

TRANSFORMATION OF HUMAN RESOURCE STAFF AND STRUCTURE FOR ENHANCED ADMINISTRATIVE EFFICIENCY IN NIGERIAN ORGANIZATIONS

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Abstract

Human resource practitioners vary widely according to the extent to which they are generalist, that is human resource director, human resource manager, business partner; or specialist, that is head of learning and development, head of talent management, head of reward, the level at which they work, that is strategic, executive or administrative. This research is concerned with transforming human resource staff and structure to enhance administrative efficiency in Nigerian organizations. Literature survey method was applied to gather the necessary information for the study, which was qualitatively analyzed. The study observed that there are significant differences in the skills needed by human resource staff to function effectively in the traditional and strategic orientations to human resource management. The study also recommended that the first ingredient for creating strategic human resource management perspective should be the internal transformation of existing staff who perform human resource duties and the structure within which they operate.

Key-Words: Transformation, Human Resource Staff, Structure, Enhancement, Administrative Efficiency, Organization, Management, Managers.

Introduction

Since traditional human resource remains the predominant perspective in most organizations, the first ingredient for creating strategic human resource management perspective is the internal transformation of existing staff who perform human resource duties and the structure within which they operate. It is these individuals who must champion and enact the change to strategic human resource management. New skills are usually needed, as are new perspectives about the structure and processes of human resource management (Wayne, 1999). Within a strategic human resource management perspective, traditional administrative tasks remain important. Employees must receive their pay and benefits, safety programmes must be developed and administered, and Equal Employment laws must be obeyed. However, Okere (2019), argued that the focus becomes one of performing these administrative tasks in efficient and cost-effective manner as possible. To enhance a firm's strategic effectiveness, strategic human resource management must develop bundles of internally consistent human resource activities that contribute to the achievement of the firm's strategic goals and objectives. In addition, the development of an effective partnership between line managers and human resource staff is critical. Jay and Patrick (1998) remarked that it is impossible for human resource activities to have

a value-adding effect if those performing the human resource function do not work closely with line managers. Thus, the importance of a bottom-line, value-adding impact of human resource practices, is drawn from all theoretical perspectives. The competitive business environment that most firms face today precludes the luxury of engaging in human resource practices that simply feel good or look good or happen to be the latest human resource fad (Jay, 1995). Human resource management activities must add value to the firm. However, Micheal (1997) suggested that one key barrier to effective human resource transformation is the attitude of many chief executive officers, who still see human resource as primarily an administrative function. That is, before any true transformation of human resource can occur, top management must be brought on board. Wayne (1999); Timothy and Patrick (1997) have examined this issue, and several consistent themes have developed about how best to achieve top management "buy-in" to human resource transformation. First, the leader of any human resource change effort must be a highly competent and credible leader within the organization. Second, those hoping to lead the human resource transformation must create a shared need for change among top managers. Third, those leading the human resource change process must be able to articulate a clearly defined end-state vision for human resource and the major steps that will be needed to achieve that vision. Finally, measures must be developed to monitor the progress of the changes. Philip (1997) asserted that in order to create a strategic human resource management philosophy within a firm, attention must be paid to the transformation of human resource staff and the organizational structure in which these people carry out their human resource activities. There are two aspects of this transformation: (1) transforming the people and (2) transforming the human resource structure.

Transforming Human Resource People

There are significant differences in the skills needed by human resource staff to function effectively in the traditional and strategic orientations to human resource management (Okere, 2019). In the traditional role, staff members need to be specialist in certain personnel functional areas and must hone skills needed for performing traditional personnel activities such as training or recruitment interviewing. In a survey cited by Warren (1990) indicated that the large skill component needed by staff taking on a strategic human resource management role is "change management". Also, a survey of senior human resource managers carried out by William (1994) found that 82% of the respondents felt that their future role would focus on strategic planning, team building, quality improvement, and diversity management and training. Among the skills that these human resource managers indicated they would need to perform their future human resource roles effectively were team leadership skills, the ability to have a global perspective, financial and marketing literacy, and good consulting and presentation skills. In her published article, Connie (1997) noted that competencies that human resource professionals need will vary, depending on the strategy of the firm. This assertion represents a strategic-fit approach to the specific issue of human resource competencies. Also, Connie (1997) suggested that in firms whose strategic is focused on delivering highly reliable, low-cost products and services, human resource professionals need particular skill in procedural knowledge, self-control, and attention to detail. On the other hand, for human resource professionals in customer service-oriented firms, critical competencies include service orientation, team building, achieving consensus, and communication. However, regardless of whether strategic human resource competencies are universal in nature or require a strategic-fit approach, most human resource units will face a significant transformation in order to manage human resources with a new strategic view. The Jill and Jeana (1993) survey have described the process by which AT & T implemented its human resource professionalism programme as part of a transformation of the human resource function. The focus of the development effort was to initiate a programme to identify, coach, develop, and foster high-level professional skills in AT & T's human resource staff. The objective of the programme was to enhance the skills of human resource professionals so that they could contribute to strategic business success. Extensive research was done on what line managers needed from human resource, using surveys and focus groups to collect the data. The results of

this research indicated that line managers needed human resource to do the following (Okere, 2019):

1. Share responsibility for performance and profitability.
2. Be customer driven and a business partner with a broad focus.
3. Focus on solutions, not activities.
4. Be creative and strategic.
5. Initiate, lead, and facilitate change.
6. Help develop global managers.
7. Act with urgency.

Transforming Human Resource Structure

David (1996) argued that in conducting the transformation of traditional personnel to strategic human resource management, it is quite common for the structure of human resource unit to be transformed as well. As with many forms of organizational restructuring, a key issue in designing a new strategic human resource management unit is to determine which activities should be centralized and which should be decentralized. Gregory (2000) noted that during the 1990s new roles were created around partnering approaches for human resource. Companies have created new human resource-organization structures to realign roles in order to separate transactional – fulfillment work, that is administrative role, and consultative, business-partnering work, that is strategic role. Organizations like Warner-Lambert, Motorola, Coca-Cola, and Whirlpool have reported significant improvements in delivery strategic results when traditional roles are replaced with more consultative organization-effectiveness roles, supported by small centralized staff of expert resources. These organizations have also directly assigned human resource partners to front-line business units, while aggressively consolidating delivery of employee services. The specific roles normally performed by the three subunits of human resource organization, that is Expert Resource Teams, Front-Line Business Partners, and Central Service Center, are showing in table 1.

Table 1: Three Roles in the New Human Resource Organizations

Expert Resource Teams	Front Line Business Partner	Central Service Center
• Develop top management's strategies for new policies and practices • Become thought leaders in the field-specialists / designers • Manage development projects • Benchmark functional excellence • Develop HR know-how • Assure alignment of total HR system with company strategy • Support roll out of programs: Teach others how • Support consultants with "best practices"	• Manage client expectations- contracting and execution • Develop people strategies for their operating units-with line leaders • Become decentralized, business unit-aligned "generalist" • Stay close to the business • Tailor and implement new practices/programs to fit • Identify new applications • Manage client projects • Provide linkage between business units and the focus on HR issues	• Meet all current service obligations • Manage all " transactional" support processes • Drive consolidation and productivity • Direct projects to eliminate work • Enable work force access to information tools • Apply information systems to automate all necessary services • Consult in systems design and information requirements

- Exchange best practices
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Source: Adapted from Gregory Kesler, "Four Steps to Building an HR Agenda for Growth: HR strategy Revised", "Human Resource Planning, Vol. 23 (3), 2000, p.35.

The task of Expert Resource Teams is "effective strategy formulation", the task of a Central Service Center is "efficient delivery of transactions", while that of Front-Line Business Partners is "effective and efficient strategy implementation". Occasionally, however, front-line human resource manager partners may also have to formulate human resource strategies specifically for their own business units. Gillian (1996) argued that the appropriate structure for the human resource function will depend on the nature of the firm's business activity, its size, and its overall business strategy. In some organizations says Gregory (2000), a more centralized structure for human resource management may be appropriate to ensure quality of human resource products and gain economies of scale in their development and delivery. In other situations, highly decentralized human resource units may be necessary. Regardless of which particular structure is used, the key element in successfully transforming traditional human resource functions into strategic human resource management units is to find, a structure that meets the pressing needs of the business strategy of the organization and allows the human resource unit to provide services designed to help the firm achieve strategic objectives. This newly acquired strategic focus of human resource does not mean that the function can afford to regulate administrative efficiency to the background. On the contrary, given the focus on cost savings, Wayne (1999) concluded that in today's competitive environment, there is increasing pressure on human resource to become even more efficient.

Enhancing Administrative Efficiency

According to Ulrich (1997) one of the key roles of human resource staff is to be administrative experts. As administrative experts, human resource staff members must take an active role in reengineering administrative and other processes within the firm and find ways to share services more effectively throughout the organization. The objectives are to increase human resource efficiency and to save money (Okere, 2019). In a survey to identify characteristics of "best" versus "typical" human resource units Jeffrey (1998) found that the average cost per employee of human resource services in the best firms was around \$1,800, whereas the per-employee cost in typical firms was \$1,675. Thus, one possible factor contributing to the lower human resource costs in the best firms was that their human resource administrative services such as payroll, benefits etc, tended to be highly integrated and shared, whereas these services were more often rather fragmented and duplicated in typical firms. In the opinion of Ulrich (1997) several processes are needed to enhance the administrative expertise of human resource units. First, of the focuses on improving administrative efficiency by targeting current processes for improvement. The role of the human resource unit is to examine the gaps between the "as is" process and what the system "should be". Once these gaps are identified, programmes can be developed to close them. This could involve dropping a traditional human resource programme. In implementing new programmes, the human resource unit must market them throughout the organization and then measure whether efficiency has indeed been enhanced (David and Scott, 1998). Second, administrative efficiency can also be enhanced through the development of centralized human resource services that are shared throughout an organization. Third, a final process involved in human resource staff members' becoming administrative experts requires them to completely rethink how they create value for the firm through their administrative activities. The focus is for the human resource unit to create programmes that give value as perceived by the customers of the programme, not as perceived by the provider of the programme being human resource.

Research Method Applied

The research adopted literature survey method. Past studies were reviewed, and the ones that are relevant to the study were selected. The information obtained were subjected to qualitative analysis. Irrelevant studies to the topic were dropped.

Conclusions

To create a strategic human resource philosophy within a firm, attention must be paid to the transformation of human resource staff and the human resource structure. Also, there are significant differences in the skills needed by human resource staff to function effectively in the traditional and strategic orientations to human resource management. The processes by which firms have attempted to transform human resource staff from traditional specialists to strategic generalists are quite varied. In conducting the transformation of traditional personnel to strategic human resource management, it is quite common for the structure of the human resource unit to be transformed as well. A key issue in designing a new strategic human resource management unit is to determine which activities should be centralized and which should be decentralized. The appropriate structure for the human resource function will depend on the nature of the firm's business activity, its size, and its overall business strategy. One of the key roles of human resource staff is to be administrative experts. Human resource staff members must take an active role in reengineering administrative and other processes within the firm and find ways to share services more effectively throughout the organization.

Recommendations

The research recommends the following for transformation of human resource staff, and structure for enhanced administrative efficiency in Nigerian organizations.

1. The first ingredient for creating strategic human resource management perspective should be the internal transformation of existing staff who perform human resource duties and the structure within which they operate.
2. To create a strategic human resource management philosophy, a firm must pay attention to the transformation of human resource staff and the organizational structure in which people carry out their human resource activities.
3. Skill component needed by staff taking on a strategic human resource management role should focus on change management.
4. Organizations whose strategy is focused on delivery highly reliable, low-cost products and services, human resource professionals need particular skill in procedural knowledge, self-control, and attention to detail.
5. Human resource professionals in customer service should be competent in service orientation, team building, achieving consensus, and communication.
6. A key issues in determining or new strategic human resource unit is to determine which activities should be centralized and which should be decentralized.
7. Traditional roles should be replaced with more consultative organization-effective roles, supported by small centralized staff of expert resources.
8. Human resource staff should take an active role in reengineering administrative and other processes within the organization and find ways to share services more effectively throughout the organization.
9. Efficiency can be enhanced through the development of centralized human resource services that should be shared throughout the organization.
10. Human resource staff should rethink and create value for the firm through administrative activities.

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