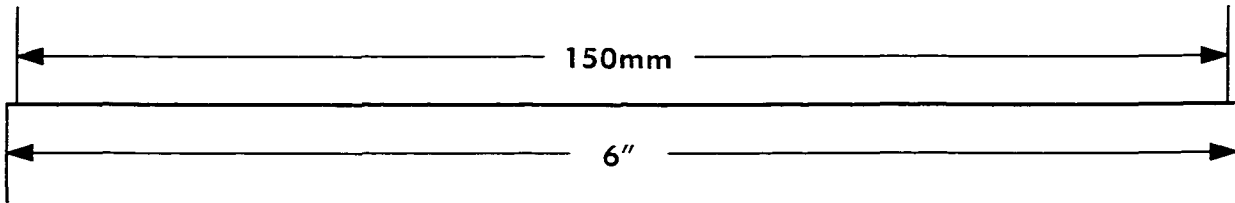
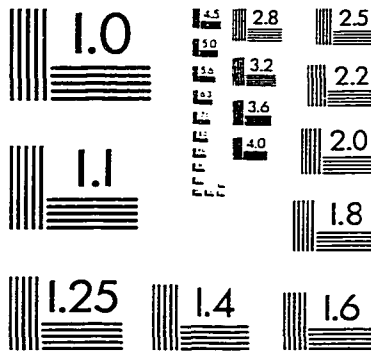
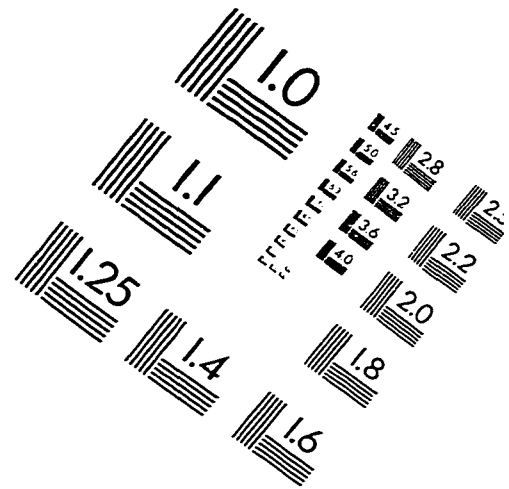
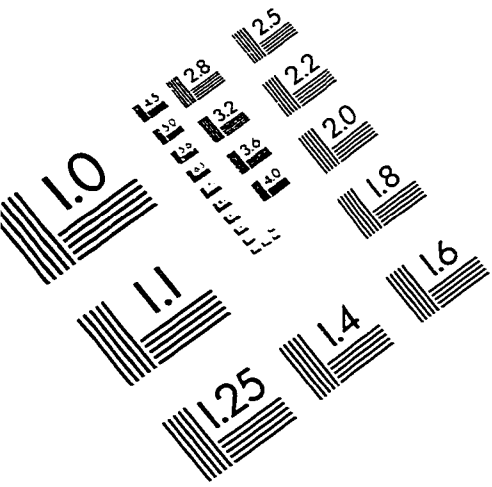
	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
Q1	193	4	6	5.65	.52
Q2	193	2	6	5.37	.74
Q3	192	3	6	5.26	.73
Q4	192	2	6	4.88	.92
Q5	192	2	6	5.30	.85
Q6	193	3	6	5.69	.62
Q7	188	1	6	4.19	1.06
Q8	188	1	6	4.97	.91
Q9	187	2	6	5.02	1.03
Q10	188	1	6	4.87	.99
Q11	188	2	6	4.70	1.08
Q12	188	2	6	4.51	1.05
Q13	187	2	6	5.25	.80
Q14	188	2	6	5.41	.78
Q15	188	1	6	5.46	.73
Q16	188	2	6	5.47	.75
Q17	188	1	6	3.98	1.20
Q18	189	2	6	5.42	.84
Q19	190	2	6	5.21	.82
Q20	190	1	6	5.09	.84
Q21	188	1	6	5.01	1.06
Q22	190	3	6	5.51	.72
Q23	190	2	6	5.43	.72
Q24	191	2	6	5.24	.86
Q25	191	2	6	5.21	.77
Q26	191	2	6	5.17	.78
Q27	190	2	6	5.08	.73
Q28	191	3	6	5.00	.77
Q29	192	2	6	4.85	.89
Q30	191	1	6	4.63	1.13
Q31	191	3	6	5.11	.73
Q32	191	2	6	5.19	.79
Q33	191	1	6	5.00	1.01
Q34	190	2	6	5.44	.72
Q35	190	1	6	4.79	.93
Q36	189	1	6	5.02	1.00
Q37	191	1	6	4.85	1.09
Q38	191	1	6	5.42	.80
Q39	190	3	6	5.53	.63
Q40	190	1	6	5.56	.68
Q41	190	1	6	5.18	.82
Q42	191	1	6	5.42	.87
Q43	191	2	6	5.42	.67
Q44	191	1	6	5.48	.73
Q45	168	1	6	5.18	.94

VITA

Robert K. Prescott is the Director of Public Programs for Penn State Executive Programs and Instructor in Business Administration in The Mary Jean and Frank P. Smeal College of Business Administration at The Pennsylvania State University, University Park, Pennsylvania. His personal teaching and consulting interests focus on human resource strategy, human resource competencies, and change management. Prescott has personally worked with such companies as ARAMARK, Carpenter Technology Corporation, Cigna, Deloitte & Touche Consulting Group/ICS, Delphi Automotive Systems-GM, JLG industries, the Social Security Administration, the State of Pennsylvania Department of Labor & Industry, Towers Perrin, and Unisys.

Before joining Penn State Executive Programs, Bob previously directed the Human Resource function for BellSouth Communication, Inc. (BCI). His responsibility included delivery of HRM services such as staffing, training, salary administration, relocation, organization development, labor relations and benefits administration functions for this strategic business unit of the corporation. He is a native of Birmingham, Alabama, a graduate in Marketing from the University of Alabama and a Doctoral Candidate in Workforce Education at Penn State. He is a member of the Human Resource Planning Society (HRPS) and the Society for Human Resource Management (SHRM). Prescott is a 1991 graduate of the Human Resource Executive Program at Penn State and a Senior Professional in Human Resources (SPHR). Bob co-authored the book *The Strategic Human Resource Leader: How to Prepare Your Organization for the 6 Key Trends Shaping the Future* (1998).

IMAGE EVALUATION TEST TARGET (QA-3)



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