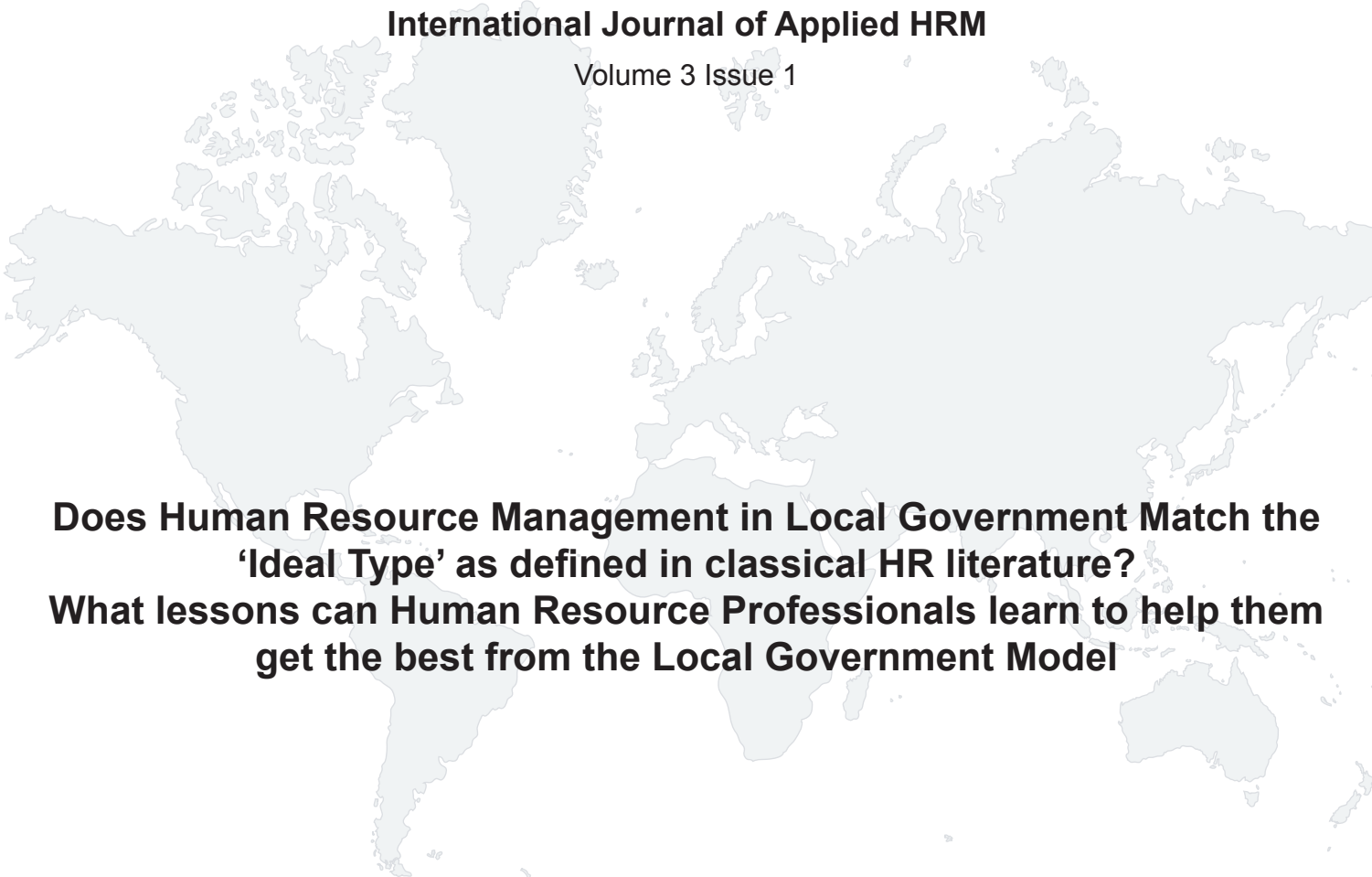


International Journal of Applied HRM

Volume 3 Issue 1

A light gray world map is centered in the background of the page, showing the outlines of continents and major islands.

**Does Human Resource Management in Local Government Match the
'Ideal Type' as defined in classical HR literature?
What lessons can Human Resource Professionals learn to help them
get the best from the Local Government Model**

Dr Martyn Lowe and Dr Griselda Leaver

ISSN 1742-2604

Abstract

Human Resource Management (H.R.M) in local government has been said to be a hybrid. The characteristics of local government H.R.M are different from those depicted in some models of the 'ideal-type' H.R.M due to the influence of particular cultural and management factors within local councils.

This study compares the characteristics of H.R.M in local government with a model of the 'ideal-type' characteristics of H.R.M. The views of heads of HR working in local councils were sought to identify how and why these characteristics differ.

The study found that there are significant differences between the 'ideal type' and the local government model. These differences which will need to be taken into consideration in the development of HR strategy if higher organisational performance is to be achieved.

Introduction

The model of local government human resource management (H.R.M) has been described as a hybrid of the 'ideal type' model (Farnham and Horton, 1996). One reason why this hybrid was formed is the different objectives of the ideal type of H.R.M and those of H.R.M as determined by new public management (N.P.M).

It might be thought that these objectives should be the same as N.P.M and H.R.M share many characteristics, such as, the focus on the role of line management to improve organisational performance (Farrell, 1997). However, there are aspects of H.R.M and N.P.M, which differ and even conflict. An example of this conflict is the tendency of N.P.M in local government for short-term planning as opposed to H.R.M's need for long-term strategic planning (Fowler, 1987). The 'excellence' literature promised that should an organisation adopt the component parts that comprise H.R.M it would benefit from the rewards that come with this approach to people management (Peters and Waterman, 1984). However, taking the 'excellence' argument to have some value, the same benefits attributed to H.R.M might not be true of a hybrid form in which some of these components are missing or critically changed (Fowler, 1988a).

There is little doubt that the nature of the relationship between employee and employing organisation is different in the public sector to that found in the private sector. The traditional form of people management in local government was paternalistic and collegiate, a style which was to change radically with the arrival of Compulsory Competitive Tendering (C.C.T), which caused relationships to become contractual and often even one of conflict (Stewart, 1995). H.R.M was introduced to local government in such a way that local councils adopted its message in a piecemeal fashion (Stewart, 1995). H.R.M came to have a different meaning in different councils with its form defining the way individual employees related to their employers. The form of H.R.M also reflected the way in which employee and industrial relations have evolved in different councils over many years. The impact and form of N.P.M further influenced the interpretation that councils placed on H.R.M (Farrell, 1997).

This poses the question of what employment related values may have been lost during the introduction of H.R.M and N.P.M and the departure of traditional personnel

management (Keenoy, 1990b). Keenoy (1990b) sees the agenda underpinning H.R.M as being distinct from that of traditional personnel management, however, this appearance might be deceptive. The four functions set out below form the basic characteristics of H.R.M and will appear throughout the discussion on the form of H.R.M in local government below.

Basic Characteristics of HRM

1	The management of human resources is integrated with corporate strategy. Staff selection, appraisal, reward systems and other common functions of H.R.M are in alignment and meet the needs of this strategy
2	H.R.M seeks to elicit the commitment of employees to organisation objectives and not merely secure their compliance. A concept which in itself has repercussions for an organisations culture and approach to people management
3	Commitment is attained through a systematic and careful approach to recruitment, selection, appraisal, training, reward and communication. That is, managerial attention is fundamentally shifted from reliance on collective forms of accommodation with labour to more individualistic ones
4	Unlike traditional forms of personnel administration and approaches to industrial relations, H.R.M is the possession of line managers and not that of staff employed specifically to deal with personnel issues
Adapted from Guest (1989a)	

These four functions represent the anchor stones of H.R.M (Guest, 1989a). The first item in this table, the integration of human resources management with the corporate business strategy, lies at the heart of H.R.M. In real terms effective integration means that staff selection, appraisal, reward systems and other common functions of H.R.M are in alignment with and meet the needs of the business strategy. Local government has not shown itself to be able to create stand-alone HR and business strategies let alone integrated and fully operational systems (Audit Commission, 1996). The second feature in this table has H.R.M seeking to elicit the commitment of employees to organisation objectives and not merely secure their compliance. Local government managers are aware that the shift from compliance to commitment has repercussions. for an organisations culture and approach to people management (Farrell, 1997). Commitment is attained through a systematic and careful approach to recruitment, selection, appraisal, training, reward and communication. That is, managerial attention is fundamentally shifted from reliance on collective forms of accommodation with labour to more individualistic ones (Farnham and Horton, 1996).

The final factor of these four can only be put in place through a shift from administration to management in the local government context. This is a key issue in the development of H.R.M and in the changes still taking place in modern local government organizations (Farnham and Horton, 1996). With this shift in the nature of management is the adoption of a more strategic and long-term approach to people management. Through this mechanism the traditional personnel administration and industrial relations marked by short-term reactions to people management issues, would be reformulated into a planned, strategic approach to the management of employment (Farnham and Horton, 1996). It is clear that this traditionally pragmatic approach to industrial relations and personnel issues was responsible for many of the failures of organisations, both in the public and private sector, to perform adequately in the past (Purcell and Sisson, 1983; Thurley, 1981). While this overall description

of the aspirations of HRM is simple to describe, it has been more difficult to find a comprehensive definition.

The nature of human resource management is still regarded as ambiguous (Marginson et al., 1998). Sisson (1990) applies the term H.R.M 'in the most general of senses to refer to the policies, procedures and processes involved in the management of people in work organisations'. The term, apparently, embraces many areas of organisational life including management, industrial relations, personnel management, organisational behaviour and industrial sociology, suggesting perhaps that H.R.M has a wide cultural influence on the organisation. Poole (1990) sees H.R.M as forming the link between business policy and strategic management, 'the subject is perhaps best viewed as involving a synthesis of elements from international business, organisational behaviour, personnel management and industrial relations' repeating the notion that H.R.M seeks to influence all or many aspects of the organisations culture. H.R.M as a cultural control device appears not only to be a strategic activity in itself, but one which is now central to the achievement of business objectives. Whereas lip-service has been paid in the past to people being an organisations most important asset, H.R.M suggest that this might be true. As such, such expensive and unpredictable assets as people need engaging and used in a more proactive way by managers and their individual production rate increased rather than issues around their management being left to specialists outside the management chain. In essence then H.R.M from these examples seems to be an approach to management of the culture of organisations in the pursuit of developing people who focus on performance and quality. In the next section the origins and nature of HRM will be examined.

The Changing Structure and Culture of Organisations -The Differences Between the HRM and Personnel Functions.		
Dimension	Personnel Management	Human Resources Management
Time and Planning Perspective	Short-term, reactive Ad-hoc, Marginal	Long-term, pro-active, strategic, integrated
Psychological Contract	Compliance	Commitment
Employee Relations Perspective	Pluralist, collective, low trust	Unitarist, individual, high trust
Preferred structure systems	Mechanistic, centralised, defined roles	Organic, devolved, flexible roles
Roles	Specialist	Largely integrated into line management
Blyton, P. and Turnbull,P. (eds.) (1993) Reassessing Human Resource Management. London: Sage. p.156, table 9.1.		

Methodology

The Survey Population

This section describes the survey population which has responded to the postal questionnaire sent to local councils heads of HR asking for their view of the HR culture of their council as compared to the 'ideal model'. The tables below also illustrate what proportion of the total population of local authorities in England are represented amongst those surveyed.

How would you best describe your organisation?

District Council	107
County Council	26
Unitary Authority	7
London and Metropolitan Boroughs	23

Local Government in England

Local Government in England		Local Councils Surveyed as a Percentage	
69 (100%)	London Boroughs and Metropolitan Authorities	23 (33%)	London Boroughs and Metropolitan Authorities
47 (100%)	English Shire Unitary Authorities	7 (15%)	English Unitary Authorities
Two-Tier Authorities			
34 (100%)	County Councils	26 (76%)	County Councils
238 (100%)	District Councils	107 (45%)	District Councils
388 Local Authorities in England in Total 163 (42%) Surveyed			

Twenty heads of HR were interviewed by telephone to discuss the reasons why they thought there was or was not a different model of HR in local government and why this might be the case.

Results and Findings

Dimension	Human Resource Management	Local Government Human Resource Management
Time and Planning Perspective	Long-term, Pro-active, Strategic, Integrated	Short-term, Pro-active in areas open to competition, Reactive corporately, Integration of strategy and operations incomplete, strategic leadership role incomplete
Psychological Contract	Commitment	Compliance in many areas with some commitment in highly professional areas

		of work
Employee Relations Perspective	Unitarist, Individual, High Trust	Pluralist mostly, mixture of group and individual and medium to low trust
Preferred Structure Systems	Organic, devolved, flexible roles	Mechanistic and bureaucratic, partial decentralisation, undeveloped, flexible roles but also specialisation
Roles	Largely integrated into line management	Partly integrated into line management

The Differences Between Human Resource Management and Human Resource Management in Local Government - The Model of Local Government HRM

This section discusses the views of the Heads of HR, interviewed in this research, as to whether a definitive model of HRM in Local Government exists. This section also attempts to compare their idea of what the model should contain with the descriptive models of ideal HRM. It appears from the views of the heads of HR of these 163 councils that there is a local government model.

The model could be used to draw out generalisations about Local Government HRM to identify key aspects and common features of practice. The ideal-type model categories are listed in the left-hand column of the tables set out above, with the HRM ideal description stated in the middle column and the version applicable to local government in the right hand column.

In the following sections the comments of those interviewed are recorded along-side the section of the model under discussion. The views of those interviewed and noted in each section are in all cases representative of the majority of the group, except where specified. The findings of the survey, other source material and interviews, have informed the H.R.M model and helped identify the different levels at which H.R.M and Local Government HRM seem to operate. Local government HRM seems, in the main, to be moving from personnel management, and a merely tactical or pragmatic form which operates in a plurastic perspective towards a hybrid of strategic and operational. What appears still to be missing from local government HRM are those elements found in the ideal-type, principally a "unitary framework" and a full "strategic" role. The heads of HR interviewed believe HRM and Personnel Management can be viewed as complementary rather than mutually exclusive forms of practice. Heads of HR are content working within this flexible framework, where human resources policy may be unitary or pluralistic, collaborative or conflictual depending upon the external organisational influences and the business strategy used by the Council.

Describing the Local Government Model

The heads of HR agree that an 'essential process' of strategic HRM 'is one of matching available human resources to jobs in the organisation', a process common

to both HRM models and to models of personnel management, as one head of HR states:

There is no reason why there cannot be a full strategic personnel function. The academics may call this HR or HRM but the processes and objectives are the same, regardless of what you call them. Managers have always had responsibility for day-to-day staffing issues while the economies of scale have caused centralisation of bulk administration such as terms and conditions work. In ensuring systems are set up to fit people to jobs, person specifications, job descriptions etc., this has also always been a shared function

The heads of HR agree as a group with this statement, and many remain unconvinced that there is any practical difference between personnel and HRM. This underlying belief influences the perspective of this group in the production of the Local Government HRM Model detailed below. However, it is noticeable that they find a large number of differences between the model they produce for local government and the ideal-type HRM model. The group explained this by suggesting that as in the table shown above, the ideal-type does not exist and the variations of HRM around the ideal are so many as to prevent clear definition of HRM except, perhaps, within particular contexts.

Time and Planning

The heads of HR have suggested that local government, because of its limited ability to predict its budget, income and expenditure, beyond the short-term is forced to adopt a short-term approach to planning. In this respect those interviewed explain the lack of an integrated HR and business plan as a consequence of the short-term planning abilities within local authorities.

As the table above shows, the shared view of local government HRM is different to that of the ideal-type. In this respect, the heads of HR see HR planning to be a difficult in what is, essentially, a reactive work environment for HR. Individual departments may, indeed must, respond to new legislation or seek to develop some commercial advantage, using long-term projections and planning of HR needs, often within the limitations of a contract of three or five years duration. The corporate framework for coordinating such activity appears to be weak, with the heads of HR specifying this as a driver towards greater decentralisation and devolution of HR responsibility and expertise. The heads of HR point to legislative change as a reason and cause for a more reactive corporate stance, all of those interviewed pointing to CCT and Best Value as legislative programmes which have provoked reactive strategies from local authority HR departments. As one head of HR stated:

Planning is always short-term, literally from budget to budget or, in HR terms, from one national pay award to the next. This limited planning cycle prevents a pro-active approach from being taken in HR terms, and denies us the opportunity to integrate the people management strategy, in a coherent way, with the business objectives set by or for the Authority

Those interviewed tend to minimise the impact of legislation specifically related to education and social services, which falls on the decentralised HR unit in those departments. A representative of the heads of HR stated:

While corporate HR may assist with the implementation of such issues as the Warner Report implications, through the strategic advisor responsible for recruitment, the responsibility for the project is the Departments and the Social Services Committee. The central HR unit is responsible for the corporate HR strategy and must look at the overview

This view was common amongst those interviewed many of whom talked about the “overview” as being one related to “Hard” HRM linking future staffing needs with budget-planning. The majority of those interviewed stressed, though, that despite several attempts to introduce target setting around budget-planning in the 1970s and early 1980s, strategic business planning is still a relatively new process. The HR implications of this short-termism varies between authorities. Some have two or three year HR strategies in place, but often, through necessity, these are not directly linked to a business strategy. All of those interviewed chose the cost-reduction business strategy to be that which they believed most closely resembled the practice in their own Council. The identification was made through those interviewed selecting those employee behaviours, under each type of business strategy shown, most closely resembling the behaviours of their own employees. It is well to remember though, that many authorities still profess to have neither a business or HR strategy. Many others possess one or the other strategy and some possess both, although only some of them have produced integrated strategies. Once again the short-termism of the budget cycle is quoted as the reason for this failure to integrate strategies, as is poor budget planning by managers. In addition a majority of the heads of HR pointed to changing political leadership as a major factor in the inability to integrate the two strategies. One comment summarised the opinion of the group

The Cost Reduction Strategy is particularly well suited to local government, employee behaviours do reflect those suggested in the strategy. It is still the case that staff exhibit relatively repetitive and predictable behaviour patterns. Also we as managers have a greater interest in the quantity of output, than quality of product, a behaviour pattern forced on us by CCT and staff cuts

One of his colleagues stated

The behaviour identifying that the organisation working to a cost reduction strategy exhibited primarily autonomous or individual activity reminds me of the fragmentation and lack of co-ordination we have experienced during CCT and the introduction of business units

One of the major themes, and defining factors, running through the HRM literature concerned the linkage between business planning and human resource management planning is still underdeveloped in local government. This predominantly prescriptive body of literature determines that human resource issues should be considered in the formulation of business plans. It also clearly specifies that human resource issues are integral to strategic planning/long-range business planning. The short-termism identified by the heads of HR, in its effect on HR planning and strategy, prevents planned change aimed at achieving a new direction or emphasis for the organisation as a whole. There continues to be an emphasis on HR planning and integration of HR planning within a business plan within the literature debating the nature and form of HRM. Despite this, the evidence of the heads of HR in local government has identified a degree of divergence between such material and the reality of HRM in terms of actual organisational practice. It can be concluded, therefore, that HRM in local government does not appear to be the consistent, integrated package deriving from a coherent, planned management strategy as represented in models of the ideal-type HRM.

The heads of HR identified two particular internal barriers to developing an integrated HR strategy; (i) access to strategic decision-making; and, (ii) colleagues perceptions of the role of HR. The heads of HR agreed that in both the 'best practice and contingency' models the HR department should have access to strategic decision-making. Those interviewed agreed that if given access, the business strategy would more likely to be in a form where integration would be achievable. This is more likely to occur in local government than outside since only a third of heads of HR are absent from their Council boardroom compared with two-thirds of heads of HR in other organisations. Currently in local government, even where there is access and joint integrated HR and business strategies, those interviewed agreed that strategy was a disjointed process. This description of strategy being often a "pattern in a stream of decisions" rather than a formally-produced plan, designed and implemented in a rational manner.

Employee Relations Perspective

Local government is a highly unionised environment. Membership density varies considerably between Authorities depending on a number of factors. These factors include whether the Authority is at county or district level, the political persuasion of its ruling party and its geographical location (urban or rural). The results of the interviews and survey found that very few Councils have sought to adopt a unitarist Employee Relations perspective. The vast majority have retained a pluralist and group approach to consultation and negotiation, albeit on a narrower range of issues than before. Those who did de-recognise unions in the 1980s have developed an alternative consultation forum, recreating pluralism in another form.

The employee relation perspective of pluralist and unitarist, collective and individual shown in the table is intended to reflect a shift in the approach to trade unions. The shift is supposedly from the traditional collective bargaining more often associated with trade union recognition by employers and traditional Personnel Management to the position of low tolerance of trade union involvement associated with HRM. In reality HRM exists alongside traditional trade union and collective bargaining procedures in many organisations but particularly within the public sector. That is not to say that significant inroads into the traditional unitarist approach have not been made and continue to be made. The heads of HR in County and Unitary authorities point to the performance-related pay initiative for teachers as indicative of such inroads. The view of the majority of heads of HR is represented by one of their number, who states:

The overall HR strategy is the Government's. Through policy they can almost determine the strategic direction we take. With CCT everything was performance related, and perhaps even more so now. Labour seem intent on the same unitarist track but have also strengthened trade union rights and the role of collective-bargaining causing us to look more at partnership and new forms of collective consultation

Another viewpoint is offered by another Head of HR

We are outsourcing everything we can in accordance with the wishes of our Conservative administration. To this end our HR strategy, such as it is, is determined by the need to manage change through redundancy, the Transfer of Undertakings Regulations (TUPE) or through partnership agreements with the private sector, PFI's or otherwise

The overall view of the heads of HR, for the purpose of the local government HR model, is that traditional collective-bargaining is still in place in local authorities, although its importance has been diminished.

Preferred Structure Systems

The organisational structure of local government described in chapters two and three appears to be decentralised and to a lesser extent devolved, especially in larger authorities. Such new structures have been implemented in accordance with the trend within public sector organisations to push HR and other managerial functions away from the centre and down to line managers. Despite this trend, and the survey evidence in chapter five, the group of heads of HR believe that decentralisation has not worked, and more obviously devolution has not taken place, to the extent that the HRM model requires. One of the group describes their impression:

Managers cannot for some considerable time take on HR as a key feature of their role. They are too far stretched. We have simplified things for them through producing two or three page procedures, however, this does not help them recognise situations developing or give them the people-skills to prevent them getting bad. The majority of managers think operationally and in terms of formal bureaucratic procedure, so they welcome help from "local" personnel to take these things away from them

Centralised control still exists and within different organisational contexts wars with decentralisation for mastery of the HR agenda. The heads of HR specify the; (i) poor quality of line managers overall; (ii) their inadequate training; (iii) the current heavy workload of managers; and, (iv) the growth in the amount and complexity of employment law, as reasons why devolution has failed.

The interviewees believe that these four reasons not only explain the failure of devolution, but also the growing demand for specialist decentralised HR staff to offer local support to managers. This area of conflict between managers and HR over the availability and placement of HR specialist is only one aspect of the difficult relationship between the two parties. Many of the elements of mechanistic and bureaucratic culture are still felt to exist in local government structures, a belief which the heads of HR see as being responsible for the "constant conflict" with the professional staff in local authorities. An example is, the battle between HR and professional staff in general on the issue of flexibility, which is an objective HR wish to achieve at the cost, professional staff believe, of their knowledge base. Such conflict appears inherent in the relationship between HR and line managers and professional staff.

Conclusion - Roles within Local Government HRM

The ideal model of HRM clearly identifies the role of the line managers as having a key role in the implementation of HR policy. The apparent inability of line managers to integrate HR into their managerial role has had a major influence on the design of local government HRM.

The heads of HR and line managers interviewed agree that the lack of integration of strategies and absence of planning has resulted in managers not being supported in the adoption of the HRM role. This finding supports the evidence from the surveys carried out in the late '80s and early '90s which suggest that, while there had been changes in the way people are managed, many of these changes had been introduced as piecemeal initiatives. The reactive nature of local government organisations has resulted in HRM being a series of responsive changes to personnel practice, a "thinking pragmatism" rather than any determined strategic shift in pursuit of prescriptive models.

References

Audit Commission (1996) *Getting the People Right – Recruitment and Training in Local Government*: London: HMSO.

Blyton, P. and Turnbull, P. (eds.) (1993) *Reassessing Human Resource Management*. London: Sage.

Farnham, D. and Horton, S. (1996) *Managing People in the Public Sector*. Macmillan Basingstoke

Farrell, B. (1997) *The Effectiveness of Human Resource Management in the Decentralised Environment*, MA Dissertation.

Fowler, A. (1987) When chief executives discover HRM, *Personnel Management*, May.

Fowler, A. (1988a) *Human Resource Management in Local Government*. London: Longman.

Guest, D. (1989a) Personnel and HRM: can you tell the difference?, *Personnel Management*, Vol. 21, No. 1, pp48-51.

Keenoy, T. (1991) The roots of metaphor in the old and new industrial relations, *British Journal of Industrial Relations*, Vol. 29, No. 2, pp. 313-328.

Keenoy, T. (1990a) HRM: A Case of the Wolf in Sheep's Clothing?, *Personnel Review*, Vol.19, No.2, p.3.

Keenoy, T. (1990b) HRM: rhetoric, reality and contradiction, *International Journal of Human Resource Management*, Vol. 1, No. 3, pp.363-384.

Peters, T. J. and Waterman, R. H. (1982) *In Search of Excellence*, New York: Harper and Row.

Poole, C., (1990) *What is HR Management*, London: Routledge.

Purcell, J. and Sissons, K. (1983) Strategies and practice in the management of industrial relations, in G.S. Bain (ed.), *Industrial Relations in Britain*. Oxford: Blackwell.

Sisson, K. (1990) Introducing the Human Resource Management Journal, *Human Resource Management Journal*, Vol. 1, No. 1, pp. 1-11.

Stewart, J. (1995) The Internal Management of Local Authorities, in J. Stewart and Stoker, G. (eds.) *Local Government in the 1990s*. London: Macmillan.

Thurley, K. (1981) Personnel management in the UK – a case for urgent treatment?, *Personnel Management*, August, pp. 24-28.