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Realizing the Potential of Strategic Human Resource Management: Employee Self-Advocacy in the Information Age

Abstract

[Excerpt] Human Resources has an identity crisis. The HR function is increasingly called upon to be a strategic business partner but this role is often in conflict with HR's long-held identity as the firm's employee advocate. Contemporary Strategic Human Resource Management (SHRM) initiatives seek to maximize human capital, align strategic fit throughout an organization and increase the firm's profits; these initiatives are not designed to directly further the interests of the firm's employees.[1] HR functions that try to simultaneously act as strategic business partners while maintaining their employee advocacy identity inevitably suffer from a lack of internal consistency, causing HR to be perceived as a weak function by employees and managers alike.[2] In other words, efforts to balance SHRM and employee advocacy ultimately lead to the function failing in both of these roles. This identity crisis needs to be resolved in order to realize the value-adding potential of SHRM. In the following essay I will first discuss the historical context of the HR-employee advocacy problem, then describe the need to separate HR from employee advocacy in the modern work environment, and finally show the positive impacts of both employee self-advocacy and internally consistent SHRM.

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HR Review, Human Resources, strategic human resource management, employee self-advocacy

Disciplines
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REALIZING THE POTENTIAL OF STRATEGIC HUMAN RESOURCE MANAGEMENT: EMPLOYEE SELF-ADVOCACY IN THE INFORMATION AGE

Steven Conaton

Human Resources has an identity crisis. The HR function is increasingly called upon to be a strategic business partner but this role is often in conflict with HR’s long-held identity as the firm’s employee advocate. Contemporary Strategic Human Resource Management (SHRM) initiatives seek to maximize human capital, align strategic fit throughout an organization and increase the firm’s profits; these initiatives are not designed to directly further the interests of the firm’s employees.¹ HR functions that try to simultaneously act as strategic business partners while maintaining their employee advocacy identity inevitably suffer from a lack of internal consistency, causing HR to be perceived as a weak function by employees and managers alike.² In other words, efforts to balance SHRM and employee advocacy ultimately lead to the function failing in both of these roles. This identity crisis needs to be resolved in order to realize the value-adding potential of SHRM. In the following essay I will first discuss the historical context of the HR-employee advocacy problem, then describe the need to separate HR from employee advocacy in the modern work environment, and finally show the positive impacts of both employee self-advocacy and internally consistent SHRM.

**Personnel, Human Resources, and the Employee Advocate**

The concept of a Human Resources function that is primarily an employee advocate developed out of the Human Relations movement in the mid-twentieth century. Human Relations was both a backlash to the perceived employee antagonism of Scientific Management as well as part of an effort to provide a corporate substitute for labor unions. As unions lost power and began their steady membership decline in the wake of the passage of the Taft-Hartley Act in 1947, Personnel departments wanted to be perceived as the corporate representative of employees’ interests. Beginning in the 1970s, Personnel became Human Resources, reflecting the transformation from a function that pursued efficiency in employees at all costs to a function that “fit the characteristics of jobs to the needs of the employees who do them.”³ The advent of Strategic Human Resource Management in the 1990s precipitated another seismic shift in the HR function where departments were again called upon to change their focus — this time from individual employees to organization-level strategies. Yet HR practitioners are unable to fully commit to this new focus because of their outdated self-identification as employee advocates. If the timeline of HR can be roughly separated into early 20th century employee antagonism (Scientific Management) and mid-late 20th century employee advocacy (Human Relations), HR functions must recognize that Strategic Human Resource Management is a new era that requires a new approach to employees.
The Development of Employee Self-Advocacy

Over the last fifty years there have been considerable changes in the legal and societal environment that have altered the relationship between employees and employers. During the same period that HR embraced the role of employee advocate, the courts and legislatures made a series of decisions that strengthened employees’ ability to advocate for themselves. Federal statutes including Title VII of the Civil Rights Act (1964), the Americans with Disabilities Act (1990) and the Patient Protection and Affordable Care Act (2010) have vastly increased employees’ protection from workplace discrimination and allowed those employees to be less reliant on the benevolence of their employer. During the same period courts in many states added powerful limitations to the at-will employment contract, augmenting the protections and bargaining power that employees gained from these statutes.4

This changing legal landscape reflects a shift in cultural attitudes about the nature of the career, accelerated by rapid technological innovations. The development of the internet over the last twenty years has vastly increased employees’ access to information. Many employees now have access to the knowledge necessary to advocate for themselves. Employees can now immediately and easily access data on market salaries, benefits plans, legal issues, organizational cultures, and the labor market for their skills. As this digital information infrastructure continues to develop in the future, employees will only continue to gain advocacy power and the ability to represent their own interests far better than if those interests were filtered through an HR department. Average organizational tenure has dropped in recent years and provides strong evidence of employees’ willingness and ability to find a better match when they feel their interests are not represented at a particular firm.5 Even among older generations, employees are freeing themselves from the idea that their employer will take care of them and are learning to take care of themselves.

Realizing the Potential of Strategic Human Resource Management

A common refrain amongst HR practitioners during the Human Relations period was that they went into HR to help people. However, as the field shifts toward Strategic Human Resource Management and businesses demand greater value-adding capabilities from HR, the function of HR must become to help people perform better. In SHRM the various HR roles are directed toward optimal performance, through better organizational design, strengthening incentives in compensation, increasing employee engagement, and aligning strategy throughout the organization. Although these roles are largely incompatible with employee advocacy, they are not necessarily in opposition at all times. The relationship between SHRM and employees has moved beyond the dichotomy of antagonism versus advocacy and now encompasses a constellation of aligned values and skillsets. SHRM will seek to implement the company’s strategy at all levels and well-matched employees who recognize that they can meet the demands of this strategy will remain at the firm. Employees who cannot or do not wish to develop or use the demanded skillsets will recognize this mismatch and use the vast information of the digital age to locate a better fit at a different company.
Those well-matched employees will continue to interact with the SHRM function on an individual basis, but they will do so as self-advocates who can use their market knowledge to bargain for greater opportunities for skill and career development or work-life balance. In response, SHRM practitioners will act more like negotiators than advocates, redeploying and developing valued skillsets in strategic ways that add value to the company while satisfying the needs of those employees. This mutually beneficial interaction will ensure that well-matched employees are happy and effective in their roles, increasing the value of human capital company-wide. As the micro- and macro-level SHRM actions work in concert to align strategy and increase organizational efficiency, organizational and role ambiguity will diminish, which will further increase employee morale by aligning reality with their expectations.

As practitioners of SHRM adopt this approach and relinquish their former identity as employee advocates, they will add value to their companies, gain greater recognition from their colleagues, and generate a greater return on investment as a result of their success. The immediate result of fully committing to SHRM will be the realization of an internally consistent HR department companywide, which will increase the function’s legitimacy and the affective commitment of employees. Rather than focusing on the individual problems of employees at every location, HR will ensure implementation of executive strategy at all levels and collaboratively fit employees to meet this strategy. The productivity gains yielded by effective SHRM policies will make the case for greater focus on HR company-wide, increasing HR budgets which currently “operate considerably inside [their] efficiency frontier.” This cycle is self-reinforcing, as additional resources that are reinvested into the function push operations closer to the efficiency frontier and further increase value-adding capabilities.

Self-Advocacy and SHRM in the Future

Human Resource departments in different organizations will have varying levels of difficulty in relinquishing the employee advocacy role. Companies that have large numbers of less mobile, low-skilled employees may find that they still need their HR functions to be more focused on individuals. As our economy demands a greater number of high-skilled knowledge workers and as access to information increases globally, large and growing companies would do well to consider the future of the HR function. For most of these companies, the success of the HR department will hinge on moving past the outdated employee advocacy identity and embracing SHRM. The employees in these companies will be able to exercise their talents and autonomy to a greater extent than ever before, owing to increasingly efficient HR strategies. This autonomy, coupled with higher access to market information, will allow these employees to advocate for themselves. The way forward is not employee advocacy, but self-advocacy. Human Resources must prioritize organizational strategy over an outmoded paradigm of employee advocacy to resolve its identity crisis and to become a true business partner in the 21st century.
Steven Conaton is a former band director and autism therapist who will complete his Master of Human Resources at the University of Illinois in December 2014. He currently lives in Champaign with his wife, Kate, and their dog and cat.

The above essay won 1st place in the 2014 Cornell HR Review Annual Essay Competition.

3 Lawler III and Hackman, “Corporate Profits and Employee Satisfaction: Must They Be in Conflict?” California Management Review 14 No. 1 (1971): 54
4 c.g. Pugh v. See’s Candies, Inc., 171 Cal. Rptr. 917 (Cal.App.1981)