

Stream 5 Human Resource Management

Competitive Session

**The HR Competency Requirements for  
Strategic and Functional HR Practitioners**

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## **The HR Competency Requirements for Strategic and Functional HR Practitioners**

### **ABSTRACT**

*The competency requirements for human resource (HR) practitioners are examined for their perceived relative importance to strategic and functional HR roles, and for successful performance in human resources. The findings indicate that there is a wider range of HR attributes required for HR job success than those espoused in the HR literature. The key similarities and differentiators in competency requirements between strategic and functional HR roles are identified. Theoretical implications and recommendations on selection and development programmes for HR practitioners are discussed.*

**Keywords:** HR function; strategic HRM; skills

Over the last three decades, the HR function has been pressured to make a greater contribution to the business. However, the HR literature suggests that progress is limited (Kaufman, 2012; Rasmussen, Andersen, & Haworth, 2010). Moreover, recent research has called into question the effectiveness of existing HR competency models (Caldwell, 2008, 2010; Graham & Tarbell, 2006), which are designed to assist HR practitioners to adopt a more strategic role. In response to this call, this paper attempts to explore whether or not the espoused HR competencies are sufficient and relevant to HR practitioners in their strategic and functional roles, and if not what the variations are. The first part of this paper briefly defines the concept of HR competencies and its different dimensions. It then outlines the study's research method and data. The implications of these findings on theory and practice are addressed.

### **Literature Review**

The most common approaches to defining competencies are the *attribute* and the *behavioural* models. The *attribute* model defines competencies as 'underlying characteristics' possessed by a person that contributes to successful performance, including traits, motives, self-concept, social role, knowledge,

and skills (Boyatzis, 1982). On the other hand, the *behavioural* model focuses on the behavioural dimensions of competencies instead (i.e. knowledge and skills) (Woodruffe, 1993). These competency models have tended to focus on identifying a set of competencies that differentiate successful from less successful performers in multiple job situations (e.g., Boyatzis, 1982; Dulewicz, 1989; Spencer & Spencer, 1993). This has led to the universalist perspective that competencies are generic or universally applicable to multiple occupations, irrespective of the context.

More recently, the situationalist perspective argues that there are context-specific competencies as well as generic ones. This means that the salience of some competencies varies due to contingent contextual factors in the environment (Antonacopoulou & FitzGerald, 1996; Capaldo, Iandoli, & Zollo, 2006). For example, Capaldo et al. (2006) asserted that apart from expected competencies that are determined by job demands and organisational requirements, there are emerging competencies that an organisation does not realise it possesses but have developed through individual learning. It is these emerging context-specific competencies that enable a person to achieve satisfactory performance in new and unexpected situations.

This paper draws upon the situational model of competency because it suggests that there are both context-specific and generic competencies and therefore provides a more integrated approach to identifying HR competencies. By contextual, we mean that the requirements of HR competencies will vary across HR roles and organisations. In other words, we suggest that some HR attributes and behaviours are relevant to multiple situations (i.e. generic), and other HR attributes and behaviours are relevant to a narrower set of situations (i.e. context-specific). Furthermore, as a subset of context-specific competencies, there will be role-specific HR competencies relevant to a particular HR job role or position level (Blancero, Boroski, & Dyer, 1996; Yeung, Woolcock, & Sullivan, 1996).

### **What are HR Competencies?**

The HR competency literature often links HR competencies to the value-added approach suggested by Ulrich and associates at the Michigan school of business (e.g., Boselie & Paauwe, 2005; Selmer & Chiu, 2004; Ulrich, Brockbank, Yeung, & Lake, 1995). In this approach, HR competencies are the

factors that define successful performance of HR practitioners in a ‘business partner’ role (Ulrich, 1997). Proponents of business partnering argue that in order to add value to the business, HR practitioners need to focus more on collaborating with top management and line managers in strategy formulation and execution than on their operational activities (Ramlall, 2006; Wright, McMahan, Snell, & Gerhart, 2001).

A distinction has also been drawn between *strategic* and *functional HR competencies*. *Strategic HR competencies* are business-related competencies that enable HR practitioners to align HR strategies with business strategies while *functional HR competencies* are related to the delivery of HR operations (e.g. recruitment, employee selection and remuneration) (Huselid, Jackson, & Schuler, 1997). Ulrich and Brockbank (2005) also differentiated HR competencies into similar strategic and functional categories, the former including *strategic contribution* and *business knowledge*. *Strategic contribution* refers to an active involvement in strategic activities (e.g. strategic decision-making, organisational change and development) and an ability to relate to customers. *Business knowledge* refers to knowledge of the company and the industry in which it operates. Functional HR competencies included *personal credibility*, *HR delivery* and *HR technology*. *Personal credibility* refers to the achievement of results, effective relationships, and communication skills, *HR delivery* refers to the ability to design and deliver basic and innovative HR practices, and *HR technology* includes the ability to apply technology to improve efficiency and effectiveness of HR transactions.

Early HR competency research (e.g., Huselid et al., 1997; Ulrich, Brockbank, & Yeung, 1989; Ulrich et al., 1995) has consistently demonstrated strategic HR competencies as the strongest predictor of successful performance in HR roles. The 2002 global study (Ulrich & Brockbank, 2005) is the most commonly cited work in the literature, involving 1,192 HR participants and 5,890 associates from North America, Latin American, Asia and Europe. This study found that the ‘strategic contribution’ competencies accounted for 43 percent of HR’s total impact on financial competitiveness, which is almost twice as much compared to other competencies (Ulrich & Brockbank, 2005). While HR practitioners were best at ‘personal credibility’, this competency had much lower impact on the same performance outcome (23 percent). It is the research by Ulrich et al. that significantly contributed to

the universalist perspective that strategic HR competencies are the critical differentiator of performance in a HR business partner role.

More recently, Ulrich et al. (2013) identified six groups of HR competencies, including strategic positioner, credible activist, capability builder, change champion, human resource innovator and integrator, and technology proponent. One of Ulrich et al.'s (2013) key findings is that while the competency 'credible activist' demonstrated the greatest impact on the perceived effectiveness of the HR function, it has the lowest impact on business performance. The authors argued that greater emphasis should be placed on HR competencies that add the greatest value to the business, such as connecting people through technology; aligning strategy, culture, practices, and behavior; and sustaining change. Though Ulrich et al.'s (2013) findings have demonstrated that the requirements of HR competencies have evolved overtime, their research still points to a universalist approach by focusing on identifying generic competencies for HR practitioners.

Further to the distinction between strategic and functional HR competencies, several researchers have argued that HR competencies are role-specific (e.g., Blancero et al., 1996; Long, Ismail, & Amin, 2010; Schoonover, 2003; Yeung et al., 1996). Yeung et al. (1996), for example, related strategic HR competencies with leadership HR roles and related functional HR competencies with consultation and HR expertise roles. In addition to these role-specific HR competencies, it was argued that there are a small set of core/generic competencies that are shared by multiple HR roles (Blancero et al., 1996; Schoonover, 2003; Yeung et al., 1996).

### **The Relationship between Strategic and Functional HR Competencies**

Although there is support for the generic use of HR competency models, HR practitioners also suggest that these models are ineffective in predicting job success in HR business partner roles (Caldwell, 2008, 2010). Indeed, evidence indicates that HR business partner roles are not necessarily desirable or feasible across all organisations (Caldwell, 2003; Guest & King, 2004) and the uptake of HR business partner roles varies across organisations in the US and UK (CIPD, 2007) (Lawler & Mohrman, 2003). Comparative research also shows that, on average, only 40-60% of HR departments

in Western economies are involved with strategy issues from the outset (Rasmussen et al., 2010). Several researchers also argued that most HR competency studies have focused on job-specific behaviours and there is little attention on the personal attributes underpinning job success (Buckley & Monks, 2004; Caldwell, 2010; Lounsbury, Steel, Gibson, & Drost, 2008; Truss, Gratton, Hope-Hailey, Stiles, & Zaleska, 2002). Buckley and Monks (2004), for example, noted that self-confidence and self-knowledge are critical for successful performance in a HR business partner role, as well as to managing change and uncertainty more effectively in their work situations. It is the personal attributes that influence the behavioural actions of different HR practitioners.

There is also strong support for HR practitioners to acquire and develop strategic HR competencies, such as business acumen and strategic thinking skills, as they are necessary for improving the financial competitiveness of an organisation (Boselie & Paauwe, 2005; Long & Wan Ismail, 2008; Ulrich & Brockbank, 2005). Yet, evidence shows that HR practitioners are still spending more time on functional HR activities (e.g. providing support to line managers and HR transaction) compared to making a strategic contribution (Brown, Metz, Cregan, & Kulik, 2009; CIPD, 2007; Ramlall, 2006). Indeed, Han, Chou, Chao and Wright (2006) found that business knowledge may not impact on the HR function's effectiveness from the perspective of line managers and employees as this competency is unlikely to be perceived by them at the operational level.

On the other hand, the literature points to a weak relationship between functional HR competencies and organisational performance (Boselie & Paauwe, 2005; Long & Wan Ismail, 2008; Ulrich & Brockbank, 2005). However, several authors contend that HR functional expertise and support are indispensable and essential to building a reputation for HR delivery, particularly during organisational change and crisis (Antila, 2006; Han et al., 2006; Kulik, Cregan, Metz, & Brown, 2009). Furthermore, Graham and Tarbell (2006) noted that employee-related HR competency dimensions, such as trust and fairness, have received little attention in the development of HR competency models given a managerial focus on HR's strategic contribution. Such competencies are seen as critical for maintaining employee commitment and morale, which in turn affect the organisation's long-term performance (Francis & Keegan, 2006; Hope-Hailey, Farndale, & Truss, 2005; Lowry, 2006). Taken

altogether, these studies imply that there is disagreement on the perceived importance of HR competencies and that greater attention is required into the interrelationships between strategic and functional HR competencies.

Against this backdrop, this study presents an exploratory investigation of the contextual nature of HR competencies by examining their perceived relative importance for strategic and functional HR roles. The aim of the study was explore a) if there were strategic HR competencies that could be qualitatively differentiated by HR practitioners from functional competencies; b) the relationships between these competencies; and c) which of the identified competencies were seen as more important, in the eyes of HR practitioners, for their success.

### **METHODS**

The research method adopted for this study is concept mapping (Kane & Trochim, 2007; Trochim, 1989). Concept mapping is a process that incorporates a range of group activities (e.g. participatory brainstorming, unstructured idea sorting and rating tasks) which are analysed to produce visual concept maps (Kane & Trochim, 2007). The resulting concept maps show how ideas are organised into conceptual clusters, interrelationships among the concepts and the relative importance among the conceptual clusters. Concept mapping has been applied in Page, Wilson and Kolb's (1994) study on managerial competencies as well as a number of organisational studies (e.g., Burchell & Kolb, 2003; Legget, 2009). A meta-analysis of 33 concept mapping research projects conducted by Trochim (1993) found that concept mapping is a reliable method according to generally-recognised standards for acceptable reliability levels. Concept mapping is therefore chosen for this study as it provides a means to measure the interrelationships between HR competency concepts and compare the perceived importance of HR competency groupings between strategic and functional HR practitioners. The concepts mapping process adopted for this study involves five steps which are outlined in Figure 1:

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Insert Figure 1 about here

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**1. Brainstorming Focus Groups:** The first step involved conducting focus groups with ten experienced New Zealand HR practitioners in order to brainstorm and generate a list of statements that describes their views on the key HR competencies. These statements were then integrated with competencies identified from the literature to generate a final list of 44 HR competencies (see Appendix A).

**2. Statement Sorting and Rating:** The 44 HR competencies were used in an anonymous online questionnaire conducted in New Zealand to assess the HR competency requirements in different HR role and organisational contexts. The questionnaire was administrated using the Concept System (CS) Web-based interface. First, respondents were asked to indicate the degree of strategic orientation of their roles on a 7-point Likert Scale, where 1 = mostly functional, 4 = an even mix between strategic and functional, and 7 = mostly strategic. Respondents with ratings of 1 to 3 were categorised as mainly functionally oriented, those with a rating of 4 were categorised as evenly mixed between functional and strategic HR roles, and the remaining was categorised as strategically oriented. Then, respondents were asked to sort the 44 HR competencies based on common themes and rate the importance of each competency in relation to effective performance in their current role and organisation. A 7-point Likert-type scale was used for measuring the HR competency ratings, where 1= not at all important, 4= moderately important and 7= highly important.

63 New Zealand HR practitioners completed the concept mapping questionnaire. The sample included both HR generalists and specialists in various roles, with 39% in mainly functional HR roles, 26% in evenly mixed functional and strategic roles, and the balance (35%) weighted towards strategic HR roles. Respondents' organisational size ranged from 5 to 120,000 employees, with a median of 451.

**3. Concept Mapping Analysis:** The sorting and rating data was analysed using CS software to produce a series of concept maps. The statistical processes used by CS are multi-dimensional scaling and hierarchical cluster analysis (Kane and Trochim, 2007). CS initially aggregated each respondent's sorting data into a similarity matrix as the input for further analysis. Multi-dimensional



scaling was used to locate each HR competency item as a separate point on a two-dimensional map. Competencies sorted together most often are located adjacent to each other on the map while those sorted together less frequently are further apart. Hierarchical cluster analysis was used to isolate the points on the map into clusters. The output is a cluster map which represents the conceptual relationships of key HR competencies. The cluster map also forms the basis for analysing the rating data to produce cluster rating maps.

**4. Interpretation of Concept Maps:** The concept maps were assigned concept cluster labels after reviewing how the HR competencies were sorted together and the labels provided by the respondents.

**5. Comparison of Results:** The final results of the concept mapping process were compared with the literature for convergence of evidence.

## RESULTS

The key findings are presented in three parts: 1) sorting results, 2) rating results and 3) comparison of HR competency ratings for strategic and functional HR roles.

### 1. Sorting Results

Figure 2 presents the cluster map that distributes the HR competencies into seven concepts resulting from the sorting task.

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Insert Figure 2 about here

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Clusters of HR competencies that were most frequently sorted together by respondents are displayed as 'islands'. HR competencies contained in each cluster are displayed as numbered points and are listed in Appendix A. The size of the clusters indicates the variety of competencies they contain and the conceptual coherence of these competencies. For example, the largest cluster, *Strategic Focus & Drive*, contains the broadest range of competencies and therefore has less coherence compared to smaller clusters such as HR Acumen. The location of clusters in the map indicates perceptual links

between concepts. For example, the proximity of the *Strategic Focus & Drive* and *Leadership & Relationships Building* clusters indicates that these competencies were conceptually independent but also perceptually linked by respondents.

The substantive picture emerging from the cluster map is the segregation of strategic and functional HR competencies as indicated by the dashed line. Competencies clustered in the lower left region of the map appear to relate to strategic involvement (*Strategic Focus & Drive*, *Leadership & Relationships Building* and *Business Awareness*). The *Strategic Focus & Drive* cluster contains a number of attributes required for achieving results that add value to the business (e.g. achievement orientation, proactivity, customer focused and judgement) as suggested by proponents of business partnering. Competencies contained in the *Leadership & Relationships Building* cluster includes leadership, influencing and negotiation, collaboration and relationship building skills, which are frequently cited as important for reaching agreements with senior executives and other stakeholders (Schoonover, 2003; Yeung et al., 1996). The *Business Awareness* cluster includes an awareness of the internal and external business environment, political dynamics, financial savvy and strategic thinking skills, resembling the ‘business knowledge’ competency dimension, as outlined by Ulrich and Brockbank (2005).

On the other hand, competencies clustered in the upper right region appear to relate to the delivery of HR practices (*Self Belief & Social Factors*, *Input & Support*, *HR Acumen*, and *Systems & Technology*). The *Self Belief & Social Factors* cluster contains the broadest range of competencies. Some of the competencies contained in this cluster resemble the key elements contained in Ulrich and Brockbank’s (2005) ‘personal credibility’ dimension (e.g. communication and accountability), and other competencies reflect self-development and employee-related attributes (e.g. self-confidence, professional integrity, empathy and conflict resolution) (Lounsbury et al., 2008). The location of the *Self Belief & Social Factors* suggests that it has strong perceptual links with adjacent clusters, *Leadership & Relationships Building* and *Input & Support*. This supports the findings of Buckley and Monks (2004) that there are some higher-order enabling competencies that enable HR practitioners to acquire and develop other job-specific competencies. The *Input & Support* cluster represents internal

consulting competencies required for supporting line managers and employees, including coaching, consultation, change management, diversity awareness and knowledge sharing. Competencies sorted within the *HR Acumen* cluster relate to specific HR functional knowledge, ranging from recruitment & selection, training & development to performance management. The *Systems & Technology* cluster contains fairly technical HR knowledge and skills, such as knowledge of HR metrics and HR technology, project management, and organisation and administration skills. This cluster resembles the ‘HR technology’ competency dimension as suggested by Ulrich and Brockbank (2005).

## 2. Rating Results

We then analysed the overall rating results. Figure 3 presents a cluster rating map that shows the average importance ratings for each cluster displayed as ‘layer cakes’ based on the cluster map. Clusters with more layers contained more HR competencies that respondents gave higher ratings to.

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Insert Figure 3 about here

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The important theme from the rating map is that all of the seven HR competency clusters were perceived as critical for HR job success (ratings above 4). Clusters with the highest average ratings were *Leadership & Relationships Building* (6.28) and *Self Belief & Social Factors* (5.92). We further identified the highest rated competency within each of these clusters, which were ‘relationship building’ (6.60) and ‘professional integrity’ (6.50) respectively. This finding implies that HR practitioners perceived building trustworthy relationships with stakeholders as highly important to HR job success. Several studies also support this finding (Francis & Keegan, 2006; Graham & Tarbell, 2006; Lowry, 2006).

The next two important clusters were *Strategic Focus & Drive* (5.88) and *Input & Support* (5.75). A closer examination shows that the top competencies within these clusters were ‘customer focused’ (6.27) and ‘coaching’ (6.20) respectively. This shows that the HR respondents considered commitment to fulfilling customers’ needs and the ability to provide support on employee

development matters were important for effective performance in their roles (Ulrich, Younger, Brockbank, & Ulrich, 2012).

The *Business Awareness* cluster (5.64) was ranked in the middle of the seven clusters. The results also showed that HR respondents considered ‘political savvy’ and ‘strategic thinking’ as the most critical competencies (5.88 and 5.83 respectively) within the *Business Awareness* cluster. This suggests that knowledge of power dynamics and key relationships within the organisation and the ability to provide HR solutions that relate to business strategy are crucial to their roles. It is also interesting to note that the top Business Awareness competency ‘political savvy’ is located adjacent to the *Leadership & Relationship Building* cluster, indicating the critical importance of political sensitivity to building interpersonal relationships (Swan and Scarbrough, 2005).

Although the *HR Acumen* (4.93) and *Systems & Technology* (5.18) clusters had the lowest ranking, they scored above mid-point of the rating scale. This suggests that HR functional knowledge and technical skills were seen as essential to effective HR job performance (Boselie & Paauwe, 2005; Teo & Rodwell, 2007). Of note is a wide spread of ratings amongst the *HR Acumen* competencies (standard deviation = 0.43). This means that the HR respondents perceived some areas of HR knowledge as more important, e.g. ‘performance management’ (5.45) and ‘knowledge of employment legislation’ (5.38), than other specific HR knowledge, e.g. ‘health & safety’ (4.35).

### **3. HR Competency Requirements for Strategic and Functional HR Roles**

Lastly, we compared how strategic and functional HR respondents perceived the importance of the HR competency clusters. The pattern match (Figure 4) represents a visual comparison of the relative average cluster ratings between the two HR groups. Parallel lines represent agreement on the ratings between the two HR groups, whereas steep lines indicate discrepancies in the ratings. The greater the slope of the line, the greater the difference between the ratings. The CS software also generates a correlation coefficient ( $r$ ) for the pattern match. The ratings given to each HR competency statement by the two HR groups are listed in Appendix B.

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Insert Figure 4 about here

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The overall picture from the pattern match shows that there is a high level of agreement on average cluster ratings between strategic and functional groups ( $r=0.87$ ). There are two notable discrepancies indicated by the steep lines *Business Awareness* and *Self Belief & Social Factors*. First, *Business Awareness* competencies were rated higher for strategic HR roles (5.87) than for functional HR roles (5.30). A closer examination shows that ‘business acumen’ and ‘financial savvy’ achieved higher ratings for strategic HR roles (5.97 and 5.50) than their functional HR counterparts (5.22 and 4.70). This finding implies that general business knowledge and strategic thinking skills are seen as more relevant to strategic HR roles as suggested by Han et al. (2006).

Another notable disagreement is the importance of the *Self Belief & Social Factors* cluster, with these competencies rated as second highest for functional HR roles (6.01) and relatively lower for strategic HR practitioners (5.88). One possible reason is that this cluster contains a large number of employee-related competencies (e.g. conflict resolution and assertiveness) which are seen as more relevant to the interpersonal nature of functional HR roles. Another reason for such high rating is that this cluster contains ‘effective communication’ skills which are considered as the heart of the HR occupation (Crouse, Doyle, & Young, 2011; Jamshidi, Rasli, Yusof, & Alanazi, 2012; SHRM, 2010).

On the other hand, the pattern match shows that strategic and functional HR practitioners shared similar views on the importance for *Leadership & Relationship Building* (6.40 and 6.10 respectively), *Strategic Focus & Drive* (5.96 and 5.80 respectively) and *Input & Support* (5.81 and 5.70 respectively). This is an interesting finding given that the first two clusters are conceived as strategic and futuristic oriented, as indicated by our sorting results. This implies that *Leadership & Relationship Building* and *Strategic Focus & Drive* competencies are not necessarily important differentiators between strategic and functional HR roles. Another possible reason is that the strategic and functional HR roles in our sample are not exclusive of each other. The strategic HR group in our pattern match analysis included 17 HR practitioners who perceived their roles as both strategic and functional in nature. However, examining different solutions by either excluding these 17 participants or including them in both HR groups, found pattern matches with similar results.

Lastly, the pattern match shows that *HR Acumen* (4.85 and 5.01 respectively) and *Systems & Technology* (5.20 and 5.14 respectively) are viewed as the least important HR competencies to both strategic and functional HR practitioners. Yet, the two HR groups differed in their focus on the HR services they deliver to the business. Strategic HR respondents placed greater emphasis on ‘change management’ skills (6.31 compared to 5.70), whereas functional HR respondents focused more on ‘organisation and administration’ skills (5.73 compared to 5.00).

## DISCUSSION

This paper further informs the ongoing debate on the generic versus situational nature of HR competencies by examining the perceived relative importance of HR competencies to strategic and functional HR roles. It also questions the assumptions made about the relevance of strategic HR competencies to all HR practitioners. Our findings demonstrate that there is one HR competency cluster that seems to shift in relative importance, i.e. *Business Awareness*, while the other six HR competency clusters were found to be generic to HR practitioners.

Our findings also highlight the need to consider identifying both attribute and behavioural dimensions of HR competencies, as both are seen as important for HR job success and adding value to the organisation. Most importantly, we confirm that the critical competencies required of HR practitioners are related to a wider array of underlying qualities than those suggested by the proponents of business partnering. Of note is the competency concept, *Self Belief & Social Factors*, which was perceived as highly relevant to both strategic and functional HR roles. In addition to having a strategic and deliverable focus, it is also important for HR practitioners to realise and develop their self-confidence and interpersonal awareness for development purposes as these competencies are key to effective performance in both strategic and functional roles. Other research is also supportive of including ‘self belief and social factors’ in the development of HR competency models, as they enable HR practitioners to build a reputation for delivery and manage change successfully (Buckley & Monks, 2004; Crouse et al., 2011; Lounsbury et al., 2008).

This paper provides insights into the quest for recruiting strategic HR practitioners from outside the HR occupation. Our answer is yes and no. As mentioned earlier, our study found that *Business Awareness* is the main differentiating competencies between strategic and functional HR roles while other competencies are not. This finding provides support that generalist business-knowledge is more important than specialist HR expertise as proposed by Ulrich et al. Moreover, this supports a rationale for selecting non-HR specialists for strategic HR roles, to the extent that HR practitioners lack business acumen and strategic thinking skills. However, given that *HR Acumen* (e.g. knowledge of employment legislation) and *Systems & Technology* (e.g. project management skills, organisation and administration skills) competencies are also seen as important for effective HR performance, we recommend organisations to use these competencies as a benchmark for selecting HR practitioners.

The findings of this study identify generic competencies for HR practitioners and differentiate between those that are critical for strategic and functional roles. Though we report some differences between strategic and functional HR roles, more examination is needed to understand whether there are variations within specific sectors. For instance, it may be particularly interesting to examine HR competency requirements within the public sector as evidence shows that HR functions in this context place greater emphasis on operational effectiveness than strategic involvement given their public policy objective (Teo & Rodwell, 2007). In addition, our findings are based on HR practitioners' responses only which may provide a distorted picture of the HR competency requirements. Since prior studies have tended to focus on management and HR perspectives, future attempts to replicate this study should include the opinions of other stakeholders (e.g. employees). As Graham and Tarbell (2006) and Han et al. (2006) argued, employees and line managers have different views on what characterises an effective or reputable HR function given their divergent interests in the organisations.

Finally, we recommend future research examine current shortcomings of HR practitioners in the HR attributes identified in our study and suggest appropriate development processes. As our study suggests, 'self belief and social factors' are seen as highly relevant for job success in both strategic and functional HR roles. It may be particularly interesting to explore whether or not organisations are targeting at these competencies when selecting and developing HR practitioners.

## CONCLUSION

This study contributes to the HR competency literature by exploring the situational nature of HR competencies and their perceived importance to strategic and functional HR practitioners. Most notably, our findings demonstrate that business awareness is the main differentiator between strategic and functional HR roles. Our findings also suggest that the established HR competency models need to encompass a wider set of HR attributes than is currently typical, and to consider their relevance for effective performance in strategic and functional HR roles.

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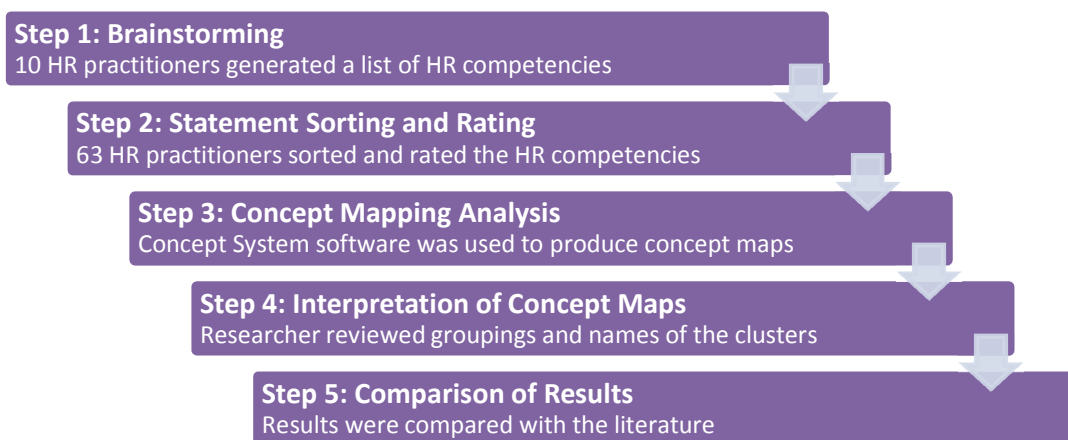
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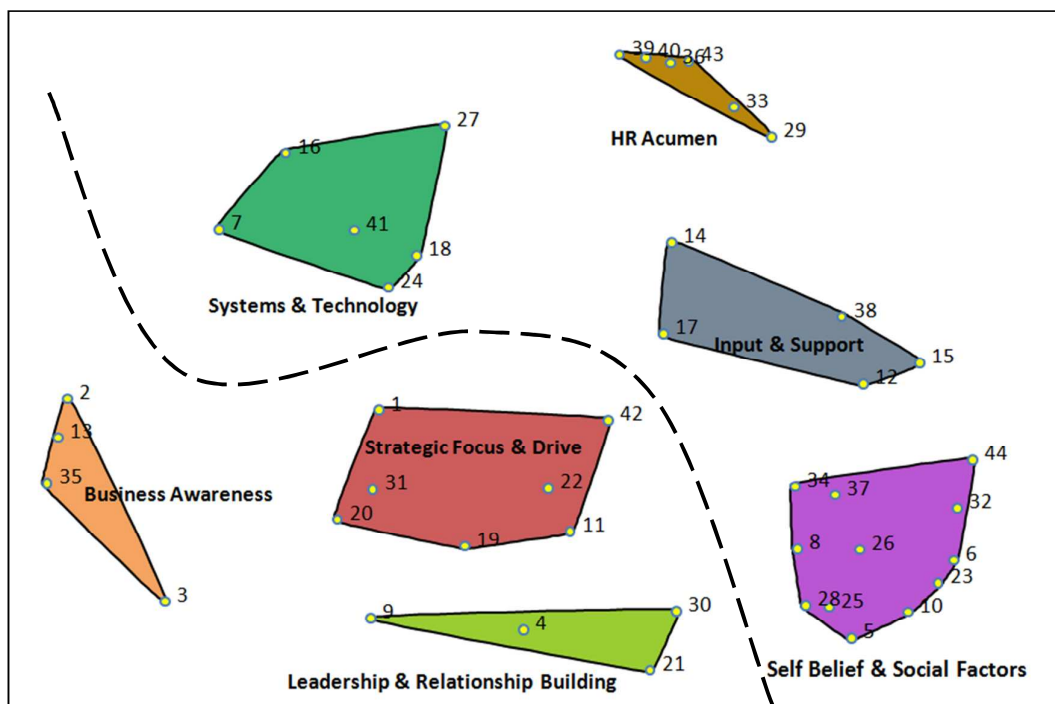
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**Figure 1 Concept Mapping Process**



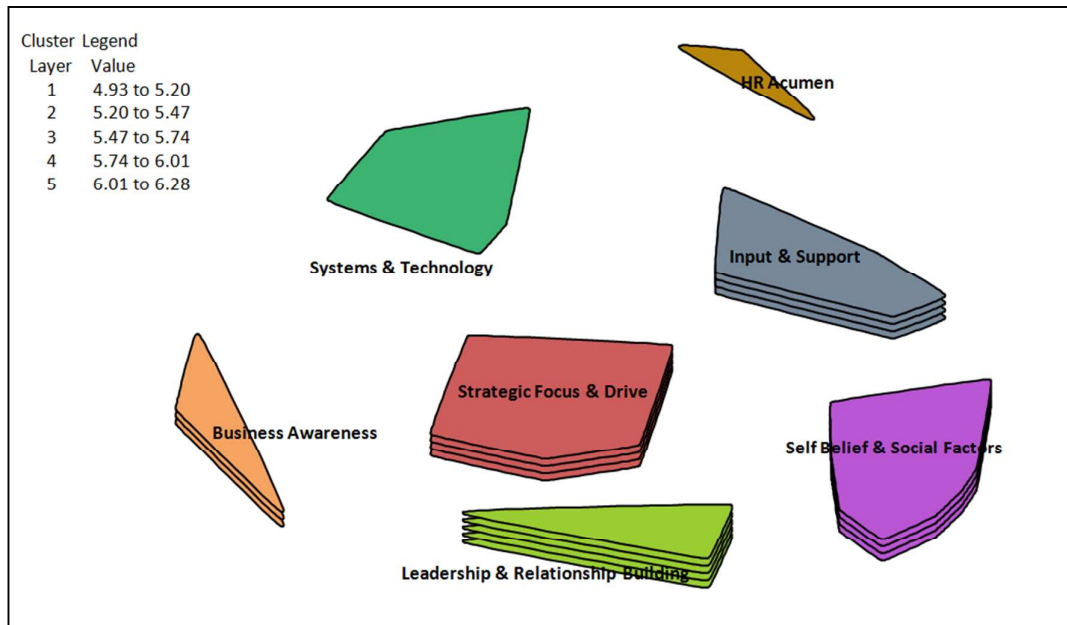
Source: Adapted from Kane, M. & Trochim, W. (2007). *Concept mapping for planning and evaluation*. London: Sage Publications.

**Figure 2 Cluster Map for HR Competency Sorting**



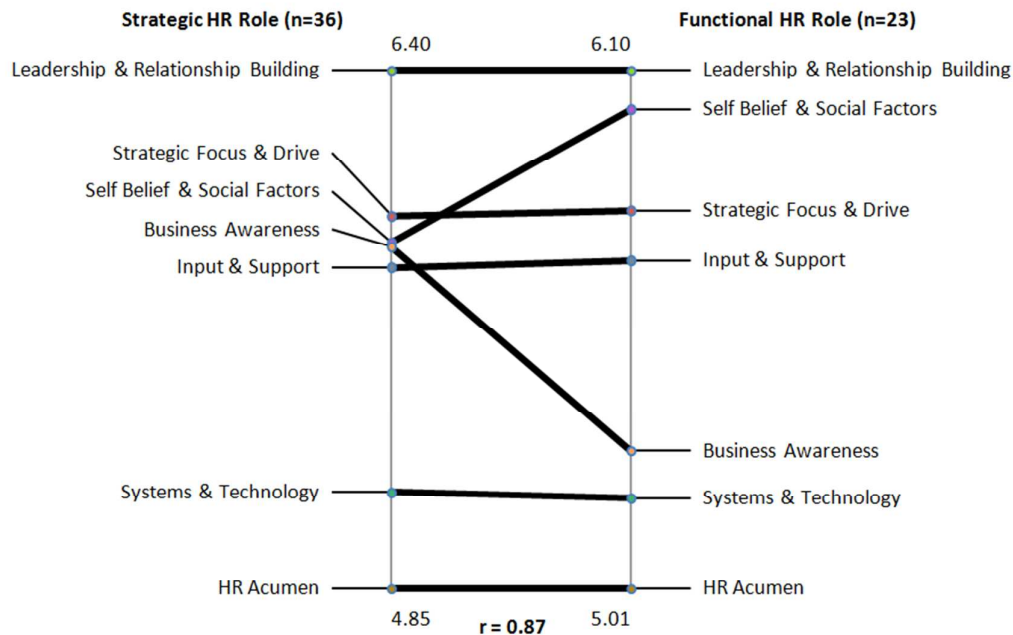
Note: The numbered points within each cluster refer to the 44 HR competency statements which are listed in Appendix A.

**Figure 3 Cluster Rating Map for Overall Importance Ratings of HR Competencies**



Note: Layer one includes *HR Acumen* and *Systems & Technology* clusters; layer two does not include any clusters, layer three includes *Business Awareness* cluster; layer four includes *Strategic Focus & Drive* and *Input & Support* clusters; layer five includes *Self Belief & Social Factors* and *Leadership & Relationship Building* clusters.

**Figure 4 Pattern Match for HR Competency Cluster Ratings between Strategic and Functional HR Groups**



Note: The strategic HR group includes 17 participants who perceived their HR roles as both strategic and functional oriented.

## Appendix A: HR Competency Ratings given by the Entire Sample

Cluster	HR Competency and Descriptor	Average Rating
<b>1. Strategic Focus &amp; Drive</b>		<b>5.88</b>
	22. CUSTOMER FOCUSED: committed to fulfilling the needs of internal/external customers	6.27
	42. PROBLEM SOLVING: ability to identify the real causes of the problem and choose the best solution according to the situation	6.20
	31. JUDGEMENT: able to assess whether or not there is a business case for taking on initiatives	5.93
	11. ACHIEVEMENT ORIENTATION: seeks to achieve goals/targets aligned with organisational objectives	5.80
	1. ATTENTION TO DETAILS that add value to the organisation	5.78
	19. PROACTIVITY: identifies opportunities that add value to the organisation and takes initiatives to achieve goals	5.62
	20. INNOVATION: receptive to new ideas/alternatives that will improve organisational results	5.55
	Count Std. Dev. Variance Min Max Average Median	
	7 0.25 0.06 5.55 6.27 5.88 5.80	
<b>2. Leadership &amp; Relationships Building</b>		<b>6.28</b>
	21. RELATIONSHIP BUILDING: ability to foster long-term partnerships with stakeholders to facilitate the accomplishment of organisational goals	6.60
	4. INFLUENCING AND NEGOTIATION: ability to represent own position on issues to gain support and buy-in from others	6.27
	9. LEADERSHIP: ability to express the strategic vision for the organisation, motivate and inspire others to accomplish organisational objectives	6.18
	30. COLLABORATION: ability to develop cooperation and teamwork while participating in a group of people to achieve desired organisational outcomes	6.05
	Count Std. Dev. Variance Min Max Average Median	
	4 0.20 0.04 6.05 6.60 6.28 6.23	
<b>3. Business Awareness</b>		<b>5.64</b>
	3. POLITICAL SAVVY: knows who the formal/informal influencers, gatekeepers or decision makers are and how to get things done through them	5.88
	35. STRATEGIC THINKING: ability to foresee opportunities/risks relating to the long-term strategic needs of the organisation and come up with HR solutions	5.83
	13. BUSINESS ACUMEN: identifies and understands how internal/external issues (e.g. economic, political, social trends) impact the organisation	5.65
	2. FINANCIAL SAVVY: ability to interpret and talk business numbers and demonstrate value and return on investment	5.20
	Count Std. Dev. Variance Min Max Average Median	
	4 0.27 0.07 5.20 5.88 5.64 5.74	
<b>4. Systems &amp; Technology</b>		<b>5.18</b>
	18. PROJECT MANAGEMENT: ability to plan, coordinate and manage resources for the project, track milestones and report critical success factors	5.40
	24. ORGANISATION AND ADMINISTRATION: ability to manage time, organise work priorities and perform filing and data handling	5.28
	16. HR METRICS: ability to measure and interpret HR performance and compare with overall organisational cost metrics	5.15
	7. RESEARCH AND REPORTING: ability to collect, interpret and evaluate information/data and create reports/presentations	5.13
	41. PROCESS IMPROVEMENT: ability to design and deliver a cost effective HR operational system	5.08
	27. HR TECHNOLOGY: knows how to implement and leverage HR information system to support organisational strategies	5.05
	Count Std. Dev. Variance Min Max Average Median	
	6 0.12 0.01 5.05 5.40 5.18 5.14	
<b>5. Input &amp; Support</b>		<b>5.76</b>
	15. COACHING: ability to provide guidance and feedback to help others develop their ability to improve job performance	6.20
	14. CHANGE MANAGEMENT: ability to plan, facilitate and communicate change initiatives and encourage staff to accept and resolve challenges	6.05
	38. CONSULTATION: ability to provide HR expertise to line managers using a facilitative, rather than a prescriptive, approach	5.90
	12. KNOWLEDGE SHARING: actively shares information and knowledge and encourage contribution from others in a team environment	5.82
	17. DIVERSITY AWARENESS: understands how to optimise cultural differences to the organisation's benefits	4.85
	Count Std. Dev. Variance Min Max Average Median	
	5 0.48 0.23 4.85 6.20 5.76 5.90	
<b>6. HR Acumen</b>		<b>4.93</b>
	29. EXPERTISE IN PERFORMANCE MANAGEMENT	5.45
	33. KNOWLEDGE OF EMPLOYMENT LEGISLATION	5.38
	39. EXPERTISE IN RECRUITMENT AND SELECTION	5.12
	43. EXPERTISE IN TRAINING AND DEVELOPMENT	4.80
	36. EXPERTISE IN REMUNERATION AND REWARD	4.45
	40. EXPERTISE IN HEALTH AND SAFETY	4.35
	Count Std. Dev. Variance Min Max Average Median	
	6 0.43 0.18 4.35 5.45 4.93 4.96	
<b>7. Self Belief &amp; Social Factors</b>		<b>5.92</b>
	26. PROFESSIONAL INTEGRITY: honest, ethical and respectful for appropriate boundaries/confidentiality	6.50
	34. COMMUNICATION: ability to convey messages verbally or in writing to individuals or groups; write documents (e.g. job description); listen to others	6.37
	23. APPROACHABLE: able to network with people in a business focused context	6.28
	32. ACCOUNTABILITY: seeks to follow through on tasks/activities to ensure commitments/agreements have been fulfilled	6.17
	6. RESILIENCE: able to sustain performance in high stress situations	6.00
	28. SELF-CONFIDENCE: has realistic confidence in own judgement, ability and power	6.00
	25. ASSERTIVENESS: courage to voice opinion and challenge status quos/ideas	5.98
	44. ABILITY TO WORK AUTONOMOUSLY	5.95
	8. CONFLICT RESOLUTION: ability to use interpersonal skills and methods to reduce tension and resolve conflict	5.85
	5. EMPATHY: seeks to understand others' needs and feelings and how people interact	5.72
	10. SENSE OF HUMOUR: able to use humour to defuse stress in crisis	5.13
	37. CURIOSITY: actively explores a range of disciplines related to the effective delivery of HR strategies	5.03
	Count Std. Dev. Variance Min Max Average Median	
	12 0.43 0.18 5.03 6.50 5.92 5.99	

Note: The HR competency items within each cluster are sorted by their average ratings in descending order.

## Appendix B: HR Competency Ratings given by Strategic and Functional HR Practitioners

Cluster	Statement	Strategic HR Practitioners (n=36)	Functional HR Practitioners (n=23)
<b>1. Strategic Focus &amp; Drive</b>		<b>5.96</b>	<b>5.80</b>
1	ATTENTION TO DETAILS that add value to the organisation	5.72	5.83
11	ACHIEVEMENT ORIENTATION	6.08	5.57
19	PROACTIVITY	5.61	5.70
20	INNOVATION	5.64	5.48
22	CUSTOMER FOCUSED	6.33	6.22
31	JUDGEMENT	6.00	5.78
42	PROBLEM SOLVING	6.33	6.04
<b>2. Leadership &amp; Relationships Building</b>		<b>6.40</b>	<b>6.10</b>
4	INFLUENCING AND NEGOTIATION	6.42	6.00
9	LEADERSHIP	6.42	5.87
21	RELATIONSHIP BUILDING	6.58	6.61
30	COLLABORATION	6.17	5.91
<b>3. Business Awareness</b>		<b>5.87</b>	<b>5.30</b>
2	FINANCIAL SAVVY	5.50	4.70
3	POLITICAL SAVVY	6.00	5.68
13	BUSINESS ACUMEN	5.97	5.22
35	STRATEGIC THINKING	6.00	5.61
<b>4. Systems &amp; Technology</b>		<b>5.14</b>	<b>5.20</b>
7	RESEARCH AND REPORTING	5.08	5.13
16	HR METRICS	5.14	5.13
18	PROJECT MANAGEMENT	5.44	5.30
24	ORGANISATION AND ADMINISTRATION	5.00	5.73
27	HR TECHNOLOGY	5.03	5.00
41	PROCESS IMPROVEMENT	5.14	4.91
<b>5. Input &amp; Support</b>		<b>5.81</b>	<b>5.70</b>
12	KNOWLEDGE SHARING	5.86	5.78
14	CHANGE MANAGEMENT	6.31	5.70
15	COACHING	6.36	5.91
17	DIVERSITY AWARENESS	4.61	5.13
38	CONSULTATION	5.89	5.96
<b>6. HR Acumen</b>		<b>4.85</b>	<b>5.01</b>
29	EXPERTISE IN PERFORMANCE MANAGEMENT	5.44	5.43
33	KNOWLEDGE OF EMPLOYMENT LEGISLATION	5.14	5.74
36	EXPERTISE IN REMUNERATION AND REWARD	4.50	4.30
39	EXPERTISE IN RECRUITMENT AND SELECTION	5.00	5.26
40	EXPERTISE IN HEALTH AND SAFETY	4.47	4.17
43	EXPERTISE IN TRAINING AND DEVELOPMENT	4.56	5.13
<b>7. Self Belief &amp; Social Factors</b>		<b>5.88</b>	<b>6.01</b>
5	EMPATHY	5.83	5.65
6	RESILIENCE	5.86	6.30
8	CONFLICT RESOLUTION	5.72	6.09
10	SENSE OF HUMOUR	5.17	5.13
23	APPROACHABLE	6.28	6.26
25	ASSERTIVENESS	5.86	6.13
26	PROFESSIONAL INTEGRITY	6.50	6.61
28	SELF-CONFIDENCE	5.92	6.22
32	ACCOUNTABILITY	6.19	6.22
34	COMMUNICATION	6.33	6.43
37	CURIOSITY	5.14	4.78
44	ABILITY TO WORK AUTONOMOUSLY	5.78	6.35

Note: Highlighted cells denote the HR competency with the highest average importance ratings between the two HR groups.