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TOMORROW'S PERSONNEL EXECUTIVE: THE EMERGING ROLE

*Pace University*

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PREVIEW

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TOMORROW'S PERSONNEL EXECUTIVE:  
THE EMERGING ROLE

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Submitted in partial fulfillment of the requirements for  
the degree of Doctor of Professional Studies in the  
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Robert E. Hancox

Tomorrow's Personnel Executive:  
The Emerging Role

The bulk of the literature concerning the personnel executive deals with routine activities and excludes consideration of the social forces impacting on the external business environment. Also, the literature chiefly focuses on how to administer the personnel function rather than how to direct the efforts of the personnel function toward contributing more directly to the achievement of corporate objectives.

This study was undertaken to evaluate the adequacy of the current role of the personnel executive in light of the realities in the changing business environment. In addition, it proposed to define the traditional role of the personnel executive as perceived by the corporation, determine the self-defined role of the personnel executive, and appraise both of these roles in terms of potential for contributing to the achievement of corporate objectives.

Most of the subjects for the study were personnel executives employed by the 500 largest private employers in the United States as identified by Forbes. Two instruments were used in the collection of data; questionnaires and interviews. These instruments yielded similar

information and provided insight into how the respondents received their jobs, the changing nature of their corporate roles, and their interpretation of the changing business environment and the potential impact of external change.

The study's principal conclusion concerns the inadequacy of the current role of many personnel executives in light of the changing business environment. While many personnel executives acknowledge the changing business environment, they seem to fail to understand its relevance in relation to their corporate roles. Also, most personnel executive roles are defined generally by standards devised by the corporation. As a result, many personnel executives define their roles according to those corporate caveats. Finally, the traditional role of the personnel executive has generally made it difficult for personnel executives to take the responsibility for directing their performance toward contributing to the achievement of corporate results.

THIS STUDY IS JOINTLY DEDICATED TO

DR. JOHN E. FLAHERTY AND DR. EARL R. ZACK

for their unyielding patience, understanding,  
encouragement, and the countless hours of  
assistance they gave in the completion  
of this project. But, more importantly, it  
it is dedicated to these two mentors  
for their unwavering faith in me

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PREVIEW

## CHAPTER I

### THE PROBLEM

#### STATEMENT OF THE PROBLEM

The problem is to evaluate the adequacy of the current role of the personnel executive in light of the changing business environment.

##### Specific Problems

The first problem is to define the prototypical or traditional role of the personnel executive as perceived by the corporation.

The second problem is to determine the self-defined role of the personnel executive.

The third problem is to appraise the prototypical and self-defined roles of the personnel executive in terms of potential for contributing to the achievement of the objectives of the corporation.

#### DEFINITION OF TERMS

The following definitions will be used for the purposes of this study.

Personnel Executive: The individual with responsibility for developing personnel policy. He is accountable

for all aspects of personnel administration in a corporation, reporting directly to the chief executive officer or chief operating officer of the organization.

Role: The expected activities attributed to a particular job or position.<sup>1</sup>

Optimal Role: The pattern of actions of the personnel executive which meet the expectations of both the personnel executive and the organization and which directly contribute to the objectives of the organization.

Prototypical Role: The traditional and expected behavioral patterns of the personnel executive which include such activities as recruitment and selection, training, wage and salary administration, benefit administration, and other miscellaneous functions when assigned.

Self-defined Role: The image or vantage point from which the personnel executive sees himself within the corporation in terms of contribution, decision making, and power.

Knowledge Worker: An employee whose major contribution depends on his using his knowledge rather than his muscle power and coordination.<sup>2</sup>

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<sup>1</sup>John M. Ivancevich, Andrew D. Szilagyi, Jr., and Marc J. Wallace, Jr., Organizational Behavior and Performance (Santa Monica, California: Goodyear Publishing Company, Inc., 1977), p. 566.

<sup>2</sup>Peter F. Drucker, An Introductory View of Management (New York: Harper's College Press, 1977), p. 580.

## DELIMITATIONS

The literature in the field of personnel administration is vast and overwhelming. Consequently, the author has tried to limit the research to materials focusing on qualitative change. An even more overwhelming restraint is the external business environment in which social and economic currents infringe on the personnel executive's job. The number of social trends and forces exceed a hundred. Moreover, each field has developed considerable literature.

The author has included a broad overview of the significance of the environment and has limited himself to a more or less in-depth analysis of two selective trends: the knowledge revolution and demography.

## INTRODUCTION

A major objective of this chapter is to determine if the bulk of the existing literature dealing with the activities of the personnel executive excludes the managerial aspects of the relationship of the personnel executive to the organization and its environment. If this exclusion exists, the significant scholarly literature in the field of personnel will focus largely on the activities of personnel rather than on its managerial contributions to the goals and objectives of the organization.

Another objective of this chapter is to ascertain if there is an overemphasis on the specialization function of personnel compared with other support functions in an organization. Additionally, an objective is to determine if there is a growing awareness of the need for a more crystallized role of the personnel executive in contributing to corporate goals. It is asserted that a review of the literature will indicate there is a lack of in-depth studies relative to this significant corporate role. Consequently, another dominant objective is to discover if there is an apparent gap between the theoretical role of the personnel executive and the role that is actually practiced within organizations.

It is contended that the corporate personnel executive has not received sufficient scholarly attention necessary to understand his professional contribution to corporate objectives.

#### NEED FOR THE STUDY

Personnel administration has received a considerable amount of attention from researchers since its rise to prominence in the 1920s. A significant amount of this research has focused on the processes of personnel, emphasizing how to administer the personnel function rather than on the management of personnel. In other words, it is the difference between an operative and



normative approach.

Essentially, two sources of business productivity and results exist in an organization: people and money. In terms of the people, personnel administration plays an important role within an organization. Peter Drucker, both a critic and advocate of personnel administration, defines it as:

. . . (the) methodical and systematic discharge of all the activities that have to be done where people are employed, especially in large numbers; their selection and employment, training, medical services, the cafeteria, and safety; the administration of wages, salaries, benefits, and many others.<sup>3</sup>

Theoretically, the routine functions of personnel administration generally include the recruitment, selection, development, utilization, and accommodation of human resources by the organization.<sup>4</sup> In recent years, the process of personnel administration has been extended to include contemporary elements such as career planning, organizational development, and communication programs of various types.<sup>5</sup>

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<sup>3</sup>Peter F. Drucker, Management: Tasks, Responsibilities, Practices (New York: Harper and Row, 1974), p. 306.

<sup>4</sup>Wendell French, The Personnel Management Process (3rd edition; Boston: Houghton Mifflin Company, 1974), p. 9.

<sup>5</sup>Fred K. Foulkes, "The Expanding Role of the Personnel Function," Harvard Business Review, March-April, 1975, pp. 79-80.

Personnel administration has received scholarly attention chiefly from two perspectives: the organic viewpoint whereby the administration of personnel is the responsibility of the corporation, and from the aspect of personnel administration as a specialty function within the organization. Wight Bakke comments on the second approach as follows:

Human relations, industrial relations, personnel relations are just new names for an aspect of the general managerial function as old as management itself.<sup>6</sup>

While a limited amount of research has been conducted in terms of the administration of personnel from the standpoint of objectives, a greater amount of investigation has focused on the activities of personnel administration. To cite one example, Felix Baridon and Earl Loomis studied the personnel function by analyzing the key elements in the discipline. These include: employment, salary administration, the maintenance of the work force, employee relations, health and safety, as well as working conditions.<sup>7</sup>

Within the last decade, according to Wendell French, considerable attention has been devoted to the

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<sup>6</sup>E. Wight Bakke, "The Human Resource Function," Unions, Management and the Public, E. Wight Bakke, Clark Kell and Charles W. Anrod, editors (3rd edition; New York: Harcourt, Brace and Co., 1967), p. 197.

<sup>7</sup>Felix A. Baridon and Earl H. Loomis, Personnel Problems: Methods of Analysis and Control (New York: McGraw Hill Book Company, 1931), pp. 3-4.

"emerging role" of personnel into a higher qualitative dimension.<sup>8</sup> Robert Guthrie adds:

There is a growing awareness among personnel administration professionals that the personnel function is moving beyond the mere administration of the traditional and classical activities of employment, labor relations, compensation and benefits, etc., and into the broader area of overall human resources management.<sup>9</sup>

Robert Malone and Donald Peterson reinforce this aspect when they state:

The rapid changes in the last decade or so have built top management's acceptance and receptivity to personnel as never before.<sup>10</sup>

The acceptance suggested by Malone and Peterson is a result of the metamorphosis that the personnel function has undergone. The demands placed upon it by external societal pressures and from tensions within the organization have had an enormous effect.

Unfortunately, the personnel function has been perceived by many as not meeting these aforementioned societal challenges or as not meeting them successfully. Chris Argyris, a critic of the traditional activities of personnel administration, suggests that many of the personnel problems within the organization have been

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<sup>8</sup>French, op. cit., p. 702.

<sup>9</sup>Robert R. Guthrie, "Personnel's Emerging Role," Personnel Journal, September, 1974, p. 657.

<sup>10</sup>Robert L. Malone and Donald J. Peterson, "Personnel Effectiveness: Its Dimensions and Development," Personnel Journal, October, 1977, p. 498.

created by personnel departments themselves, chiefly through their introduction of ineffective personnel programs.<sup>11</sup> Other critics note the limitations and failures of the personnel function.<sup>12</sup> While they have identified the weaknesses, they generally fail to recommend specific methodologies to increase the effectiveness of the personnel function.

According to the researchers, there is an over-emphasis on the specialization of the personnel function. The significant weaknesses in the traditional function of personnel administration, particularly in light of organizational complexity and new environmental realities, is also heavily documented. While there appears to be agreement among these researchers as to the future challenges to personnel administration, there also is a less than satisfactory response in terms of the direction the personnel function will take in meeting these challenges.

Considerable attention has been given to the investigation of the personnel function, but only a minimal amount of research has been directed towards understanding the role of the personnel administrator.

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<sup>11</sup>Chris Argyris, "A New Era in Personnel Relations," Readings in Personnel Management, Herbert J. Chruden and Arthur W. Sherman, Jr., editors (3rd edition; Cincinnati: South Western Publishing Company, 1972), p. 61.

<sup>12</sup>Drucker, The Practice of Management, pp. 276-277; see also John B. Miner and Mary G. Miner, Personnel and Industrial Relations: A Managerial Approach (2nd edition; New York: The MacMillan Company, 1973), pp. 18-20.

The studies conducted center predominantly on the day-to-day activities of the personnel administrator. The American Society for Personnel Administration has surveyed its members to ascertain the activities which are important to personnel administration. Prentice-Hall periodically conducts similar studies and tabulates the results to project profiles of the activities of personnel administrators.<sup>13</sup> The results of these tabulations, however, do not reveal anything of significance other than to suggest typical routine activities.

George Odiorne, a major critic of the traditional function, makes the following criticism:

Personnel men wallow in miscellaneous activities which relate neither to the needs of people nor to the business purposes for which the firms were founded.<sup>14</sup>

Also, the personnel administrator has been studied from the perspective of the departmental goals and objectives of the personnel function. Most of that literature, however, deals with the specific activities of the personnel function, and these activities are usually evaluated in terms of how they are utilized by the corporation.

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<sup>13</sup>Prentice Hall Editorial Staff, "The Personnel Executive's Job," Personnel Management: Policies and Practices (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1977), pp. 7-9.

<sup>14</sup>George S. Odiorne, Management and the Activity Trap (New York: Harper and Row, Publishers, 1974), p. 11.

Recently, attention has been directed towards improving the performance of personnel executives through their increased involvement in corporate matters and risk taking.

For example, Guthrie recommends:

Personnel administrators of classical personnel functions must take risks, must be willing to give up what has been traditional and comfortable, and acceptable ways of seeing their roles and administering their functions.<sup>15</sup>

Donald Domm and James Stafford question whether personnel executives are cognizant of the fact that organizations are undergoing subtle transformations in terms of philosophies, strategies, and objectives.<sup>16</sup>

In addition, considerable attention has been given to the relationship of the personnel officer to the objectives of the organization. A. L. Belcher conducted a study of three hundred top management executives concerning their views of the personnel function and found that the top executives strongly emphasized that the personnel executive must be continually aware of the profit factor in business operations and must develop broad top management understanding of the specific organization's problems

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<sup>15</sup>Guthrie, op. cit., p. 661.

<sup>16</sup>Donald R. Domm and James E. Stafford, "Personnel: Behind the Times," Personnel Journal, July, 1975, pp. 563-565.

and goals.<sup>17</sup> Walter Burdick, a personnel executive with International Business Machines, calls for a more intensive focusing on corporate results, when he states:

Our achievements (as personnel executives) must be measured against how well we contribute toward meeting our organization's goals.<sup>18</sup>

While investigation has centered on the personnel function and the duties of personnel executives, there has been little research on the <sup>managerial</sup> role of the personnel executive within the organization. The work that has been done is generally from a descriptive rather than an in-depth analytical perspective. George Ritzer and Harrison Trice studied personnel managers from the perspective of professionalism, commitment to the organization, role conflict and resolution, and occupational image.<sup>19</sup> A significant finding of their study is that personnel managers reported themselves to be more committed to the status ramifications of their profession than to the goals of the organization.<sup>20</sup>

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<sup>17</sup>A. L. Belcher, "How Top Management Views the Industrial Relations Function," Personnel, March-April, 1958, pp. 65-68.

<sup>18</sup>Walter Burdick, "Walter Burdick: A Look at Corporate and Personnel Philosophy," The Personnel Administrator, July, 1976, pp. 21-26.

<sup>19</sup>George Ritzer and Harrison M. Trice, An Occupation in Conflict: A Study of the Personnel Manager (Ithaca, New York: Cornell University, 1969), pp. IX-X.

<sup>20</sup>*Ibid.*, p. 79.

Herbert Meyer advocates the need for personnel executives to be contributors to their organizations not only through their personnel expertise but also by means of guidance to top executives in other functional areas. Meyer raises a subtle point as to the meaningful contribution of the personnel executive to corporate results. Referring to personnel executives, he suggests that the "new corporate heroes" are expected to not only be aware of, but to consciously focus their efforts on the contribution to corporate goals.<sup>21</sup>

The need for greater contribution to corporate results has received a marginal amount of attention in scholarly literature. Other than Drucker, Odiorne, Argyris, and the Miners, there is a limited amount of research focusing on the need for personnel department efforts to contribute to the objectives of the organization.<sup>22</sup>

In addition to the arguments of these authors, Foulkes calls for a reexamination for the personnel executive. In suggesting an expanding role, he writes:

(The) pressures on top management from within the organization as well as from without

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<sup>21</sup>Herbert E. Meyer, "Personnel Directors are the New Corporate Heroes," Fortune, February, 1976, pp. 84-88, 140.

<sup>22</sup>Drucker, Management: Tasks, Responsibilities, and Practices, pp. 306-307; see also Drucker, The Practice of Management, pp. 273-288; George S. Odiorne, Personnel Administration by Objectives (Homewood, Illinois: Richard D. Irwin, 1971), pp. 14-16; Miner and Miner, op. cit., pp. 62-65; and Argyris, op. cit., pp. 59-60.