HR department professionalism: a comparison between the UK and other European countries

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Abstract Although HRM professionalism in terms of the competence of individual HR practitioners receives considerable attention, the collective professional behaviour of HR departments in organizations is more frequently overlooked. This paper, based on Europe-wide survey data, attempts to bridge this gap in our understanding by examining HR department professionalism in terms of strategic involvement in corporate activities. Findings for the UK indicate that HR departments as a whole demonstrate limited professional behaviour and that this situation has remained largely stable over the last decade. However, variations between national contexts are notable. A key observation is the consistently significant positive correlation in the UK between board membership and the department's level of strategic involvement.

Keywords Human resources department; professionalism; board membership; European comparisons.

Introduction

Across Europe, the personnel or human resources (HR) profession has for decades concerned itself with its status in organizations, and particularly in the UK with its fight for a place in corporate decision-making structures (Hope-Hailey *et al.*, 1997; Purcell, 2001; Sparrow and Hiltrop, 1997). Consequently, in the UK at least, there appears to be a constant message being widely spread that professionalism is a means of the occupation addressing this lack of status (Legge, 1978; Baron *et al.*, 1986). The extent to which this is being achieved within the HR occupation in different national contexts has, however, received little attention to date.

In the existing professionalism literature, the status issue has largely been explored by observing characteristics of individual HR practitioners through a trait model of professionalism for the occupation. As yet, however, little evidence has been found of a link between the main trait of professional qualification of HR practitioners and a higher perception of the service they provide (Guest and Peccei, 1994). Another dimension of professionalism less widely addressed is how the HR department as a whole can be seen as contributing to the professional status of the HR occupation. Professionalism in this sense is more about providing an efficient service, meeting client needs and being seen to contribute to organizational goals. Such factors may or may not be the result of

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the individual qualifications of practitioners, but they almost certainly involve much more than qualification alone.

In the few studies that have started to explore this departmental dimension, the professionalism of the HR department has been measured through items such as the existence of a functional department, board membership and number of staff (see, for example, Chow, 2003; Svetlik and Ignjatovic, 2003). Following in a similar vein, factors of professionalism that are described in many European HRM texts as being examples of good practice are explored here: membership of the executive board or equivalent body, involvement in corporate strategic decision-making from an early stage, devolution of HRM activities to line management while a strategic co-ordinating role is retained and evaluation of the HR department to demonstrate its contribution to organizational performance.

The primary objective of this paper is thus to establish the extent to which the HR department is perceived to contribute to the professionalism of the HR occupation. The focus is on the situation in the UK, where the status debate is arguably at its liveliest; however, comparisons with other European countries are also drawn upon to illustrate observations. As this is a Europe-wide study, it is important to be aware of the potential impact of the institutional and cultural context pertaining in each country (Sparrow and Hiltrop, 1997). These issues are discussed as the findings are reported looking at both the similarities and differences in practices between countries.

A further objective of the study is to focus in on a particular aspect of the HRM literature expounded as good practice: to explore the extent of support for the emphasis being placed by commentators, particularly in the UK and the US, on the importance of board membership for HR directors to be perceived as making a professional strategic contribution (Hiltrop *et al.*, 1995; Purcell, 1994; Ulrich, 1997; Ulrich *et al.*, 1995).

These objectives are explored in detail following a review of the current professionalism literature within the international context.

Professionalism

There is a whole body of literature that centres on whether the HR occupation can be classified as a profession. This literature sets the defining trait criteria as: a community with a strong sense of identity; common standards of entry and performance; an ethical code of conduct; a distinct body of knowledge; and a requirement for training and certification of practitioners (Farndale and Brewster, forthcoming). The general argument is that, if the HR fraternity possesses all of these traits, then it can be classed as a profession. A consequence of this status as professional is the associated legitimacy for holding a strategic role within an organization (Greenwood *et al.*, 2002).

In addition to the traits associated with the professionalism of individual HR practitioners, professionalism is also demonstrated in the collective behaviour of HR departments in organizations, whether or not this is legitimized through individual certification or identity. In other words, the willingness of an organization to involve the HR department in the most important strategic decision-making structures may be evidence of the perceived competence of HR departments to make a legitimate contribution in this arena (Buyens and De Vos, 2001). This is an issue open to both further conceptual and further empirical research, to which this paper aims to contribute.

As noted earlier, when examining extant studies of the status of HR departments, the measures of professionalism used are very broad. They include factors such as whether there is an HR department, the number of professional staff it comprises, whether HR has a place on the board, whether it uses state-of-the-art techniques and the department's involvement in corporate decision-making. These issues go beyond the base trait criteria
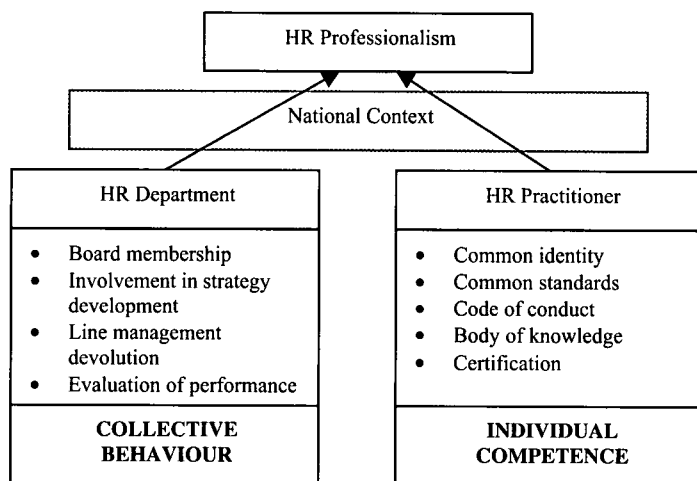
Figure 1 *Elements of HR professionalism*

for an occupation being termed a profession, and consider more the department's 'professional ethic': the behaviour and attitudes needed to achieve work tasks in a more general sense (Tyson and Fell, 1986: 65). The concept of the professionalism of the HR department is thus defined here as the department being perceived to make a valued strategic contribution to organizational life. This is measured through: board membership, involvement in corporate strategy development, devolution of HRM responsibilities to line management and the evaluation of the department's performance.

In short, it is proposed that the HR practitioner possesses professional competence, while the HR department as a whole can demonstrate collective professional behaviour (see Figure 1). Both dimensions are filtered by the national context in which HR departments are operating in terms of the extent to which the department is perceived to be professional.

This paper explores the extent of collective HR professionalism being displayed in UK organizations, drawing on comparisons with organizations in other European countries to understand further the impact of national context. This tentatively raises the question of the existence of variations between countries in indicators of professionalism as explored below.

National context

There is a strand of the HRM literature which argues that national, institutional and cultural contexts influence the role required of the HR department. The nature and degree of variation is, however, open to discussion. Sparrow and Hiltrop (1997) present a breakdown of national context that identifies four overarching factors: culture, institutionalization, business structures and systems, and the roles and competencies of HR practitioners. They argue that together these factors shape the distinctive patterns of HRM at the national level. There is also an argument that suggests that the HRM issues being dealt with across Europe are highly similar, but that these issues are being approached in different ways in different countries (Hiltrop *et al.*, 1995).

Considering the national institutional context, there are obvious factors, such as legal and regulatory systems, economic wealth and the functioning of labour markets, which

can all affect the role which the HR department is required to play. National culture is another interesting if complex aspect influencing HRM practices in different countries. Cultural differences can be seen in the importance placed on quality of life issues, the formalization of work organization, the subordinate/boss relationship, definitions of what makes an effective manager, giving and receiving feedback, degrees of individuality, the extent of the predominance of masculine traits, power distances and the desire for uncertainty avoidance (Hofstede, 1980; Schuler and Rogovsky, 1998; Weinshall, 1977). Such factors can be assumed to influence the role which both individuals and departments play within organization structures.

Within a given national context, there will thus be certain priorities in what is required from the HR department dependent on the demands of that context. The cultural and institutional environment can demand a greater or lesser level of involvement of the HR department in corporate strategic matters. For example, the law may require an organization to give HR a place on the executive board, but this may not necessarily result in HR being more involved in strategic decision-making in that organization (Brewster and Bournois, 1991; Hickson *et al.*, 1981). The level of involvement will be determined at least in part by the organization's demand for HRM expertise and the ability of the HR department to deliver that expertise (Hall and Torrington, 1998; Purcell, 1995).

Variations between countries might also be expected in the extent to which HRM responsibilities are devolved to line management as such practices result in different size and shape departments to fit different organizational structures (Holt Larsen and Brewster, 2003). The department may take on a more administrative or strategic role, or may be organized with a more centralized or decentralized structure dependent on normative, mimetic or coercive forces from within both the organizational and the national context. Equally, in certain contexts there may be more or less pressure on the HR department to prove its value to the organization through a process of systematic evaluation of performance.

The linguistic definition of being professional can also vary according to national context. Through translation into different languages the word 'professional' can take on different meanings as understood by local actors. For example, Ribeiro and Cabral-Cardoso report in their study of professional identity among HR managers in Portugal that 'the word "profession" is applied indistinctively to all occupational activities' (2003: 3). However, the concept of whether or not access into a profession is controlled by a professional body or other mechanisms is also widely understood.

It is therefore possible that national context may affect the indicators of professionalism differently in different countries. Some evidence of the similarities and differences are explored by Brewster and colleagues (2000), looking at the activities of professional associations representing HR practitioners around the globe. The evidence presented here aims to contribute to this debate, raising questions for further research in this field.

Methodology

This paper draws on original longitudinal data from the Cranet surveys on international HRM carried out in 1990, 1992, 1995 and 1999/2000. The survey data are collected by the Cranet Network, which is a global network of over thirty prestigious business schools, one in each participating country, that collaborate to conduct joint research in the field of HRM in Europe. To date, well over 30,000 organizational responses have been gathered. The European countries for which data are available from 1990

Table 1 *Number of respondents and response rates by country*

	1990	1992	1995	1999/2000	
	No.	No.	No.	No.	Rate %
UK	2591	1248	1178	912	13.5
France	1525	651	403	365	10.0
Germany	516	884	383	606	17.7
Sweden	334	322	344	315	41.5
Spain	383	264	250	262	13.5

Source: analysis of Cranet data, Tregaskis *et al.*, (2004).
Notes
No. = total number of respondents with 200 or more employees.
Rate = response rate (%).

onwards, and which are used in this study, are: the United Kingdom (UK), France, Germany, Sweden and Spain. (In the Cranet survey, data are collected for West and East Germany separately so that changes in HRM practices since the unification of Germany can be monitored. The data in this report refer to West Germany only for 1990, 1992 and 1995, and, as practices have become more similar, to the whole of Germany for 1999/2000.)

The data are collected through a standardized, postal questionnaire that is sent to HR directors at organizational level. It covers the major areas of human resource management. The survey gathers figures or requests yes/no answers to factual questions rather than asking for opinions. During each round of the survey, amendments are made to capture new developments, but on the whole the questionnaire stays unchanged in order to be able to observe developments over time. It is addressed to the most senior HR/personnel specialist within the organization and on average around 70 per cent of respondents fit this description.

The total number of responses for each year across the five countries included is provided in Table 1. The response rate for 1999/200 is also reported. As the survey was originally designed to include only organizations with at least 200 employees, for the purposes of comparability over time in this paper, only organizations with at least 200 employees are included for all rounds of the survey.

Strategic involvement

Based on the longitudinal Cranet data, the chosen indicators of strategic involvement are explored in the following sections to consider the extent of HR department professionalism. The analysis concentrates on experiences in the UK, with comparative examples drawn from other European countries to highlight how practices can differ.

As discussed, much of the HRM literature focuses on the desired strategic role of HR departments, arguing for the role of business partners and formal board positions for HR specialists (Hiltrop *et al.*, 1995; Ulrich *et al.*, 1995). The value to the HR department of involvement in corporate decision-making forums lies in representation in strategic decisions. The danger is that these decisions are otherwise taken without appropriate consideration of HRM issues, and can lead to problems or lost opportunities as these decisions are implemented.

It may, however, be possible that the emphasis on HRM issues being discussed at board level may be disadvantageous in some organizations if this is not part of the

corporate structure or culture. As such, having a formal board position neither necessarily impedes nor increases the department's influence (Hall and Torrington, 1998). It may be that the HR department can find alternative means of influencing corporate strategy in different organizational and national contexts (Brewster and Bournois, 1991). Therefore, one of the themes of the analysis which follows is to uncover to what extent having a formal board position in UK organizations actually makes a difference to levels of strategic involvement and hence perceived professionalism.

Influence of HR

One way of measuring influence is both to examine the positional power of the HR department within the organization, that is, its position in the organizational hierarchy, and to look at its participation power in terms of the extent to which HR is involved in corporate strategy development.

As we have seen over recent years, HRM appears to have become more important to organizations due to the acknowledgement that the knowledge and skills of individuals are a unique source of competitive advantage and efficiency for the organization (Amit and Belcourt, 1999). Therefore, the influence of the HR department on corporate decision-making may be expected to have increased over the last decade.

Despite this, the Cranet survey shows that, in the UK, the positional power, the board membership of the HR department at the senior level of the organization, has not increased over this time span but has decreased from 63.1 per cent of organizations having a place for HR on the board in 1990 to 48.7 per cent of organizations in 1999/2000 (see Table 2). An ANOVA test shows that the difference in percentage of organizations over the four time periods shows a significant decrease (sig. = .000). The largest fall appears to have taken place at the start of the decade. Removing the 1990 data from the analysis, the fall from 51.6 per cent to 48.7 per cent does not show a statistically significant decline in board membership during the remainder of the period (sig. = .076), indicating a more stable membership situation currently pertaining. Additionally, the data show that, where HR does not have a seat on the board, it is most likely that the chief executive takes on these responsibilities.

To see whether these findings follow a consistent trend across organizations, the equivalent figures for other European countries are observed. A significant decrease in board membership is also observed in Sweden (sig. = .036). If we remove the 1990 data again, the decrease is no longer statistically significant, also indicating a stabilizing trend, but at a much higher level than in the UK (80 per cent of organizations). However, Germany shows a highly significant increase in department board membership (sig. = .000). This may largely be explained from the very low starting position of involvement (18.7 per cent of organizations in which HR had a place on the board in 1990);

Table 2 *Percentage of organizations in which HR has a place on the board*

	1990	1992	1995	1999/2000	Sig. of difference 1990–99/2000 (ANOVA)
UK	63.1	51.6	53.8	48.7	.000
France	83.9	87.3	84.6	88.2	.118
Germany	18.7	30.7	39.3	46.3	.000
Sweden	86.5	85.2	80.7	79.1	.036
Spain	79.0	75.5	76.1	76.8	.748

Source: analysis of Cranet data.

however, the increase is still significant over the remainder of the decade. Other countries show little variation in percentages of board membership over the period studied.

Compared with other European countries, the UK currently lies at the lower end of the scale in its board representation, showing how differences in hierarchical and power structures between countries can result in differing organizational designs. In some countries HR has a greater formal role, such as in France and Sweden where HR seems to be accorded more positional power. In other countries its formal role is less, such as in the UK and Germany where the equivalent of representation of HR at board level may be built in through other mechanisms. For example, in Germany there is a system of employee representative involvement at board level which ensures that HRM issues are addressed in all strategic decisions.

As noted earlier, some commentators do not necessarily believe that a position for HR on the board is instrumental in determining the level of influence of HR within an organization (Brewster and Bournois, 1991; Hall and Torrington, 1998). In the following sections we explore evidence for this, first considering the HR department's involvement in the development of corporate strategy.

Involvement in corporate strategy development

The stage at which a department is involved in corporate strategic decision-making is a vital factor in the amount of influence it has within the organization. This may involve participation from the outset or, at the other end of the scale, following implementation of a decision. In 1999/2000, 53.8 per cent of the most senior HR managers in UK organizations were involved from the outset of corporate strategy development, according to the HR managers surveyed (see Table 3). Using ANOVA tests to explore the variation in this figure over the last decade, it has not changed significantly since 1990 (sig. = .718).

If we make comparisons with other European countries, involvement in corporate strategy from the outset in the UK is currently generally lower (around a half of all organizations compared to closer to two-thirds of organizations in other countries), but by less of a margin than the percentage of organizations with HR directors on the board discussed earlier.

We can therefore assume that the effect of HR having a presence on the board is not always conducive to involvement in corporate strategy development, and may in some cases hold more of a symbolic value. It has been suggested, particularly by a number of Spanish contributors to the survey, that the role played by the HR function in influencing boardroom decisions was often the direct result of the HR director's character and individual standing. In Germany, HR departments which are not represented at board

Table 3 *Percentage of organizations in which HR is involved in corporate strategic decision-making from the outset*

	1990	1992	1995	1999/2000	Sig. of difference 1990–99/2000 (ANOVA)
UK	53.9	53.2	57.0	53.8	.718
France	64.9	54.0	57.7	65.3	.000
Germany	46.9	54.5	59.5	58.7	.084
Sweden	60.0	55.6	62.0	64.5	.118
Spain	61.3	54.0	62.6	60.5	.394

Source: analysis of Cranet data.

Table 4 *Percentage of organizations reporting the different stages at which the HR department is involved in the development of corporate strategy as a function of board membership (UK, 1999/2000)*

	Head of HR on board (n = 406)	*Head of HR not on board (n = 387)*
From the outset	74.1	32.3
Through consultation	19.0	46.8
On implementation	4.2	11.6
Not consulted	2.7	9.3

Source: analysis of Cranet data.

level reported being involved at an early stage of strategy development, however, presumably to check issues which the employee representatives on the board might raise.

To explore further this assumption regarding the relationship between board membership and strategic involvement in decision-making, looking at the UK data for 1999/2000, in organizations where HR holds a place on the board or equivalent body, over seven out of ten organizations report that HR is involved in corporate strategic decision-making from the outset, compared to three out of ten organizations where HR does not hold a place on the board (see Table 4). Where HR is not on the board, the department has adopted a much more consultative role in corporate decision-making.

The non-parametric chi-square test reveals a statistically significant difference between levels of involvement dependent on board membership ($\chi^2 = 140.204$, df = 3, sig. = .000). The strength of association between the two variables was also found to be high (Cramer's V = 0.420, sig. = .000), leading us to conclude that there is a positive significant relationship between the stage of involvement in decision-making and board membership in the UK.

Managing HRM responsibilities

Aside from the issue of board membership, much of the remaining literature around the future role of the HR department focuses on where the department's added value lies when human resource policy decision-making is being pushed closer to line management (Budhwar, 2000; Holt Larsen and Brewster, 2003). The HR department can either work alone in policy decision-making on HRM issues, or, equally, line management can work alone with this responsibility, or, of course, one party can take a lead role with the input of the other. Although it is inappropriate here to discuss in detail the merits of the different combinations, an observation of relationships can give an insight into the degree of responsibility parties hold over HRM policy issues.

In 1999/2000 in the UK, the most common pattern of policy decision-making was for HR departments to retain responsibility for decision-making on HRM issues but in consultation with line management (see Table 5). Around half of all organizations followed this route for most HRM issues (pay, training, recruitment and industrial relations), whereas only around a quarter to a third of organizations chose to let line management take the lead in consultation with HR.

Table 5 does, however, highlight some variations among HRM issues. In particular, workforce expansion/reduction issues show line management in a majority of organizations (49.5 per cent) carrying this responsibility in consultation with the HR department. This issue is an exception in that line management is taking the lead in policy decision-making in this area. Perhaps this may be evidence that, when it comes to financially critical decisions, the HR department has less impact than line management.

Table 5 *Percentage of organizations reporting different responsibilities for HRM policy making issues (UK, 1999/2000)*

	Line	Line/HR	HR/Line	HR	Sig. of difference 1992–99/2000 (ANOVA)
Pay	5.1	25.2	51.5	18.2	.465
Recruitment	4.4	32.5	48.1	15.0	.000
Training	3.6	29.9	53.9	12.6	.906
Industrial relations	3.0	21.4	50.2	25.4	.004
Workforce expansion/reduction	11.0	49.5	31.5	7.3	.005

Source: analysis of Cranet data.

Or perhaps this is the result of budget control being pushed out to cost centres and hence to line management control. Further research is needed to shed light on these findings.

Looking at how responsibility for HRM policy decision-making in the UK has changed over time, three domains of HRM show a statistically significant difference in how responsibilities have been allocated in the period since 1992 (the first time this question was asked): recruitment (sig. = .000), industrial relations (sig. = .004) and workforce expansion/reduction (sig. = .005). All areas showed an increase in the HR department's responsibility for policy decision-making either with or without the contribution of line management. This is counter-intuitive to what we might expect to observe given an acknowledged drive across Europe to give line managers more responsibility for the management of their staff (Holt Larsen and Brewster, 2003).

In general, organizations in the UK and France show evidence of being comparatively low on allocation to line managers of HRM responsibilities when compared to other countries. As an example, Table 6 shows the division of primary responsibilities for policy decision-making on pay issues among the different countries. Looking over time since 1992, France and Spain both show a significant increase for HR in responsibility for pay policy (sig. = .000), and Sweden a significant increase in line management's responsibility for pay policy decision-making (sig. = .008).

The issue of pay is, however, not entirely representative of the pattern of responsibility for HRM issues across countries. In general, the area of industrial relations is most strongly controlled by the HR department. A general picture emerges from the broader data which indicates a split between those countries that rely more on line management in consultation with HR (for example, Sweden and Germany) and those that rely more on HR in consultation with line management (for example, the UK, France and Spain).

Table 6 *Percentage of organizations reporting different responsibilities for pay policy by country (1999/2000)*

	Line	Line/HR	HR/Line	HR	Sig. of difference 1992–99/2000 (ANOVA)
UK	5.1	25.2	51.5	18.2	.465
France	1.9	28.0	54.7	15.4	.000
Germany	8.6	40.8	39.9	10.8	.792
Sweden	12.0	46.6	33.3	8.1	.008
Spain	15.5	37.1	30.7	16.7	.000

Source: analysis of Cranet data.

Ironically, given the in-depth discussion of the role of line managers in HRM in the UK, UK organizations appear to be holding back on devolution of responsibilities in practice.

If we take another perspective on this issue and explore line management's general responsibility for HRM issues (rather than major policy-making responsibility), this has been on the increase throughout the last decade in the UK. For example, in 1999/2000, between a quarter and a half of all senior HR specialists reported an increase and only around 5 per cent a decrease in the responsibility of line management over the previous three years for all HRM activities (pay, recruitment, training, industrial relations, workforce expansion/reduction). During the 1990s, the number of organizations reporting an increase diminished by around 20 per cent (except for recruitment, which remained stable), while the number reporting a decrease remained relatively stable.

A similar picture can also be seen across Europe if we focus as an example again on the issue of line management's responsibility for pay issues (see Table 7). Comparing responses in the four rounds of the survey, the picture emerging over time is also of significant reductions in the number of organizations reporting an increase in line management's responsibility for pay issues. The only exception here is Germany, where there has consistently been a relatively low percentage of organizations reporting an increase in line management's involvement in pay issues throughout the decade.

Looking at the broader range of HRM issues, in particular in Spain and Sweden there has also been a significant decrease in organizations reporting an increase in line management's involvement. In France, the rate of increase has remained constant, while in Germany the trend has turned and there has been a significant increase in the percentage of organizations reporting an increase in involvement of line management in training and workforce expansion/reduction issues (sig. = .000 and .044 respectively).

So there is evidence that line managers have taken on responsibility for HRM issues during the last decade; however, this shift in responsibilities has not been accompanied by more policy-making responsibility. There is a danger that, in these circumstances, the day-to-day pressures of management will subsume proactive responses to HRM issues, as busy line managers become the key implementers of HRM policies. The more HRM practice gives responsibility to line managers rather than HR specialists, the more the HR department is expected to move towards a strategic co-ordinating role, acting as a catalyst and a facilitator for the development of HRM strategy.

Observing the effect of board membership in detail in the UK, there is clear evidence that more primary responsibility for pay policy decision-making lies with the HR department than with line management in organizations in which the most senior HR specialist holds a place on the company's executive board or equivalent (see Table 8). Where HR is not on the board, line management has more control over these

Table 7 *Percentage of organizations reporting increases in line management's responsibilities for pay issues by country by year*

	1990	*1992*	*1995*	*1999/2000*	*Sig. of difference 1990–99/2000 (ANOVA)*
UK	28.8	26.4	25.8	21.6	.012
France	41.5	36.1	37.0	32.3	.007
Germany	24.1	18.3	19.7	14.7	.170
Sweden	70.1	64.5	64.2	59.8	.026
Spain	46.4	34.5	21.9	25.4	.000

Source: analysis of Cranet data.

Table 8 *Percentage of organizations reporting locus of primary responsibility for pay policy as a function of board membership (UK, 1999/2000)*

	Head of HR on board (n = 417)	Head of HR not on board (n = 431)
Line management	2.2	7.7
Line management in consultation with HR department	20.9	29.2
HR department in consultation with line management	57.6	45.7
HR department	19.4	17.4

Source: analysis of Cranet data.

decisions. A chi-square test carried out on these data is highly significant ($\chi^2 = 25.093$, df = 3, sig. = .000), reinforcing the proposed relationship. The Cramer's V test of strength of association also has a significant value of 0.172 (sig. = .000), demonstrating a clear difference in the locus of decision-making dependent on board membership. A similar significant relationship is also found across all aspects of HRM activities studied here: recruitment, training and industrial relations.

Evaluating the HR department

Holding positions of authority, such as board membership, involvement in corporate strategic decision-making and retaining policy-making responsibilities are important elements in the overall picture of the professional role of the HR department in an organization. However, this does not provide us with a complete picture of the department's perceived professional contribution to organizational performance. The question thus arises of how the HR service is evaluated, and whether indeed its position is seen as worthy of evaluation.

In 1999/2000, less than half of all organizations across the European countries explored evaluated their HR department (see Table 9). In comparison with other countries, the figure reported for the UK is relatively high at 45.1 per cent of organizations. However, it is interesting to note that the number of organizations evaluating their HR department decreased for all countries between the 1995 and 1999/2000 surveys. ANOVA tests confirm that the drop in numbers is statistically significant for all countries at the $\alpha = .05$ level.

It is hard to speculate on an immediate reason for this recent decline, particularly as this is a real reduction in practice rather than a phenomenon caused through sampling or

Table 9 *Percentage of organizations reporting systematic evaluation of the HR department by country per year*

	1990	1992	1995	1999/2000	Sig. of difference between years (ANOVA)
UK	48.6	48.8	52.2	45.1	.017
France	42.3	44.6	50.3	38.2	.007
Germany	22.9	24.4	36.5	32.5	.000
Sweden	35.0	42.3	41.5	24.4	.000
Spain	52.0	53.0	62.2	49.6	.027

Source: analysis of Cranet data.

Table 10 *Percentage of organizations which systematically evaluate the HR department as a function of board membership (UK, 1999/2000)*

	Head of HR on board (n = 413)	Head of HR not on board (n = 436)
Performance evaluated	49.4	41.5
Performance not evaluated	50.6	58.5

Source: analysis of Cranet data.

measurement error. The top period for carrying out such evaluations during the 1995 survey was at a time when the discussion of HR needing to show its contribution to organizational performance had reached a peak. The subsequent decline in performance evaluation and, in the case of the UK, France and Spain, levels returning to ones similar to those at the beginning of the decade, perhaps gives a more realistic picture of normal organizational practice in this area as opposed to a decline in real terms.

The issue of how to evaluate the department is also complex. In general, the main source of views taken into consideration in evaluating performance was from top management, and the predominant criterion identified was performance against objectives. These factors were apparent across Europe. More direct measures, such as the costs of the HR department in relation to the overall salaries budget or other simple quantitative measures such as numbers recruited or trained, are employed less universally.

Finally, the impact of board membership in the UK on whether or not the HR department's performance is evaluated was explored. Looking at Table 10, we can again see that, although the effect is not as highly significant as that observed on the two previous measures, it is more likely that a department's performance is evaluated if HR is on the board than if it is not. A chi-square test carried out on these data confirmed the significant difference dependent on board membership ($\chi^2 = 5.315$, df $= 1$, sig. $= .021$). Using Phi as the test of strength of association, a significant value of 0.0795 was also recorded (sig. $= .021$), giving statistical support to the findings that there is a difference between board membership or not in the extent of HR department evaluation.

Discussion

The professionalism of the HR occupation at both the individual and departmental level is an ongoing topic of discussion across Europe. What this study has achieved is to add new evidence to this discussion, highlighting the way in which HR department behaviour is either constraining or enabling the HR profession as a whole.

The perceived professional legitimacy of the HR department can be gauged by observing factors of strategic involvement of the department. This is a means of measuring the collective professional behaviour of the department rather than exploring the more commonly observed traits of a professional occupation. Taking a comparative approach to exploring the professionalism of the HR department by focusing on the UK and comparing findings to other European countries, attention has been paid to the relevance of strategic involvement for the representation of HRM issues and the varied impact of national-level contextual factors. Particularly the relevance of a board position for the HR department in the UK has been investigated.

First, taking influence as defined as a combination of position and participation power, that is holding a place on the organization's board and being involved in strategic

decision-making from an early stage in the process, we might expect to have seen the influence of the department increasing in the UK based on the rhetoric in the literature of recent years. However, a pattern of stability is actually more common. Following a decline in board membership in UK organizations at the start of the 1990s, levels have since stabilized at around half of all organizations. It is evident that, despite the apparent importance of people to our organizations today, the HR department's level of involvement has not increased accordingly.

In comparison, Sweden has seen a similar trend but with around 80 per cent of organizations having a place on the board for HR. Across the other countries surveyed, the trend throughout the decade has also been stability, except for in Germany where the percentage of organizations with HR on the board has been increasing, although starting from a very low level (a rise from 18.7 per cent of organizations in 1990 to 46.3 per cent in 1999/2000).

In terms of participation power, there has been a stable level of organizations reporting involvement of the HR department from the outset in corporate strategic decision-making; as with board membership this is around half of all organizations. The percentage in the UK is, however, lower than many of its counterparts in Europe. There is also potentially a tenuous link between board membership and the stage of involvement in strategic decision-making. In some contexts, such as Germany, HR departments are heavily involved in feeding into decision-making, although board membership is low. Exploring this situation further in the UK, a significantly higher percentage of organizations were found to involve the HR department from the outset in strategic decision-making where the department had a place on the board. Further research is required, however, to determine whether board membership leads to involvement in decision-making or whether causality is reversed.

When considering the balance of responsibilities between line managers and HR departments for major policy decision-making, a consistent pattern in the UK was observed of the HR department retaining control in consultation with line management across a range of HRM issues: pay, recruitment, training and industrial relations. The exception to this pattern is found when looking at workforce expansion or reduction issues. In this case it is line management that is leading policy-making in this area, in consultation with HR.

Contrary to what we might anticipate based on the literature looking at the devolution of HRM responsibilities to line management, the trend in the UK over the last decade has been for the percentage of organizations in which HR departments control policy-making to increase. The overall result is that the UK, in comparison with other European countries, has a low level of devolution at the strategic end of the HRM policy continuum. Across Europe, industrial relations is the issue over which the HR department maintains the tightest policy control. In general, there is a split between those countries that have devolved more policy decision-making to line management (Sweden and Germany) and those in which HR retains control (UK, France, Spain).

At the general level of line management holding responsibility for HRM issues (rather than taking on responsibility for making major policy decisions), the rate of increase in organizations across Europe is often around four times higher than the rate of decrease. In the UK, this rate of increase has however been diminishing since 1990. The same is also true of Sweden and Spain. France has seen a more stable level of increase, as also in Germany's case where an already high level of line management devolution has shown low levels of increase across the decade.

In the UK, there is thus evidence of a slow-down in devolution activity at both the policy-making and the general HRM responsibilities levels, perhaps an indication of

the danger of devolving HRM responsibilities to already busy line managers without devolving accountabilities in terms of policy-making powers. This dichotomy of responsibilities is a point of discussion in the literature which may have long-term consequences for the co-ordination and implementation of HRM policies (Budhwar, 2000).

Looking again at the impact in the UK of having HR on the board, a significantly larger percentage of organizations with HR on the board reported HR retaining policy-making decisions on the range of HRM issues, and subsequently reported less devolution to line managers.

The final indicator of departmental professionalism explored was whether the HR department was being evaluated to assess its contribution to the organization. Across all organizations surveyed the percentage of organizations systematically evaluating their HR department was low. In the UK, the percentage is however relatively high at 45.1 per cent of organizations compared to the other countries studied. In real terms, despite a peak in 1995, this level of organizational evaluation has remained constant over the last decade. A similar pattern is seen across all of the European countries explored.

The impact of having HR on the board in UK organizations on whether or not the performance of the department is evaluated was also explored. Again, a significant difference was found whereby those organizations with HR on the board were more likely systematically to evaluate their HR department's performance.

Conclusion

In terms of HR departmental professionalism, we can conclude that in the UK:

- board membership is stable but relatively low (around 50 per cent of organizations);
- involvement in corporate strategic decision-making from the outset is also stable and again relatively low (around 50 per cent of organizations);
- devolution of policy-making to line managers is decreasing from an already low level across the range of HRM issues (except for issues of workforce expansion or reduction in which line management is more active);
- although significantly more organizations report an increase than a decrease in the devolution of general HRM responsibilities to line management, the rate of increase has been diminishing;
- and the number of organizations systematically evaluating their HR department is stable but generally low; however, the UK is among the countries in which this is practised most frequently (around 45 per cent of organizations).

This indicates in general a low level of departmental professionalism in terms of strategic indicators, particularly in comparison with other European countries. The findings also indicate that this situation is not likely to change in the near future if existing trends continue, as most patterns indicate stability in HR department practices.

The variations between the national data discussed here may or may not demonstrate different degrees of professionalism. Further research in each of the national contexts is required to be able to answer this question more fully. However, the international comparisons do provide the benchmark framework against which observations of UK HRM practice have been set.

The second aim of this paper was to explore whether holding a formal place on the board of an organization is perceived as a desirable aim for the HR department in the UK, given that there is an argument that a formal board position does not necessarily lead to

a more strategic level of involvement for the department (Brewster and Bournois, 1991; Hall and Torrington, 1998).

The evidence presented here for the UK shows a very strong positive link between holding a formal board position and being more involved in strategic decision-making from the outset, devolving more operational HRM responsibility to line management while retaining a strategic policy-making role and having the performance of the department evaluated. However, whether board membership is a prerequisite for this increased level of strategic involvement or, indeed, is a result of HR becoming involved via alternative routes remains a question open to further research.

In conclusion, the implications for the professionalism of the HR department in the UK are twofold. In addition to the individual requirements to be a professional HR practitioner, the HR department also has a collective professional role to play in enhancing the HR occupation. This role entails early involvement in the development of organizational strategy, through either board membership or other appropriate means. It entails maintaining a balance between the devolution of HRM activities to line management, while retaining a strategic policy-making role. And it means evaluating the department's performance in order to demonstrate its contribution to organizational performance.

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