

Line manager and HR responsibilities

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Summarised by Glenn Martin

- In your organisation, who is *primarily* responsible for each of these activities? Responses included line managers, HR managers, or outsourced consultants.
- In your organisation, who *should be* primarily responsible for each of these activities? Again, responses included line managers, HR managers or outsourced consultants.
- How *effectively* is each of these activities performed in your organisation? Responses were collected on a 5–point scale, where 1 = very ineffective; 5 = very effective.

Change in People Management Activities. The survey also asked respondents whether line management involvement in people management activities had changed over the last five years.

In most organisations, HR is primarily responsible for activities that involve governance or regulatory issues (eg industrial relations, workers compensation) and activities that involve monitoring the internal and external workforce (eg human resource planning, diversity management). In most organisations, the line is primarily responsible for day–to–day people management activities such as employee disciplinary action, coaching, performance management, and promotion decisions. Very few of the activities were outsourced to external consultants.

Respondents' effectiveness ratings for each people management activity

Five people management activities in particular are seen as being performed effectively:

- occupational health and safety (M = 3.96)
- workers compensation (M = 3.93)
- recruitment and selection (M = 3.86)
- industrial relations (M = 3.82)
- remuneration and benefits (M = 3.70).

Of these, three (industrial relations, workers compensation, and remuneration and benefits) are clearly HR's domain, with more than 70% of respondents reporting that HR was primarily responsible for these activities in their organisations.

Four activities received poor marks:

- leadership development (M = 2.94)
- coaching (M = 2.90)
- career planning and development (M = 2.67)
- succession planning (M = 2.52).

Changes over the last five years

In response to the survey question asking whether respondents had observed changes over the last five years, more than 70% of respondents (n = 452, 70.4%) reported that line management involvement in the people management activities in their organisation had *increased*. Primary reasons for this change included "to give line managers more ownership of people management issues" (endorsed by 91% of the respondents who said line manager involvement had increased), "to increase the efficiency of people management in the organisation" (68%), and "to allow HR staff to spend more time on strategic activities" (49%).

Table 1: Who has responsibility for various 'people management' functions?

	HR	Line mgrs	Effectiveness
Industrial relations	82	13	3.82
Workers compensation	78	19	3.93
HR planning	76	24	3.11
Remuneration & benefits	74	23	3.7
Equal opportunity	71	28	3.54
Diversity management	71	29	3.01
Leadership development	65	32	2.94
Induction	58	42	3.67
Grievance handling	54	45	3.49
Culture	51	48	3.05
OHS	49	49	3.96
Training	49	47	3.54
Succession planning	48	52	2.52
Recruitment & selection	39	59	3.86
Career planning & development	38	62	2.67
Termination decisions	37	62	3.53
Job design	35	64	3.21
Disciplinary action	32	68	3.27
Coaching	18	79	2.9
Performance management	18	81	3.07
Promotion decisions	11	89	3.32

Reasons for the devolution to line managers

HR managers and line managers tended to disagree on several of the reasons why organisations were increasing line manager involvement in people management activities. In comparison to line managers, HR managers were more likely to attribute the increase in line management involvement to the organisation's desire to give line managers more ownership and to allow HR staff more time for strategic activities. In contrast, line managers were more likely to attribute their increasing involvement to the organisation's desire to cut costs.

Overall, line managers are more sceptical than HR managers that the HR-to-line transition has had positive outcomes for their organisations. Line managers are more likely to believe that the transition has increased politics and line manager turnover, and are less likely to believe that the transition has improved the quality of people management or organisational performance. For example, in comparison with HR managers, line managers are less likely to report that increasing line manager involvement in people management activities has resulted in an increase in communication between HR and the line, or more **people management skill training for line managers**.

HR managers are more likely than line managers to see a lack of knowledge among line managers and employee preferences as factors inhibiting the transfer of people management activities to the line.

Responsibility for activities, and effectiveness: HR and line managers

HR has primary responsibility for those activities that involve dealing with outside agencies (eg unions or regulatory agencies) such as industrial relations and workers compensation. HR also has primarily responsibility for activities that require long-term

projections such as human resource planning. For those people management activities for which more than 70% of our respondents said that HR was primarily responsible, effectiveness ratings were always on the positive side of the scale.

In contrast, line managers are primarily responsible for the day-to-day people management activities such as employee disciplinary action, coaching, performance management, and promotion decisions. For the most part, these activities are also being evaluated as effective. For those people management activities for which more than 70% of our respondents said that the line was primarily responsible, effectiveness ratings were generally on the positive side of the scale, with only coaching dipping below the scale midpoint.

A number of people management activities fall between these two extremes. Some activities, such as culture, occupational health and safety, training, and succession planning are equally likely in Australian organisations to be assigned to HR as to the line.

Who should do what?

Respondents generally saw people management activities as more effective when they were the primary responsibility of HR rather than the line. In no case was an activity's effectiveness rating higher when it was the primary responsibility of line managers.

For each people management activity, a smaller proportion of HR managers in our sample believed that HR *should be* responsible for that activity than the proportion who reported that HR was *currently* responsible for that activity. In other words, the data suggest that HR managers, in general, feel that they should be *less* responsible for these people management activities than they currently are.

In general, line managers would prefer less responsibility for people management activities than they currently have. The differences are statistically significant at $p < .05$ for four of the people management activities (workers compensation, leadership development, culture, and career planning and development) and marginally significant at $p < .10$ for three others (succession planning, coaching, and performance management).

Our respondents report that the current distribution represents a devolution of responsibilities to the line over the last five years.

More than 70% of our research participants say that line managers have been increasingly involved in people management activities. Is this a positive trend? It depends on who you ask! HR managers are more optimistic than line managers about the benefits of line manager involvement for the organisation (in terms of higher employee satisfaction and organisational performance).

HR's vision and line managers' views

HR managers also identified a raft of people management activities (19 out of 21 activities) in which they would like to *reduce* their responsibility, suggesting that these activities might be likely targets for devolution to the line.

Unfortunately, there is no evidence in our data that the line would be enthusiastic about having these responsibilities thrust upon them. **Line managers did not express an interest in taking on more responsibilities for any of the people management activities.** And for seven activities, the line would like to *reduce* their responsibilities.

The data also show there are people management "**hot potatoes**" – activities over which both groups (HR and the line) would like to relinquish primary responsibility. These activities include workers compensation, leadership development, culture, succession planning, career planning, coaching, and performance management.

Four of these activities (**leadership development, succession planning, coaching, career planning**) also received the lowest effectiveness ratings. However, it's important to note that these activities are negatively evaluated no matter who has primary responsibility. It may be particularly challenging for organisations to convince line

managers to take on these responsibilities. Line managers may be especially reluctant to assume responsibility for activities that are seen as "no win" situations.

Table 2: What do HR and line managers think they should do less of?

	HR	Line managers
Equal opportunity	X	
Induction	X	
OHS	X	
Diversity management	X	
Culture	X	X
Grievance handling	X	
<i>Leadership development*</i>	X	X
Industrial relations	X	
Training	X	
<i>Succession planning*</i>	X	X
Workers compensation	X	X
Disciplinary action	X	
Performance management	X	X
<i>Coaching*</i>	X	X
Recruitment & selection	X	
<i>Career planning & development*</i>	X	X
HR planning	X	
Termination decisions	X	
Job design	X	

* These items were rated lowest by respondents in effectiveness.

Conclusion

The risk is that if neither HR nor line managers are willing to take on responsibility for these activities, they may not receive sufficient attention. This is problematic given that leadership development, succession planning, coaching and career planning are recognised as major drivers of long term organisational health and profitability. Instead of being concerned about whether people management is the responsibility of HR or the line, both parties need to work together to determine the most effective sharing of responsibility for these crucial activities.

Reference

HR and the line: The distribution of HR activities in Australian organisations

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